Information Memorandum

Bank of Queensland Limited

(ABN 32 009 656 740)

(Incorporated with limited liability in the Commonwealth of Australia)

U.S.$4,000,000,000
Euro Medium Term Note Programme

Arranger

UBS Investment Bank

Dealers

Barclays
Deutsche Bank
J.P. Morgan
Macquarie Bank Limited
Nomura
The Royal Bank of Scotland
UBS Investment Bank
Westpac Banking Corporation

The date of this Information Memorandum is 9 December 2015

This Information Memorandum comprises a base prospectus for the purpose of Article 5.4 of Directive 2003/71/EC as amended (which includes the amendments made by Directive 2010/73/EU to the extent that such amendments have been implemented in a relevant Member State of the European Economic Area (the "**Prospectus Directive**"), replaces and supersedes the Information Memorandum dated 12 December 2014 describing the Programme (as defined below). Any Notes (as defined below) issued under the Programme on or after the date of this Information Memorandum are issued subject to the provisions contained herein. This does not affect any Notes already issued.

Under the Euro Medium Term Note Programme described in this Information Memorandum (the "**Programme**"), Bank of Queensland Limited (ABN 32 009 656 740) (the "**Issuer**" or the "**Bank**"), subject to compliance with all relevant laws, regulations and directives, may from time to time issue Euro Medium Term Notes (the "**Notes**"). The aggregate nominal amount of Notes outstanding will not at any time exceed U.S.$4,000,000,000 (or the equivalent in other currencies) or such higher amount as may be agreed by the Issuer and the Dealers (as defined in "**Subscription and Sale**").

Notes will be issued in one or more series (each a "**Series**"). Each Series shall be in bearer form and may be issued in one or more tranches (each a "**Tranche**") on different issue dates. Notes of each Series will have the same maturity date, bear interest on the same basis and at the same rate and be issued on terms otherwise identical (except in relation to interest commencement dates and matters related thereto).

Each Tranche of Notes will be represented on issue by a temporary global note (each a "**Temporary Global Note**") which may be deposited on the issue date with a common depositary on behalf of Euroclear Bank S.A./N.V. ("**Euroclear**") and Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**") and/or any other agreed clearing system. The provisions governing the exchange of interests in Temporary Global Notes for permanent global notes (each a "**Permanent Global Note**") and Definitive Notes are described in Form of the Notes.

Application has been made to the Financial Conduct Authority in its capacity as competent authority (the "**UK Listing Authority**") for Notes issued under the Programme during the period of 12 months from the date of this Information Memorandum to be admitted to the official list of the UK Listing Authority (the "**Official List**") and to the London Stock Exchange plc (the "**London Stock Exchange**") for such Notes to be admitted to trading on the London Stock Exchange's regulated market. References in this Information Memorandum to Notes being "**listed**" (and related references) on the London Stock Exchange shall mean that such Notes have been admitted to trading on the London Stock Exchange's regulated market and have been admitted to the Official List. The London Stock Exchange's regulated market is a regulated market for the purposes of the Markets in Financial Instruments Directive (Directive 2004/39/EC). Notice of the aggregate nominal amount of, interest (if any) payable in respect of, the issue price of, and certain other information which is applicable to, the Notes of each Tranche will be set forth in the applicable Final Terms (the "**Final Terms**") which, with respect to Notes to be listed on the London Stock Exchange, will be delivered to the UK Listing Authority and the London Stock Exchange on or before the date of issue of the Notes of such Tranche. Copies of Final Terms in relation to Notes to be listed on the London Stock Exchange will also be published on the website of the London Stock Exchange through a regulatory information service.

The Issuer has a long term credit rating of A3 by Moody's Investors Service Pty. Limited ("**Moody's**"), A- by Fitch Australia Pty. Ltd. ("**Fitch**") and A- by Standard & Poor's (Australia) Pty. Limited ("**S&P**") and a short term credit rating of P-2 by Moody's, F2 by Fitch and A-2 by S&P. The Programme has been rated A- in respect of long-term unsecured and unsubordinated notes; and A-2 in respect of short-term unsecured and unsubordinated notes, respectively, by S&P. None of these entities are registered in the European Union or have applied for registration under Regulation (EC) No. 1060/2009 (as amended) (the "**CRA Regulation**"). Standard & Poor's Credit Market Services Europe

Limited, Fitch Ratings Limited and Moody's Investor Services Limited are established in the European Union and are registered under the CRA Regulation to endorse the ratings given by Standard & Poor's (Australia) Pty Ltd, Fitch Australia Pty Limited and Moody's Investor Services Pty Limited, respectively. In a report dated 18 April 2012 the European Securities and Markets Authority concluded that, overall, the Australian legal and supervisory framework is equivalent to the EU regulatory regime for credit rating agencies according to what is provided for in Art. 5(6) of the CRA Regulation[1]. Notes issued under the Programme may be rated or unrated by S&P. Where a Tranche of Notes is rated, such rating will be disclosed in the Final Terms and will not necessarily be the same as the rating assigned to the Programme by S&P. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency. In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Union and registered under the CRA Regulation unless the rating is provided by a credit rating agency operating in the European Union before 7 June 2010 which has submitted an application for registration in accordance with the CRA Regulation and such registration is not refused.

Subject as provided in the applicable Final Terms, the only persons authorised to use this Information Memorandum in connection with an offer of Notes are the persons named in the applicable Final Terms as the relevant Dealer or the Managers, as the case may be.

Copies of each Final Terms will be available from FT Business Research Centre operated by FT Interactive Data at Fitzroy House, 13-17 Epworth Street, London EC2A 4DL (in the case of Notes admitted to the Official List and to trading by the London Stock Exchange only) and from the specified office of each of the Paying Agents (as defined below).

The Issuer (the "**Responsible Person**") accepts responsibility for the information contained in this Information Memorandum and the applicable Final Terms for each Tranche of Notes issued under the Programme. To the best of the knowledge and belief of the Issuer (which has taken all reasonable care to ensure that such is the case), the information contained in this Information Memorandum is in accordance with the facts and does not omit anything likely to affect the import of such information.

No person is or has been authorised by the Issuer to give any information or to make any representation not contained in or not consistent with this Information Memorandum or any other information supplied in connection with the Programme or the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, any of the Dealers or the Arranger (as defined in "**Overview of the Programme**"). Neither the delivery of this Information Memorandum nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer or its Subsidiaries (as defined below) taken as a whole (the "**Group**") since the date hereof or the date upon which this Information Memorandum has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Issuer or the Group since the date hereof or the date upon which this Information Memorandum has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The distribution of this Information Memorandum and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Information Memorandum comes are required by the Issuer, the Dealers and the Arranger to inform themselves about and to

[1] The Issuer confirms that the information contained in this report has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by the European Securities and Markets Authority, no facts have been omitted which would render the reproduced information inaccurate or misleading.

observe any such restriction. The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") and are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons. For a description of certain restrictions on offers and sales of Notes and on distribution of this Information Memorandum, see "*Subscription and Sale*".

This Information Memorandum does not constitute an offer of, or an invitation by or on behalf of the Issuer or the Dealers to subscribe for, or purchase, any Notes.

Neither the Arranger nor the Dealers have independently verified the information contained in this Information Memorandum. None of the Dealers or the Arranger makes any representation, express or implied, or accepts any responsibility or liability, with respect to the accuracy or completeness of any of the information contained or incorporated in this Information Memorandum or any other information provided by the Issuer in connection with the Programme. Neither this Information Memorandum nor any other financial statements are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation or a statement of opinion, or a report of either of those things, by any of the Issuer, the Arranger or the Dealers that any recipient of this Information Memorandum or any other financial statements should purchase any of the Notes. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this Information Memorandum and its purchase of Notes should be based upon such investigation as it deems necessary. None of the Dealers or the Arranger undertakes to review the financial condition or affairs of the Issuer during the life of the arrangements contemplated by this Information Memorandum nor to advise any investor or potential investor in any Notes of any information coming to the attention of any of the Dealers or the Arranger. None of the Dealers or the Arranger accepts any liability in relation to the information contained or incorporated by reference in this Information Memorandum or any other information provided by the Issuer in connection with the Programme.

This Information Memorandum has been prepared on the basis that would permit an offer of Notes with a denomination of less than €100,000 (or its equivalent in any other currency) only in circumstances where there is an exemption from the obligation under the Prospectus Directive to publish a prospectus. As a result, any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**") must be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of Notes. Accordingly any person making or intending to make an offer of Notes in that Relevant Member State may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in circumstances in which an obligation arises for the Issuer or any Dealer to publish or supplement a prospectus for such offer.

The Notes may not be a suitable investment for all investors. Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor may wish to consider, either on its own or with the help of its financial and other professional advisers, whether it:

(i) has sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Information Memorandum or any applicable supplement;

(ii) has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;

(iii) has sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes where the currency for principal or interest payments is different from the potential investor's currency;

(iv) understands thoroughly the terms of the Notes and is familiar with the behaviour of any relevant indices and financial markets; and

(v) is able to evaluate possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Legal investment considerations may restrict certain investments as the investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

In connection with the issue of any Tranche of Notes, one or more relevant Dealers (the "**Stabilising Manager(s)**") (or persons acting on behalf of any Stabilising Manager(s)) may, outside Australia and on a financial market operated outside Australia, over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager(s)) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager(s)) in accordance with all applicable laws and rules.

The financial information included in this Information Memorandum has not been prepared in accordance with the international accounting standards (the "**International Accounting Standards**") adopted pursuant to the procedure of Article 3 of Regulation (EC) No 1606/2002 and there may be material differences in the financial information had Regulation (EC) No 1606/2002 been applied to the historical financial information.

In this Information Memorandum, unless otherwise specified or the context otherwise requires, references to "**U.S. dollars**", "**U.S.$**" and "**cents**" are to the currency of the United States of America, to "**A$**", "**$**" and "**dollars**" are to the currency of the Commonwealth of Australia, to "**£**" and "**Sterling**" are to the currency of the United Kingdom and to "**euro**", "**EUR**" and "**€**" are to the currency introduced at the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended.

Documents Incorporated by Reference

The following documents which have previously been published shall be incorporated in, and form part of, this Information Memorandum:

- the Financial Accounts for the years ended 31 August 2014 and 31 August 2015 (including the auditors' report, the audited consolidated financial statements of the Issuer in respect of the years ended 31 August 2014 and 31 August 2015 and notes thereon) as set out from page 35 to page 115 of the 2014 Annual Report and from page 69 to page 139 of the 2015 Annual Report; and

- the Terms and Conditions of the Notes contained in the previous Information Memorandum dated 15 December 2006, pages 15 to 33 (inclusive), in the previous Information Memorandum dated 18 December 2008, pages 21 to 40 (inclusive), in the previous Information Memorandum dated 21 December 2009, pages 23 to 42 (inclusive), in the previous Information Memorandum dated 17 December 2010, pages 22 to 41 (inclusive), in the previous Information Memorandum dated 6 December 2011, pages 25 to 48 (inclusive), in the previous Information Memorandum dated 19 December 2012, pages 29 to 51 (inclusive), in the previous Information Memorandum dated 26 February 2014, pages 30 to 54 (inclusive) and in the previous Information Memorandum dated 12 December 2014, pages 30 to 51 (inclusive) prepared by the Issuer in connection with the Programme.

Following the publication of this Information Memorandum a supplement may be prepared by the Issuer and approved by the UK Listing Authority in accordance with Article 16 of the Prospectus Directive. Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Information Memorandum or in a document which is incorporated by reference in this Information Memorandum. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Information Memorandum and are available for viewing at http://www.boq.com.au/shareholder_debt_programmes.htm.

Copies of documents incorporated by reference in this Information Memorandum can be obtained from the registered office of the Issuer and from the specified office of the Paying Agent for the time being in London, set out at the end of this Information Memorandum. In addition, copies of this Information Memorandum and each document incorporated by reference herein are available on the London Stock Exchange's website at http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html.

Any internet site addresses in this Information Memorandum are included for reference only and the contents of any such internet sites are not incorporated by reference into, and do not form part of, this Information Memorandum. Any document incorporated by reference in any of the documents described above does not form part of this Information Memorandum. Any non-incorporated parts of a document referred to herein are either deemed not relevant for an investor or are otherwise covered elsewhere in this Information Memorandum.

Supplemental Information Memorandum

The Issuer will, in the event of any significant new factor, material mistake or inaccuracy relating to information included in this Information Memorandum which is capable of affecting the assessment of any Notes, prepare a supplement to this Information Memorandum or publish a new Information

Memorandum for use in connection with any subsequent issue of Notes. The Issuer has undertaken to the Dealers in the Dealer Agreement (as defined in "*Subscription and Sale*") that it will comply with section 87G of the Financial Services and Markets Act 2000 (as amended) ("**FSMA**").

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Overview of the Programme

The following overview is qualified in its entirety by the remainder of this Information Memorandum and, in relation to the terms and conditions of any Tranche, by the applicable Final Terms. Words and expressions defined in the "Terms and Conditions of the Notes" shall have the same meanings in this summary.

Issuer:	Bank of Queensland Limited (ABN 32 009 656 740)
Description:	Euro Medium Term Note Programme
Size:	Up to U.S.$4,000,000,000 (or the equivalent in other currencies at the date of issue) aggregate nominal amount of Notes outstanding at any one time.
Arranger:	UBS Limited
Dealers:	Barclays Bank PLC Deutsche Bank AG, London Branch J.P. Morgan Securities plc Macquarie Bank Limited (ABN 46 008 583 542) Nomura International plc The Royal Bank of Scotland plc UBS Limited Westpac Banking Corporation (ABN 33 007 457 141) The Issuer may from time to time terminate the appointment of any Dealer under the Programme or appoint additional dealers either in respect of one or more Tranches or in respect of the whole Programme.
Agent:	Citibank, N.A., London Branch
Method of Issue:	The Notes will be issued on a syndicated or non-syndicated basis. The Notes will be issued in Series having one or more issue dates and on terms otherwise identical (or identical other than in respect of the interest commencement date and related matters), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in Tranches on the same or different issue dates. The specific terms of each Tranche (which will be supplemented, where necessary, with supplemental terms and conditions and, save in respect of the issue date, issue price, first payment of interest and nominal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be set out in a Final Terms.
Issue Price:	Notes may be issued at their nominal amount or at a discount or premium to their nominal amount.

Form of Notes: The Notes will be issued in bearer form only. Each Tranche of Notes will be represented on issue by a Temporary Global Note which will be deposited on the issue date with a common depositary on behalf of Euroclear and Clearstream, Luxembourg and/or any other agreed clearing system and which will be exchangeable, upon request, as described therein for either a Permanent Global Note or Definitive Notes (as indicated in the applicable Final Terms and subject, in the case of Definitive Notes, to such notice period as is specified in the applicable Final Terms) in each case not earlier than 40 days after the issue date upon certification of non-U.S. beneficial ownership as required by U.S. Treasury regulations. A Permanent Global Note will be exchangeable for Definitive Notes (as specified in the applicable Final Terms), either (i) upon not less than 60 days' written notice from Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Global Note) to the Agent as described therein[2] or (ii) upon the occurrence of an Exchange Event (as defined in "*Form of the Notes*" below). Any interest in a Global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear and/or Clearstream, Luxembourg and/or any other agreed clearing system, as appropriate.

Clearing Systems: Euroclear, Clearstream, Luxembourg and, in relation to any Tranche, such other clearing system as may be agreed between the Issuer, the relevant Dealer(s) and the Agent.

Initial Delivery of Notes: Temporary Global Notes may be deposited with Euroclear and/or Clearstream, Luxembourg or any other clearing system or may be delivered outside any clearing system provided that the method of such delivery has been agreed in advance by the Issuer, the relevant Dealer(s) and the Agent.

Currencies: Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in Australian dollars, Canadian dollars, Danish kroner, euro, Hong Kong dollars, New Zealand dollars, Sterling, Swedish kronor, Swiss francs or U.S. dollars or in other currencies if the Issuer and the relevant Dealer(s) so agree.

Maturities: Such maturities as may be agreed between the Issuer and the relevant Dealer(s) and as indicated in the applicable Final Terms, subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the Issuer or the relevant currency.

At the date of this Information Memorandum, the minimum maturity of all Notes is one month.

Notes having a maturity of less than one year will, if the proceeds of the issue are accepted in the United Kingdom, constitute deposits for

[2] The exchange upon notice option should not be expressed to be applicable if the Notes have a denomination consisting of the minimum Specified Denomination plus a higher integral multiple of another smaller amount.

	the purposes of the prohibition on accepting deposits contained in section 19 of the FSMA unless they are issued to a limited class of professional investors and have a denomination of at least £100,000 or its equivalent, see "*Subscription and Sale*".
Denomination:	Notes will be issued in such denominations as may be agreed between the Issuer and the relevant Dealer and as indicated in the applicable Final Terms save that the minimum denomination of each Note will be such as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency (see also "*Currencies*" above) and save that the minimum denomination of each Note admitted to trading on a regulated market within the European Economic Area or offered to the public in a Member State of the European Economic Area in circumstances which otherwise require the publication of a prospectus under the Prospectus Directive will be €100,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency).
Fixed Rate Notes:	Fixed interest will be payable in arrear on such date or dates in each year as may be agreed between the Issuer and the relevant Dealer(s) and on redemption and will be calculated on the basis of such Day Count Fraction as may be agreed between the Issuer and the relevant Dealer(s).
Floating Rate Notes:	Floating Rate Notes will bear interest at a rate determined: (i) on the same basis as the floating rate under a notional interest-rate swap transaction in the relevant currency governed by an agreement incorporating the 2006 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc., and as amended and updated as at the issue date of the first Tranche of the Notes of the relevant Series); or (ii) on the basis of a reference rate set out in the applicable Final Terms. The margin (if any) relating to such floating rate will be agreed between the Issuer and the relevant Dealer(s) for each Series of Floating Rate Notes.
Other provisions in relation to Floating Rate Notes:	Floating Rate Notes may also have a maximum interest rate, a minimum interest rate or both. Interest on Floating Rate Notes in respect of each Interest Period, as selected prior to issue by the Issuer and the relevant Dealer(s), will be payable on such Interest Payment Dates as are specified in, or determined pursuant to, the applicable Final Terms and will be calculated on the basis of such Day Count Fraction as may be agreed by the Issuer and the relevant Dealer(s).

Zero Coupon Notes: Zero Coupon Notes will not bear interest and will be offered and sold at a discount to their nominal amount unless otherwise specified in the applicable Final Terms.

Redemption: The Final Terms relating to each Tranche of Notes will indicate either that the Notes of such Tranche cannot be redeemed prior to their stated maturity or that such Notes will be redeemable at the option of the Issuer and/or the Noteholders upon giving not less than 15 nor more than 30 days' irrevocable notice (or such other notice period (if any) as is indicated in the applicable Final Terms) to the Noteholders or the Issuer, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices and on such terms as are indicated in the applicable Final Terms. The Notes will also be redeemable for taxation reasons or following an Event of Default.

Status of the Notes: Notes and any relevant Coupons will be direct, unconditional, unsubordinated and (subject to Condition 3) unsecured obligations of the Issuer and (subject as provided above) will rank *pari passu*, without any preference among themselves, with all other outstanding unsecured and unsubordinated obligations of the Issuer, present and future (other than obligations preferred by mandatory provisions of law) - see Condition 2.

The Issuer is an "authorised deposit-taking institution" ("**ADI**") as that term is defined under the Banking Act 1959 of Australia ("**Banking Act**").

Section 13A(3) of the Banking Act provides that the assets of an ADI in Australia would, in the event of the ADI becoming unable to meet its obligations or suspending payment, be available to meet certain liabilities in priority to all other liabilities of that ADI. The liabilities which have priority, by virtue of section 13A(3) of the Banking Act, to the claims of holders in respect of the Notes will be substantial, as such liabilities include (but are not limited to) liabilities owed to the Australian Prudential Regulation Authority ("**APRA**") in respect of any payments by APRA to holders of protected accounts held with that ADI under the Banking Act, the costs of APRA in certain circumstances, liabilities in Australia owed to holders of protected accounts held with that ADI, debts due to the Reserve Bank of Australia ("**RBA**") and liabilities under certified industry support contracts. A "protected account" is an account or covered financial product that is kept by an account-holder (whether alone or jointly with one or more other account-holders) with an ADI and is either:

(i) an account, or covered financial product, that is kept under an agreement between the account-holder and the ADI requiring the ADI to pay the account-holder, on demand by the account-holder or at an agreed time by them, the net credit balance of the account or covered financial product at the time of the demand or the agreed time (as appropriate); or

(ii) an account prescribed by regulations for the purposes of section 5(4)(a) of the Banking Act.

For the purposes of section 13A(3) of the Banking Act, the assets of the ADI do not include any interest in an asset (or a part of an asset) in a cover pool (as defined in the Banking Act) that may have been established by that ADI for the issuance of any covered bonds.

Under Section 16(2) of the Banking Act, certain other debts due to APRA shall, in a winding-up of an ADI have, subject to section 13A(3) of the Banking Act, priority over all other unsecured debts of the ADI. Further, under section 86 of the Reserve Bank Act 1959 of Australia, debts due by an ADI to the RBA shall, in a winding-up of that ADI, have, subject to section 13A(3) of the Banking Act, priority over all other debts of that ADI.

The Notes would not constitute a protected account under such statutory provisions.

Negative Pledge: The terms of the Notes will contain a negative pledge provision as further described in Condition 3.

Cross Default/Acceleration: Not applicable.

Withholding Tax: All payments in respect of the Notes and Coupons by the Issuer will be made without withholding or deduction for or on account of withholding taxes of the Commonwealth of Australia or the State of Queensland unless the withholding or deduction of such taxes is required by law. In that event, the Issuer will (subject to certain exceptions) pay such additional amounts as will result in the holders of Notes or Coupons receiving such amounts as they would have received in respect of such Notes or Coupons had no such withholding or deduction been required, all as more fully described in Condition 7.

All payments in respect of the Notes will be made subject to any withholding or deduction required pursuant to FATCA (as defined in "*Risk Factors*"), any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto, as provided in Condition 5(a).

Governing Law: English.

Rating: The Issuer has a long term credit rating of A3 by Moody's, A- by Fitch and A- by S&P and a short term credit rating of P-2 by Moody's, F2 by Fitch and A-2 by S&P. The Programme has been rated A- in respect of long-term unsecured and unsubordinated notes; and A-2 in respect of short-term unsecured and unsubordinated notes, respectively, by S&P. Standard & Poor's Credit Market Services Europe Limited, Fitch Ratings Limited and Moody's Investor Services Limited are established in the European Union and are registered under the CRA Regulation to endorse the ratings given by Standard & Poor's (Australia) Pty Ltd, Fitch Australia

Pty Limited and Moody's Investor Services Pty Limited, respectively. In a report dated 18 April 2012 the European Securities and Markets Authority concluded that, overall, the Australian legal and supervisory framework is equivalent to the EU regulatory regime for credit rating agencies according to what is provided for in Art. 5(6) of the CRA Regulation.

Series of Notes issued under the Programme may be rated or unrated. Where a Series of Notes is rated, such rating will be disclosed in the applicable Final Terms and will not necessarily be the same as the ratings assigned to the Programme. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Listing:

Application has been made for Notes issued under the Programme to be listed on the London Stock Exchange. The Notes may also be listed on such other or further stock exchange(s) as may be agreed between the Issuer and the relevant Dealer in relation to each Series.

Unlisted Notes may also be issued.

The Final Terms relating to each Tranche of Notes will state whether or not and, if so, on which stock exchange(s) the Notes are to be listed.

The Dealer Agreement provides that, if the maintenance of the listing of any Notes has, in the opinion of the Issuer, become unduly onerous for any reason whatsoever, the Issuer shall be entitled to terminate such listing subject to its using its best endeavours promptly to list or admit to trading the Notes on an alternative stock exchange, within or outside the European Union, to be agreed between the Issuer and the relevant Dealer.

Selling Restrictions:

United States, European Economic Area, (including the United Kingdom and the Netherlands), the Commonwealth of Australia, Switzerland, Hong Kong and Singapore and such other jurisdictions as may be required in connection with the offering and sale of a particular Tranche of Notes. See "*Subscription and Sale*".

The Issuer is Category 2 for the purposes of Regulation S under the Securities Act. TEFRA D will apply.

Risk Factors

The Issuer believes that the following factors may affect its ability to fulfill its obligations under Notes issued under the Programme. These factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.

In addition, factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.

The Issuer believes that the factors described below represent the principal risks inherent in investing in Notes issued under the Programme, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons which may not be considered significant risks by the Issuer. Prospective investors should also read the detailed information set out elsewhere in this Information Memorandum and reach their own views prior to making any investment decision.

Factors that may affect the Issuer's ability to fulfil its obligations under Notes issued under the Programme

Risks relating to the Bank

Set out below are the risks associated with an investment in Notes issued by the Bank.

Market risk

Market risk is the risk that movements in market rates, prices and credit spreads will result in a loss of earnings to the Bank.

Funding and liquidity risk

The Bank has made progress in strengthening the balance sheet, creating a sustainable funding profile and improving internal capital generation. Three rating agencies revised their long term debt ratings for the Bank during 2013/2014. S&P upgraded their long-term rating to A-, Moody's upgraded their long-term rating to A3 and Fitch upgraded their long-term rating to A-. All noted the improved balance sheet and capital strength of the Bank.

The upgrades, supported by improvement in term funding markets, have provided opportunities for the Bank to further diversify funding sources and manage all liabilities to maximise interest margins, which has been a key driver of income growth. Significant value was achieved over the year as the Bank reduced its reliance on high cost, price sensitive segments of the retail deposit market. The Bank has also deepened its penetration of middle market customers as the recent upgrades widen its liability eligibility across investment portfolios.

During 2015 customer deposits grew by $0.8 billion to $26.9 billion, resulting in a deposit to loan ratio of 66 per cent. The BOQ Specialist business was more than fully funded by retail deposits, a significant portion being at higher cost. In line with the strategy announced at the date of acquisition of the BOQ Specialist, these deposits were re-priced at expiry to BOQ Group levels at materially lower spreads. Despite the lower spreads paid, the Bank was able to raise sufficient retail funding through the channel to fund the additional asset growth achieved.

This, together with significant work on improving the deposit mix under the evolution of the new Basel III APS 210 Liquidity Standard, allowed the physical holding of liquid assets to be reduced by approximately $1 billion. The year end Liquidity Coverage Ratio ("**LCR**") was 125 per cent. The

improvement in the retail deposit mix reduced reliance on more price sensitive, higher cost and less stable deposits.

Over the financial year the Bank has continued to strengthen the Bank's customer deposit base, maintained the Bank's short-term funding in line with previous periods, and have continued to build out the Bank's long-term wholesale funding profile with additional long-term wholesale issuance of $3.1 billion.

This includes two new benchmark term senior debt issues being a $600 million five year issue in November 2014 and a $500 million 2.25 year issue in February 2015. This has further extended the Bank's domestic debt yield curve. The balance of long-term wholesale funding came through securitisation issues, various term senior debt private placements and additional issuance into current senior term debt lines.

During the financial year the Bank issued $1.7 billion of securitisation funding with the completion of the Series 2014-1 REDS EHP Trust and Series 2015-1 REDS Trust transactions. The total level of long term wholesale funding has slightly decreased year on year due to securitisation run-off. Post balance date, the overall long-term wholesale funding balance has been maintained with a $750 million REDS EHP transaction in September 2015, replacing the securitisation run-off.

The Bank maintains a portfolio of high quality, diversified liquid assets to facilitate balance sheet liquidity needs and meet internal and regulatory requirements. The Bank was granted a Reserve Bank of Australia ("**RBA**") Committed Liquidity Facility ("**CLF**") sufficient to enable the Bank to meet its regulatory minimum requirement of 100 per cent. of the Liquidity Coverage Ratio from 1 January 2015.

As at 31 August 2015 the LCR was 125 per cent. with liquid assets contributing to the LCR of $5.5 billion. LCR has increased slightly over the past 6 months from 122 per cent. at half year to 125 per cent. at year end. 2015 saw liquidity management rebased for the new Basel III APS 210 Liquidity Standard.

Significant work was undertaken on improving the deposit mix with a focus on products and customer relationships with low liquidity run-off factors under the new standard. As a result, liquid asset holdings were able to be reduced, whilst enabling management within target LCR ranges to be achieved. Liquid Assets have also reduced over the year with the retirement of the BOQ Specialist ADI licence resulting in a material reduction in the level of liquid assets held.

In addition to the liquid assets that contribute to the LCR, as at 31 August 2015 the Bank also held securities relating to an internal securitisation of $2.6 billion which are currently eligible for repurchase arrangements with the RBA as a source of contingent liquidity in the event of a crisis scenario. Significant further liquidity is also available with a material proportion of the Bank's retail lending assets eligible to be placed as collateral into this structure in a crisis scenario.

If the Bank's sources of funding prove to be insufficient or so expensive as to be uncompetitive, it may be forced to seek alternative funding arrangements or curtail its business operations and limit loan growth. The ability for the Bank to secure alternative funding will depend on a variety of factors, including prevailing market conditions, the availability of credit and the Bank's credit ratings.

Interest rate risk arises from a variety of sources, including mismatches between the repricing periods of assets and liabilities. As a result of these mismatches, movements in interest rates may affect earnings or the value of the Bank.

Currency risk is the risk of loss of earnings due to adverse movements in foreign exchange rates. The Bank's foreign exchange rate exposures are managed through detailed policies set by the Board and monitored by the Bank's Asset and Liability Committee and the Bank's treasury department.

Counterparty risk is the risk that the Bank's counterparties are unable to honour their contractual obligations. A counterparty may default on its obligations due to bankruptcy, lack of liquidity, operational failure or other reasons. This risk may arise, for example, from entering into swap contracts under which counterparties have obligations to make payments to the Bank executing trades that fail to settle at the required time due to non-delivery by the counterparty or systems failure by clearing agents, exchanges, clearing houses or other financial intermediaries. Such counterparty risk is more acute in difficult market conditions where the risk of failure of counterparties is higher.

The Bank continues to review its pricing model and funding mix in light of market conditions to ensure products are appropriately priced.

Credit and impairment risk

As a financial institution, the Bank is exposed to the risks associated with extending credit to other parties. Credit risk is the risk of financial loss arising from a debtor or counterparty failing to meet their contractual debts and obligations or the failure to recover the recorded value of secured assets.

The Bank's lending activities cover a broad range of sectors, customers and products, including mortgages, consumer loans, commercial loans (including commercial property), equipment finance, vendor finance, debtor finance and other finance products. Less favourable economic or business conditions or deterioration in commercial and residential property markets, whether generally or in a specific industry sector or geographic region, could cause customers to experience an adverse financial situation, thereby exposing the Bank to the increased risk that those customers will fail to meet their obligations in accordance with agreed terms.

A weakening of the real estate market in Australia or Queensland may adversely affect the Bank's business, operations and financial condition

Residential and commercial property lending, together with property finance, including real estate development and investment property finance, constitute important businesses to the Bank. Large decreases in property valuations may increase losses on the loan portfolio and also decrease asset growth from new lending. This could adversely impact earnings.

Operational risk

Operational risk is the risk of loss, other than those captured in the credit and market risk categories, resulting from inadequate or failed internal processes, people or systems, or from external events. The Bank is exposed to a variety of risks including those arising from process error, fraud, technology failure, security and physical protection, franchise agreements entered into with owners of Owner Managed Branches ("**OMBs**"), customer services, staff skills and performance and product development and maintenance. The Bank manages this risk through appropriate reporting lines, defined responsibilities, policies and procedures and an operational risk program incorporating regular risk monitoring and reporting by each business unit. Operational risks are documented in risk databases which provide the basis for business unit and bank-wide risk profiles, the latter being reported to the Board on a regular basis. Although these steps are in place, there is no guarantee that the Bank will not suffer loss as a result of these risks.

The Bank's ability to attract and retain suitably qualified and skilled employees is an important factor in achieving its strategic objectives. The Bank may in the future have difficulty attracting highly

qualified people to fill important roles, which could adversely affect its business, operations and financial condition.

Notwithstanding anything in this risk factor, this risk factor should not be taken as implying that either the Issuer or the Group will be unable to comply with its obligations as a company with securities admitted to the Official List.

Insurance business

St Andrew's Insurance provides consumer credit insurance and life insurance. These insurance contracts involve the acceptance of significant insurance risk including those where the insured benefit is payable on the occurrence of a specified event such as death, injury or disability caused by accident or illness, or involuntary unemployment. The insured benefit is not linked to the market value of the investments held for the purpose of meeting that benefit and any financial risks are substantially borne by the separately prudentially regulated insurance entities within the Group, of which the Bank is the ultimate shareholder. This risk is largely mitigated by the insurance entities employing conservative investment strategies with little capital value at risk. Any reduction in the value of those investments and any increase in claims could adversely affect the financial performance and position of the insurance entities and the Group. In such an event, the Group's provisions for insurance liabilities may prove inadequate to cover the ultimate liability for claims or other policy benefits, which may adversely affect the financial performance and position of the Bank.

Reliance on external parties

The Bank's operations depend on performance by a number of external parties under contractual arrangements with the Bank. Non-performance of contractual obligations and poor operational performance of OMBs may have an adverse effect on the Bank's business and financial performance. In addition, the Bank outsources a number of operational services such as information technology and banking platforms, and a number of customer facing products such as Automatic Teller Machines ("**ATMs**"), credit cards, general insurance products and wealth management services. Although the Bank has taken steps to protect it from the effects of defaults under these arrangements, such defaults may have an adverse effect on the Bank's business continuity and financial performance.

Changes in regulation and government policy

The Bank is subject to substantial regulatory and legal oversight in Australia. The agencies with regulatory oversight of the Bank and its subsidiaries include, among others, APRA, the RBA, the Australian Competition and Consumer Commission, ASX Limited (ABN 98 008 624 691) ("**ASX**") and the Australian Securities and Investments Commission ("**ASIC**") and the Australian Transaction Reports and Analysis Centre. Failure to comply with legal and regulatory requirements may have a material adverse effect on the Bank and its reputation among customers and regulators and in the market. It could potentially result in regulatory sanctions (including restrictions on or loss of licenses), legal action, increased capital requirements, fines and other penalties. Changes to laws, regulations, policies or accounting standards, including changes in interpretation or implementation of laws, regulations, policies or accounting standards, could affect the Bank in substantial and unpredictable ways. These may include required levels, or the measurement, of bank liquidity and capital adequacy, limiting the types of financial services and products that can be offered, and/or reducing the fees which banks can charge on their financial services.

Basel III

Basel III is a comprehensive set of reform measures, developed by the Basel Committee, to strengthen the regulation, supervision and risk management of the banking sector globally.

APRA implemented the base capital requirements of Basel III on 1 January 2013 which included increasing minimum capital requirements, re-defining certain types of capital, implementing a stricter approach to deductions from regulatory capital and capital requirements for counterparty credit risk.

From 1 January 2015, APRA implemented the Basel III Liquidity Coverage Ratio requirement, which requires ADIs to hold high quality liquidity assets ("**HQLA**") to meet its net cash outflows under a severe stress scenario lasting 30 days (see "*RBA's release of legal documentation for a Committed Liquidity Facility*" below).

From 1 January 2016, APRA will require ADIs to maintain a capital conservation buffer (of 2.5 per cent. of risk weighted assets unless otherwise determined by APRA) above Basel III minimum requirements and APRA will also have the discretion, from that date, to apply a countercyclical buffer (of up to 2.5 per cent. of risk weighted assets).

APRA has also announced that it plans to introduce a net stable funding ratio from 1 January 2018. The net stable funding ratio is a 12 month structural funding metric, requiring that 'available stable funding' is sufficient to cover 'required stable funding', where 'stable' funding has an actual or assumed maturity of greater than 12 months. In addition, APRA has also announced its proposal to introduce a specific required stable funding factor for assets held by ADIs as collateral for their CLF (see "*RBA's release of legal documentation for a Committed Liquidity Facility*" below). This will approximate the factor that would apply if adequate supplies of HQLA were available in Australia.

These new rules may result in changes to the Bank's capital adequacy ratio.

LAGIC

APRA has implemented revised capital standards for general insurers and life insurers, referred to as Life and General Insurance Capital Standards ("**LAGIC**"). The intention of LAGIC is to bring greater consistency and risk sensitivity to capital frameworks for general insurers and life insurers, effectively equivalent to regulatory capital requirements for ADIs. Future changes to the standards may require changes to investment and reinsurance arrangements as well as to the capital held by St. Andrew's Insurance.

RBA's release of legal documentation for a Committed Liquidity Facility

In response to the limited supply of Australian Government and semi-government securities, APRA and the RBA have allowed ADIs, if approved by APRA, to establish a committed secured liquidity facility ("**CLF**") with the RBA (which is an Alternative Liquidity Approach (ALA) (defined in the Basel III liquidity rules) that expands the regulatory definition of HQLA in jurisdictions where there is a structural shortfall of otherwise Basel III-qualifying HQLA, as is the case in Australia.

In September 2014, the RBA released legal documentation for a CLF, including the terms and conditions of the CLF ("**CLF Terms and Conditions**"). The commitment of the RBA under a CLF to the relevant participating ADI ("**CLF Participant**") will be available on and from 1 January 2015, with the applicable commitment fee set at 0.15 per cent. per month and the drawn rate currently set at 0.25 per cent. plus the cash rate for non-intra day trades. The committed amount under a CLF will be as determined by APRA in accordance with the process advised by APRA in August 2014, and notified to the CLF Participant and the RBA. The Bank has applied for, and has been granted access to, the CLF.

A CLF is terminable by the relevant CLF Participant on not less than 1 months' notice and by the RBA on not less than 12 months' notice.

If there is any failure of, or breach by, the RBA in respect of a CLF, the liability of the RBA to the relevant CLF Participant in respect of claims regarding the CLF is expressly limited and, notwithstanding such limitations, is capped at A$50 million in aggregate.

Amounts owing to the RBA in respect of a CLF by the relevant CLF Participant (which may include, without limitation, fees due but unpaid and amounts owing under an indemnity provided by the CLF participant under the CLF Terms and Conditions) may, in a winding-up of the CLF Participant, be mandatorily preferred over certain other debts of the CLF Participant (including, pursuant to section 13A(3)(d) of the Banking Act 1959 and section 86 of the Reserve Bank Act 1959).

Financial System Inquiry

Over the course of 2014 and 2015 the Australian Government undertook a review of the Australian financial system. The Financial System Inquiry, which was established by the Australian Government in connection with this review, has released its final report containing a number of observations and potential policy options and has made a number of recommendations for policy changes including in respect of regulatory capital requirements for ADIs and strengthening the management powers of Australia's financial regulators.

On 20 October 2015 the Australian Government released the Government's response to the Financial System Inquiry, which accepted in principle most of the Financial System Inquiry's recommendations which are likely to affect (among other things) superannuation, capital and leverage ratios and financial system technology. In particular, the response stated "Australia's financial sector regulatory framework needs to be stronger than those of comparable economies".

At this stage, it is not possible to predict with any certainty the impact that the Financial System Inquiry will have or the reforms that may be adopted by the Australian Government in response to the recommendations and, in particular, their impact on the capital structure or businesses of the Bank. Such new requirements could, for example, have a material effect on the Bank's business and could require the Bank to maintain larger capital reserves, which could in turn affect the Bank's credit ratings.

Changes in technology

Technology plays an increasingly important role in the delivery of financial services to customers in a cost effective manner. The Bank's ability to compete effectively in the future will, in part, be driven by its ability to maintain an appropriate technology platform for the efficient delivery of its products and services.

Industry competition

There is substantial competition for the provision of financial services in the markets in which the Bank operates. Existing participants or potential new entrants to the market could heighten competition and reduce margins or increase costs of participation. As banking is a licensed and regulated industry, the prudential framework across industry participants creates its own challenges. Changes in the regulatory environment will potentially influence the industry's competitive dynamic.

Risks to the Bank growth strategy

Risks that relate to the Bank's growth strategy are interrelated and include risk of local market saturation, risks associated with geographical diversification, changes in wholesale funding markets and changes in general economic conditions.

Risk of local market saturation: Despite the size of the Queensland market, the Bank faces the challenge of maintaining a high penetration rate in that market in order to achieve continued growth. In addition, the Bank will continue to be exposed to fluctuations in the Queensland economy and property market in particular.

Risk of geographical diversification: The market is aware that the Bank has completed mergers with Pioneer Permanent Building Society (North Queensland) in 2006, Home Building Society (Western Australia) in 2007 and the acquisition of Virgin Money (Australia) Pty Limited in April 2013. On 31 July 2014, BOQ finalised the acquisition of Investec Bank (Australia) Limited, which has now been renamed as BOQ Specialist Bank Limited ("**BOQ Specialist**"). BOQ Specialist has a substantial market share of Medical and Accounting professionals and combining this with access to the Bank's products and funding will create significant growth opportunities.

Funding for growth: Changes in wholesale funding markets may cause an inability to raise sufficient wholesale funds to fund the Bank's asset growth strategies.

Effect of economic conditions: General economic conditions in Australia and Queensland in particular may worsen which could stifle credit growth and restrict the Bank's ability to grow in line with its growth strategy.

Mergers and acquisitions

The Bank may engage in merger or acquisition activity which facilitates the Bank's strategic direction. Whilst the Bank recognises that benefits may arise from merger or acquisition activities, significant risks exist in both the execution and implementation of such activities.

It is likely that the Bank would raise additional debt or raise equity to finance any major merger or acquisition and this would cause the Bank to face the financial risks and costs associated with additional debt or equity.

Changes in ownership and management may result in impairment of relationships with employees and customers of the acquired businesses. Depending on the type of transaction, it could take a substantial period of time for the Bank to realise the financial benefits of the transaction, if any. During the period immediately following this type of transaction, the Bank's operating results may be adversely affected.

The Bank's failure to adequately manage the risks associated with any mergers or acquisitions could adversely affect the Bank's businesses, financial performance, financial condition and prospects.

Contingent Liabilities

Guarantees, indemnities and letters of credit

There are contingent liabilities arising in the normal course of business for which there are equal and opposite contingent assets and against which no loss is anticipated. Guarantees are provided to third parties on behalf of customers. The credit risks of such facilities are similar to the credit risks of loans and advances.

Legal proceedings

Included within the Non-lending losses provision is $21.4 million (compared with $31.5 million in 2014) in respect of the Storm Financial settlement. On 22 September 2014, the Bank announced an agreement to settle the outstanding proceedings which had been brought against it by ASIC and a class action on behalf of borrowers advised by Storm Financial Limited. On 16 December 2014 the

Federal Court approved the deed of settlement between the Bank and the lead applicants. This settlement concluded the legal proceedings of both the outstanding Storm Financial proceedings against the Bank. The Bank has commenced the payment of settlement amounts during the financial year.

On 13 February 2014 judgment was given in favour of the Bank for proceedings involving the Bank by a number of former Owner-Managers in NSW, Australia. An appeal has been filed in relation to this judgment. An appeal has been heard and determined in the Bank's favour.

Reputation

Reputation risk may arise through the actions of the Bank and adversely affect perceptions of the Bank held by the public, shareholders, regulators or rating agencies. These issues include appropriately dealing with potential conflicts of interests, legal and regulatory requirements, ethical issues, money laundering laws, trade sanctions legislation, privacy laws, information security policies and sales and trading practices. Damage to the Bank's reputation may have an adverse impact on the Bank's financial performance, capacity to source funding and liquidity, cost of sourcing funding and liquidity and by constraining business opportunities.

Credit ratings

The credit ratings assigned to the Bank by rating agencies are based on an evaluation of a number of factors, including its financial strength. A credit rating downgrade could also be driven by the occurrence of one or more of the other risks discussed in this Information Memorandum or by other events. If the Bank fails to maintain its current corporate credit ratings, this could adversely affect its cost of funds and related margins, liquidity, competitive position and access to capital markets.

The Bank's current long-term debt ratings are shown below. Three rating agencies revised their long-term debt ratings for the Bank during the year. S&P upgraded their rating to A-, Moody's upgraded to A3 and Fitch upgraded to A-. All noted the improved balance sheet and capital strength of the Bank.

Rating Agency	Short Term	Long Term	Outlook
S&P	A2	A-	Stable
Fitch	F2	A-	Stable
Moody's	P2	A3	Stable

Changes to accounting policies may adversely affect the Bank's business, operations and financial condition

The accounting policies and methods that the Bank applies are fundamental to how it records and reports its financial position and results of operations. Management of the Bank must exercise judgment in selecting and applying many of these accounting policies and methods so that they not only comply with generally accepted accounting principles but they also reflect the most appropriate manner in which to record and report on the financial position and results of operations. However, these accounting policies may be applied inaccurately, resulting in a misstatement of financial position and results of operations.

In some cases, management must select an accounting policy or method from two or more alternatives, any of which might comply with generally accepted accounting principles and is reasonable under the circumstances, yet might result in reporting materially different outcomes than would have been reported under another alternative.

Dependence on the Australian and Queensland economies

The Bank's revenues and earnings are dependent on economic activity and the level of financial services its customers require. In particular, lending is dependent on customer and investor confidence, the state of the economy, the residential lending market and prevailing market interest rates in Australia and in Queensland in particular. These factors are, in turn, impacted by both domestic and international economic and political events, natural disasters and the general state of the global economy.

The ongoing global uncertainty due to increased sovereign risk, slowing global demand and the threat of a return to global recession, has impacted global economic activity. This disruption has led to high levels of uncertainty and volatility, negatively impacting economic growth, credit growth and consumer and business confidence. A further downturn in the Australian or Queensland economy could adversely impact the Bank's results of operations, liquidity, capital resources and financial condition.

Geopolitical instability, such as threats of, potential for, or actual conflict, occurring around the world may also adversely affect global financial markets, general economic and business conditions and, in turn, the Bank's business, operations and financial condition.

Risk of natural disasters

Natural disasters such as (but not restricted to) cyclones, floods and earthquakes, and the economic and financial market implications of such disasters on domestic and global conditions can adversely affect the Bank's business, operations and financial condition.

Environmental risk

The Bank and its customers operate businesses and hold assets in a diverse range of geographical locations. Any significant environmental change or external event (including fire, storm, flood, earthquake or pandemic) in any of these locations has the potential to disrupt business activities, impact on the Bank's operations, damage property and otherwise affect the value of assets held in the affected locations and the Bank's ability to recover amounts owing to it. In addition, such an event could have an adverse impact on economic activity, consumer and investor confidence, or the levels of volatility in financial markets, which could adversely affect the Bank's businesses, financial performance, capital resources, financial condition and prospects.

The Bank is exposed to risks associated with information security, which may adversely impact its business, operations and financial condition

Information security means protecting information and information systems from unauthorised access, use, disclosure, disruption, modification, perusal, inspection, recording or destruction. By its nature, the Bank handles a considerable amount of personal and confidential information about its customers and its own internal operations.

The Bank employs a team of information security experts who are responsible for the development and implementation of the Bank's information security policies. The Bank is conscious that threats to information security are continuously evolving and as such the Bank conducts regular internal and external reviews to ensure new threats are identified, evolving risks are mitigated, policies and procedures are updated and good practice is maintained. However, there is a risk that information

may be inadvertently or inappropriately accessed or distributed or illegally accessed or stolen. Any unauthorised use of confidential information could potentially result in breaches of privacy laws, regulatory sanctions, legal action and claims of compensation or erosion to the Bank's competitive market position, which could adversely affect the Bank's financial position and reputation.

Unexpected changes to the Bank's licence to operate in any jurisdiction may adversely affect its business, operations and financial condition

The Bank is licensed to operate in the various states and territories in which it operates. Unexpected changes in the conditions of the licences to operate by governments, administrations or regulatory agencies which prohibit or restrict the Bank from trading in a manner that was previously permitted may adversely impact the Bank's financial results.

Risk of a major systemic shock to the Australian, New Zealand or other financial systems

There is a risk that a major systemic shock, similar to that experienced recently in Europe, could occur that causes an adverse impact on the Australian and New Zealand financial systems.

Recently there has been an increased focus on the potential for sovereign debt defaults and/or significant bank failures in the 17 countries comprising the Eurozone. There can be no assurance that the market disruptions in the Eurozone, including the increased cost of funding for certain Eurozone governments, will not spread, nor can there be any assurance that future assistance packages will be available or sufficiently robust to address any further market contagion in the Eurozone or elsewhere.

Any such market and economic disruptions could have an adverse effect on financial institutions such as the Bank because consumer and business confidence may decrease, unemployment may rise and demand for the products and services the Bank provides may decline, thereby reducing the Bank's earnings. These conditions may also affect the ability of its borrowers to repay their loans, or the Bank's counterparties to meet their obligations, causing it to incur higher credit losses. These events could also result in the undermining of confidence in the financial system, reducing liquidity and impairing the Bank's access to funding and impairing its customers and counterparties and their businesses.

The nature and consequences of any such event are difficult to predict and there can be no guarantee that the Bank could respond effectively to any such event. If the Bank were not to respond effectively, the Bank's businesses, financial performance, financial condition and prospects could be adversely affected.

The Bank may experience challenges in managing its capital base, which could give rise to greater volatility in capital ratios

The Bank's capital base is critical to the management of its businesses and access to funding. The Bank is required by APRA to maintain adequate regulatory capital.

Under current regulatory requirements, risk-weighted assets and expected loan losses increase as a counterparty's risk grade worsens. These additional regulatory capital requirements compound any reduction in capital resulting from increased provisions for loan losses and lower profits in times of stress. As a result, greater volatility in capital ratios may arise and may require the Bank to raise additional capital. There can be no certainty that any additional capital required would be available or could be raised on reasonable terms.

Global and domestic regulators have released proposals, including the Basel III proposals, to strengthen, among other things, the liquidity and capital requirements of banks, funds management entities, and insurance entities.

Absence of government-sponsored financial stabilisation

In response to the global financial crisis ("**GFC**"), a number of government-sponsored financial stabilisation packages (including guarantees of certain bank obligations) were introduced around the world, including in Australia. International capital markets and liquidity conditions improved following the GFC and banks were able to raise non-government guaranteed funds. Many such government-sponsored financial stabilisation packages were withdrawn or phased out, including in relation to wholesale funding. There is no certainty that financial conditions will improve or remain stable, nor that government-sponsored financial stabilisation packages would be re-introduced if conditions deteriorated.

The absence of government-sponsored financial stabilisation schemes may result in stress on the global financial system or regional financial systems, which could adversely impact the Bank and its customers and counterparties. Specifically, it could adversely affect the Bank's ability to access sources of funding and lead to a decrease in the Bank's liquidity position and an increase in its funding costs, negatively affecting the Bank's business, operations and financial condition.

General risks

Changes in economic conditions

The financial performance of the Bank could be affected by changes in economic conditions in Queensland, Australia and overseas. Such changes include:

- changes in economic growth, unemployment levels and consumer confidence which may lead to a general fall in the demand for the Bank's products and services or increased defaults under the Bank's exposures;
- changes in underlying cost structures for labour and service charges;
- changes in fiscal and monetary policy, including inflation and interest rates, which may impact the profitability of the Bank or a general fall in the demand for the Bank's products and services;
- declines in aggregate investment and economic output in Queensland, Australia or in key offshore regions;
- national or international political and economic instability or the instability of national or international financial markets including as a result of terrorist acts or war; and
- changes in asset values, particularly commercial and residential real estate.

The dislocation in credit and capital markets over the last three to four years has significantly impacted global economic activity including the Australian economy, with domestic and global economies slowing or in a recession and experiencing rising unemployment. This has led to a decrease in credit growth and the reduction in consumer and business confidence which in turn has impacted values of commercial and residential real estate. A further downturn in sectors of the Queensland or Australian economy or in the Queensland or Australian economy generally or slowing of the stronger sectors of the economy may lead to a lower demand for the Bank's products and services, or adversely affect the performance of the Bank's asset portfolio, and therefore could further adversely impact the Bank's financial performance and position.

Although the Bank will have in place a number of strategies to minimise the exposure to economic risk and will engage in prudent management practices to minimise its exposure to risk in the future, such factors may nonetheless have an adverse impact on the Bank's financial performance and position.

Risks related to the structure of a particular issue of Notes

Notes issued under the Programme may have features which contain particular risks for potential investors. Set out below is a description of the most common such features:

Notes subject to optional redemption by the Issuer

An optional redemption feature of Notes is likely to limit their market value. During any period when the Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

Fixed/Floating Rate Notes

Fixed/Floating Rate Notes may bear interest at a rate that the Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Where the Issuer has the right to effect such a conversion, this will affect the secondary market and the market value of the Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate in such circumstances, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the Issuer converts from a floating rate to a fixed rate in such circumstances, the fixed rate may be lower than then prevailing rates on its Notes.

Notes issued at a substantial discount or premium

The market values of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

Risks related to Notes generally

Set out below is a brief description of certain risks relating to the Notes generally:

Modification and waiver

The conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

The conditions of the Notes also provide that the Principal Paying Agent and the Issuer may, without the consent of Noteholders, agree to (i) any modification of the Notes, the Coupons or the Agency Agreement which is not prejudicial to the interests of the Noteholders or (ii) any modification of the Notes, the Coupons, or the Agency Agreement which is of a formal, minor or technical nature or is made to correct a manifest error or to comply with a mandatory provision of law.

EU Savings Directive

Under Council Directive 2003/48/EC on the taxation of savings income in the form of interest payments (the "**EU Savings Directive**"), EU Member States are required to provide to the tax authorities of other EU Member States details of certain payments of interest or similar income paid or secured by a person established in an EU Member State to or for the benefit of an individual resident in another EU Member State or certain limited types of entities established in another EU Member State.

For a transitional period, Austria is required (unless during that period it elects otherwise) to operate a withholding system in relation to such payments (subject to a procedure whereby, on meeting certain conditions, the beneficial owner of the interest or other income may request that no tax be withheld). The end of the transitional period is dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries. A number of non-EU countries and territories including Switzerland have adopted similar measures (a withholding system in the case of Switzerland).

However, on 10 November 2015, the Council of the European Union adopted a Council Directive repealing the EU Savings Directive from 1 January 2017 in the case of Austria and from 1 January 2016 in the case of all other EU Member States (subject to on-going requirements to fulfil administrative obligations such as the reporting and exchange of information relating to, and accounting for withholding taxes on, payments made before those dates). This is to prevent overlap between the EU Savings Directive and a new automatic exchange of information regime to be implemented under Council Directive 2011/16/EU on Administrative Cooperation in the field of Taxation (as amended by Council Directive 2014/107/EU). The new regime under Council Directive 2011/16/EU (as amended) is in accordance with the Global Standard released by the Organisation for Economic Co-operation and Development in July 2014. Council Directive 2011/16/EU (as amended) is generally broader in scope than the EU Savings Directive, although it does not impose withholding taxes.If a payment were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of, tax were to be withheld from that payment, neither the Issuer nor any Paying Agent nor any other person would be obliged to pay additional amounts with respect to any Note as a result of the imposition of such withholding tax. The Issuer is required to maintain a Paying Agent in a Member State that is not obliged to withhold or deduct tax pursuant to the EU Savings Directive.

Change of law

The conditions of the Notes are based on English law in effect as at the date of this Information Memorandum. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of this Information Memorandum.

Notes where denominations involve integral multiples: Definitive Notes

In relation to any issue of Notes which have a denomination consisting of the minimum Specified Denomination plus a higher integral multiple of another smaller amount, it is possible that such Notes may be traded in amounts in excess of such minimum Specified Denomination that are not integral multiples of such minimum Specified Denomination. In such a case a Noteholder who, as a result of trading such amounts, holds a principal amount which is less than the minimum Specified

Denomination in his account with the relevant clearing system at the relevant time may not receive a Definitive Note in respect of such holding (should Definitive Notes be printed) and would need to purchase a principal amount of Notes such that its holding amounts to a Specified Denomination.

If Definitive Notes are issued, Noteholders should be aware that Definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

U.S. Foreign Account Tax Compliance Act Withholding may affect payments on the Notes

Whilst the Notes are in global form and held within Euroclear Bank S.A./N.V. or Clearstream Banking, société anonyme (together the "**ICSDs**"), in all but the most remote circumstances, it is not expected that the new reporting regime and potential withholding tax imposed by sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986 ("**FATCA**") will affect the amount of any payment received by the ICSDs (see United Kingdom Taxation, FATCA Disclosure, The Proposed Financial Transactions Tax and EU Savings Directive - FATCA Disclosure). However, FATCA may affect payments made to custodians or intermediaries in the subsequent payment chain leading to the ultimate investor if any such custodian or intermediary generally is unable to receive payments free of FATCA withholding. It also may affect payment to any ultimate investor that is a financial institution that is not entitled to receive payments free of withholding under FATCA, or an ultimate investor that fails to provide its broker (or other custodian or intermediary from which it receives payment) with any information, forms, other documentation or consents that may be necessary for the payments to be made free of FATCA withholding. Investors should choose the custodians or intermediaries with care (to ensure each is compliant with FATCA or other laws or agreements related to FATCA) and provide each custodian or intermediary with any information, forms, other documentation or consents that may be necessary for such custodian or intermediary to make a payment free of FATCA withholding. Investors should consult their own tax adviser to obtain a more detailed explanation of FATCA and how FATCA may affect them. The Issuer's obligations under the Notes are discharged once it has made payment to, or to the order of, the common depositary for the ICSDs (as bearer of the Notes) and the Issuer has therefore no responsibility for any amount thereafter transmitted through the ICSDs and custodians or intermediaries. Further, foreign financial institutions in a jurisdiction which has entered into an intergovernmental agreement with the United States (an "**IGA**") are generally not expected to be required to withhold under FATCA or an IGA (or any law implementing an IGA) from payments they make.

Risks related to the market generally

Set out below is a brief description of the principal market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

The secondary market generally

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Notes.

Exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Notes in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency-equivalent yield on the Notes, (2) the Investor's Currency-equivalent value of the principal payable on the Notes and (3) the Investor's Currency equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

Interest rate risks

Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Fixed Rate Notes.

Credit ratings may not reflect all risks

One or more independent credit rating agencies may assign credit ratings to the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

Form of the Notes

Initial Issue of Notes

Each Tranche of Notes will initially be represented by either a Temporary Global Note or a Permanent Global Note, which on issue, in either case, will be delivered to a common depositary outside the United States for Euroclear and Clearstream, Luxembourg (the "**Common Depositary**"). Upon such delivery, Euroclear or Clearstream, Luxembourg will credit each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid.

Notes that are initially deposited with the Common Depositary may also be credited to the accounts of subscribers with other clearing systems through direct or indirect accounts with Euroclear and Clearstream, Luxembourg held by other clearing systems. Conversely, Notes that are initially deposited with any other clearing system may similarly be credited to the accounts of subscribers with Euroclear, Clearstream, Luxembourg or other clearing systems.

Relationship of Accountholders with Clearing Systems

Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg or any other clearing system as the holder of a Note represented by a Temporary Global Note or a Permanent Global Note (each a "**Global Note**") must look solely to Euroclear, Clearstream, Luxembourg or such other clearing system (as the case may be) for his share of each payment made by the Issuer to the bearer of such Global Note, and in relation to all other rights arising under the Global Notes, subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream, Luxembourg or such other clearing system (as the case may be). Subject to the Terms and Conditions such person shall have no claim directly against the Issuer in respect of payments due on the Notes for so long as the Notes are represented by such Global Note and such obligations of the Issuer will be discharged by payment to the bearer of such Global Note in respect of each amount so paid.

Exchange

1. **Temporary Global Notes.** On and after the date (the "**Exchange Date**") which is 40 days after a Temporary Global Note is issued, interests in a Temporary Global Note will be exchangeable (free of charge) upon a request as described therein either for (i) interests in a Permanent Global Note of the same Series or (ii) for Definitive Notes of the same Series (as indicated in the applicable Final Terms and subject, in the case of Definitive Notes, to such notice period as is specified in the applicable Final Terms), in each case against certification of beneficial ownership as described below unless such certification has already been given. The holder of a Temporary Global Note will not be entitled to collect any payment of interest, principal or other amount due on or after the Exchange Date unless, upon due certification, exchange of the Temporary Global Note for an interest in a Permanent Global Note or for Definitive Notes is improperly withheld or refused.

2. **Permanent Global Notes.** The applicable Final Terms will specify that a Permanent Global Note will be exchangeable (free of charge), in whole but not in part, for Definitive Notes upon either (i) not less than 60 days' written notice from Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Global Note) to the Agent as described therein1 or (ii) only upon the occurrence of an Exchange Event. For these purposes, "**Exchange Event**" means that (i) an Event of Default (as defined in Condition 9) has occurred and is continuing, (ii) the Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and no successor clearing system is available or (iii) the Issuer has or will become subject to adverse tax consequences which would not be suffered were the Notes represented by the Permanent Global

Note in definitive form. The Issuer will promptly give notice to Noteholders in accordance with Condition 13 if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Global Note) may give notice to the Agent requesting exchange and, in the event of the occurrence of an Exchange Event as described in (iii) above, the Issuer may also give notice to the Agent requesting exchange. Any such exchange shall occur not later than 45 days after the date of receipt of the first relevant notice by the Agent.

The exchange of a Permanent Global Note for definitive Notes upon notice from Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder) or at anytime at the request of the Issuer should not be expressed to be applicable in the applicable Final Terms if the Notes are issued with a minimum Specified Denomination such as EUR100,000 (or its equivalent in another currency) plus one or more higher integral multiples of another smaller amount such as EUR1,000 (or its equivalent in another currency). Furthermore, such Specified Denomination construction is not permitted in relation to any issue of Notes which is to be represented on issue by a Temporary Global Note exchangeable for definitive Notes.

In this Information Memorandum, "**Definitive Notes**" means, in relation to any Global Note, the Definitive Notes for which such Global Note may be exchanged (if appropriate, having attached to them all Coupons in respect of interest that has not already been paid on the Global Note and a Talon). Definitive Notes will be security printed in accordance with any applicable legal and stock exchange requirements in or substantially in the form set out in the Agency Agreement. On exchange in full of each Global Note, the Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant Definitive Notes.

3. **Payments.** Whilst any Note is represented by a Temporary Global Note, payments of principal, interest (if any) and any other amount payable in respect of the Notes due prior to the Exchange Date will be made against presentation of the Temporary Global Note only to the extent that certification (in a form to be provided) to the effect that the beneficial owners of interests in such Note are not U.S. persons or persons who have purchased for resale to any U.S. person, as required by U.S. Treasury regulations, has been received by Euroclear and/or Clearstream, Luxembourg and Euroclear and/or Clearstream, Luxembourg, as applicable, has given a like certification (based on the certifications it has received) to the Agent.

Payments of principal, interest (if any) or any other amounts on a Permanent Global Note will be made through Euroclear and/or Clearstream, Luxembourg against presentation or surrender (as the case may be) of the Permanent Global Note without any requirement for certification.

4. **Legend.** The following legend will appear on all Permanent Global Notes, Definitive Notes, Coupons and Talons:

"Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in sections 165(j) and 1287(a) of the Internal Revenue Code."

The sections referred to provide that United States holders, with certain exceptions, will not be entitled to deduct any loss on Notes or Coupons and will not be entitled to capital gains treatment of any gain on any sale, disposition, redemption or payment of principal in respect of Notes or Coupons.

Deed of Covenant

A Note may be accelerated by the holder thereof in certain circumstances described in "Terms and Conditions of the Notes - Events of Default". In such circumstances, where any Note is still represented by a Global Note and a holder of such Note so represented and credited to his securities account with Euroclear or Clearstream, Luxembourg gives notice that it wishes to accelerate such

Note, unless within a period of 7 days from the giving of such notice payment has been made in full of the amount due in accordance with the terms of such Global Note, such Global Note will become void. At the same time, holders of interests in such Global Note credited to their accounts with Euroclear or Clearstream, Luxembourg will become entitled to proceed directly against the Issuer on the basis of statements of account provided by Euroclear and Clearstream, Luxembourg, on and subject to the terms of the Deed of Covenant.

Terms and Conditions of the Notes

*The following are the Terms and Conditions of the Notes which will be incorporated by reference into each Global Note and each Definitive Note, in the latter case only if permitted by the relevant stock exchange (if any) or other relevant listing authority (if any) and agreed by the Issuer and the relevant Dealer(s) at the time of issue but, if not so permitted and agreed, such Definitive Note will have endorsed thereon or attached thereto such Terms and Conditions (excluding the italicised paragraphs).The following Terms and Conditions are subject to completion in accordance with the provisions of the applicable Final Terms in relation to any Tranche of Notes. The applicable Final Terms (or the relevant provisions thereof) will be endorsed upon, or attached to, each Temporary Global Note, Permanent Global Note and Definitive Note. Reference should be made to "**Form of Final Terms**" below. The applicable Final Terms will include the definitions of certain terms used in the following Terms and Conditions or specify which of such terms are to apply in relation to the relevant Notes.*

This Note is one of a Series (as defined below) of Notes issued by Bank of Queensland Limited (ABN 32 009 656 740) (the "**Issuer**") pursuant to the Agency Agreement (as defined below). References herein to the "Notes" shall be references to the Notes of this Series and shall mean:

(i) in relation to any Notes represented by a Global Note, units of the lowest Specified Denomination in the Specified Currency;

(ii) Definitive Notes issued in exchange for a Global Note; and

(iii) any Global Note.

The Notes and the Coupons (as defined below) have the benefit of an amended and restated agency agreement dated 19 December 2012 (as amended, supplemented or restated from time to time, the "**Agency Agreement**") and made between the Issuer, Citibank, N.A., London Branch as issuing and principal paying agent and agent bank (the "**Agent**", which expression shall include any successor as agent) and Citigroup Global Markets Deutschland AG (together with the Agent, the "**Paying Agents**", which expression shall include any additional or successor paying agents).

Interest bearing Definitive Notes (unless otherwise indicated in the applicable Final Terms) have interest coupons ("**Coupons**") and, if indicated in the applicable Final Terms, talons for further Coupons ("**Talons**") attached on issue. Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons or talons.

The Final Terms for this Note (or the relevant provisions thereof) is attached to or endorsed on this Note and supplements these Terms and Conditions. References herein to the "applicable Final Terms" are, unless otherwise stated, to Part A of the Final Terms (or the relevant provisions thereof) attached to or endorsed on this Note.

Any reference herein to "**Noteholders**" shall mean the holders of the Notes, and shall, in relation to any Notes represented by a Global Note, be construed as provided below. Any reference herein to "**Couponholders**" shall mean the holders of the Coupons, and shall, unless the context otherwise requires, include the holders of the Talons.

As used herein, "**Tranche**" means Notes which are identical in all respects (including as to listing) and "Series" means a Tranche of Notes together with any further Tranche or Tranches of Notes which are (i) expressed to be consolidated and form a single series and (ii) identical in all respects (including as to listing) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices (as indicated in the applicable Final Terms).

The Noteholders and the Couponholders are entitled to the benefit of a Deed of Covenant (such Deed of Covenant as modified and/or supplemented and/or restated from time to time, the "**Deed of Covenant**") dated 26 February 2014, and made by the Issuer. The original of the Deed of Covenant is held by a common depositary on behalf of Euroclear and Clearstream, Luxembourg (both as defined below).

Copies of the Agency Agreement, the Final Terms applicable to this Note and the Deed of Covenant are available for inspection during normal business hours at the specified office of each of the Agent and the other Paying Agents save that, if this Note is an unlisted Note of any Series, the applicable Final Terms will only be available for inspection by a Noteholder holding one or more unlisted Notes of that Series and such Noteholder must produce evidence satisfactory to the relevant Paying Agent as to its holding of such Notes and identity. The Noteholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Agency Agreement, the Deed of Covenant and the applicable Final Terms which are applicable to them.

Words and expressions defined in the Agency Agreement or used in the applicable Final Terms shall have the same meanings where used in these Terms and Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Agency Agreement and the applicable Final Terms, the applicable Final Terms will prevail.

1. Form, Denomination and Title

The Notes are in bearer form and, in the case of Definitive Notes, serially numbered, in the currency (the "**Specified Currency**") and the denominations (the "**Specified Denomination(s)**"). Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination.

This Note may be a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, or a combination of any of the foregoing, depending upon the Interest Basis shown in the applicable Final Terms.

Definitive Notes are issued with Coupons attached, unless they are Zero Coupon Notes in which case references to Coupons and Couponholders in these Terms and Conditions are not applicable.

Subject as set out below, title to the Notes and Coupons will pass by delivery. The Issuer and any Paying Agent may deem and treat the bearer of any Note or Coupon as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any Global Note, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Notes is represented by a Global Note held on behalf of Euroclear Bank S.A./N.V. ("**Euroclear**") and/or Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**", formerly Cedelbank), each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Agent and any other Paying Agent as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on the Notes, for which purpose the bearer of the relevant Global Note shall be treated by the Issuer, the Agent and any other Paying Agent as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the expressions "**Noteholder**" and "**holder of Notes**" and related expressions shall be construed accordingly. Notes which are represented by a Global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear or of Clearstream, Luxembourg, as the case may be.

References to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system approved by the Issuer and the Agent.

2. Status of the Notes

The Notes and any relevant Coupons are direct, unconditional, unsubordinated and (subject to the provisions of Condition 3) unsecured obligations of the Issuer and (subject as provided above) rank and will rank pari passu, without any preference among themselves, with all other outstanding unsecured and unsubordinated obligations of the Issuer, present and future (other than obligations preferred by mandatory provisions of law).

*The Issuer is an "authorised deposit-taking institution" ("**ADI**") as that term is defined under the Banking Act 1959 of Australia ("**Banking Act**").*

*Section 13A(3) of the Banking Act provides that the assets of an ADI in Australia would, in the event of the ADI becoming unable to meet its obligations or suspending payment, be available to meet certain liabilities in priority to all other liabilities of that ADI. The liabilities which have priority, by virtue of section 13A(3) of the Banking Act, to the claims of holders in respect of the Notes will be substantial, as such liabilities include (but are not limited to) liabilities owed to Australian Prudential Regulation Authority ("**APRA**") in respect of any payments by APRA to holders of protected accounts held with that ADI under the Banking Act, the costs of APRA in certain circumstances, liabilities in Australia owed to holders of protected accounts held with that ADI, debts due to the Reserve Bank of Australia ("**RBA**") and liabilities under certified industry support contracts. A "protected account" is an account or covered financial product that is kept by an account-holder (whether alone or jointly with one or more other account-holders) with an ADI and is either:*

(a) an account, or covered financial product, that is kept under an agreement between the account-holder and the ADI requiring the ADI to pay the account-holder, on demand by the account-holder or at an agreed time by them, the net credit balance of the account or covered financial product at the time of the demand or the agreed time (as appropriate); or

(b) an account prescribed by regulations for the purposes of section 5(4)(a) of the Banking Act.

For the purposes of section 13A(3) of the Banking Act, the assets of the ADI do not include any interest in an asset (or a part of an asset) in a cover pool (as defined in the Banking Act) that may have been established by that ADI for the issuance of any covered bonds.

Under Section 16(2) of the Banking Act, certain other debts due to APRA shall, in a winding-up of an ADI have, subject to section 13A(3) of the Banking Act, priority over all other unsecured debts of the ADI. Further, under section 86 of the Reserve Bank Act 1959 of Australia, debts due by an ADI to the RBA shall, in a winding-up of that ADI, have, subject to sections 13A(3) of the Banking Act, priority over all other debts of that ADI.

The Notes do not constitute protected accounts of the Issuer in Australia under such statutory provisions.

3. Negative Pledge

So long as any of the Notes remain outstanding (as defined in the Agency Agreement), the Issuer will not create or permit to subsist any Security Interest (as defined in Condition 9(b)) upon the whole or any part of its present or future assets or revenues or those of any of its Subsidiaries (as defined below) as security for any Debt Instruments (as defined below) or any Guarantee (as defined in Condition 9(b)) given in respect of any Debt Instruments unless, in the case of the creation of a

Security Interest, prior to or simultaneously therewith, and in any other case, promptly, the Issuer either:

(i) grants or procures to be granted a Security Interest or Security Interests securing its obligations under the Notes and the relative Coupons which will result in such obligations being secured equally and rateably in all respects so as to rank pari passu with the relevant Debt Instruments or Guarantee; or

(ii) grants or procures to be granted such other Security Interest or Security Interests in respect of its obligations under the Notes and the relative Coupons as shall be approved by an Extraordinary Resolution (as defined in the Agency Agreement) of the Noteholders.

For the purposes of these Conditions, "Debt Instruments" means any notes, bonds, certificates of deposit, loan stock, debentures, bills of exchange, transferable loan certificates or other similar instruments of indebtedness issued by, or the obligations under which have been assumed by, the Issuer or a Subsidiary of the Issuer.

In these Conditions, "Subsidiary" has the same meaning as that provided in Section 9 of the Corporations Act 2001 of Australia (as amended) (the "**Corporations Act**").

4. Interest

(a) Interest on Fixed Rate Notes

Each Fixed Rate Note bears interest on its outstanding nominal amount from (and including) the Interest Commencement Date at the rate(s) per annum equal to the Rate(s) of Interest. Interest will be payable in arrear on the Interest Payment Date(s) in each year up to and including the Maturity Date.

If the Notes are in definitive form, except as provided in the applicable Final Terms, the amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount. Payments of interest on any Interest Payment Date will, if so specified in the applicable Final Terms, amount to the Broken Amount so specified.

As used in these Conditions, "**Fixed Interest Period**" means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

Except in the case of Notes in definitive form where an applicable Fixed Coupon Amount or Broken Amount is specified in the applicable Final Terms, interest shall be calculated in respect of any period by applying the Rate of Interest to:

(A) in the case of Fixed Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Fixed Rate Notes represented by such Global Note; or

(B) in the case of Fixed Rate Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Fixed Rate Note in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination without any further rounding.

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest in accordance with this Condition 4(a):

(i) if "**Actual/Actual (ICMA)**" is specified in the applicable Final Terms:

(A) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the "Accrual Period") is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; or

(B) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:

(1) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; and

(2) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and

(ii) if "**30/360**" is specified in the applicable Final Terms, the number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360.

In these Conditions:

"**Determination Period**" means the period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date); and

"**sub-unit**" means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, means one cent.

(b) Interest on Floating Rate Notes

(i) Interest Payment Dates

Each Floating Rate Note bears interest on its nominal amount from (and including) the Interest Commencement Date and such interest will be payable in arrear on either:

(A) the Specified Interest Payment Date(s) (each an "Interest Payment Date") in each year specified in the applicable Final Terms; or

(B) if no Specified Interest Payment Date(s) is/are specified in the applicable Final Terms, each date (each an "Interest Payment Date") which falls the number of months or other period specified as the Specified Period in the applicable Final Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each Interest Period (which expression shall, in these Conditions, mean the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date).

Unless otherwise stated in the applicable Final Terms the Minimum Rate of Interest shall be deemed to be zero.

If a business day convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the business day convention specified is:

(1) in any case where Specified Periods are specified in accordance with Condition 4(b)(i)(B) above, the Floating Rate Convention, such Interest Payment Date (i) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (B) below shall apply mutatis mutandis or (ii) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (A) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (B) each subsequent Interest Payment Date shall be the last Business Day in the month which falls within the Specified Period after the preceding applicable Interest Payment Date occurred; or

(2) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day; or

(3) the Modified Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or

(4) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

In this Condition, "**Business Day**" means a day which is both:

(A) a day on which commercial banks and foreign exchange markets settle payments in London and any Additional Business Centre specified in the applicable Final Terms; and

(B) either (1) in relation to interest payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant

Specified Currency (which if the Specified Currency is Australian dollars shall be Sydney) or (2) in relation to any sum payable in euro, a day on which the Trans European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System (the "**TARGET2 System**") is open.

(ii) *Rate of Interest*

The Rate of Interest payable from time to time in respect of Floating Rate Notes will be determined in the manner specified in the applicable Final Terms.

(A) *ISDA Determination for Floating Rate Notes*

Where ISDA Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Final Terms) the Margin (if any). For the purposes of this sub- paragraph (A), "**ISDA Rate**" for an Interest Period means a rate equal to the Floating Rate that would be determined by the Agent under an interest rate swap transaction if the Agent were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the 2006 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc. (the "**ISDA Definitions**")) and under which:

(1) the Floating Rate Option is as specified in the applicable Final Terms;

(2) the Designated Maturity is a period specified in the applicable Final Terms; and

(3) the relevant Reset Date is as specified in the applicable Final Terms.

For the purposes of this sub-paragraph (A), "**Floating Rate**", "**Calculation Agent**", "**Floating Rate Option**", "**Designated Maturity**" and "**Reset Date**" have the meanings given to those terms in the ISDA Definitions.

(B) *Screen Rate Determination for Floating Rate Notes*

(1) Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will, subject as provided below, be either:

(A) the offered quotation; or

(B) (the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page (or such replacement page on that service which displays the information) as at 11.00 a.m. (Relevant Financial Centre time) on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as

determined by the Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

(2) If the Relevant Screen Page is not available or, if in the case of Condition 4(b)(ii)(B)(1)(A) above, no such offered quotation appears or, in the case of Condition 4(b)(ii)(B)(1)(B) above, fewer than three such offered quotations appear, in each case as at the time specified in the preceding paragraph the Agent shall request each of the Reference Banks (as defined below) to provide the Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately 11.00 a.m. (Relevant Financial Centre time) on the Interest Determination Date in question. If two or more of the Reference Banks provide the Principal Paying Agent with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of such offered quotations plus or minus (as appropriate) the Margin (if any), all as determined by the Agent.

(3) If on any Interest Determination Date one only or none of the Reference Banks provides the Agent with such offered quotations as provided in the preceding paragraph, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Agent determines as being the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates, as communicated to (and at the request of) the Agent by the Reference Banks or any two or more of them, at which such banks were offered, at approximately 11.00 a.m. (Relevant Financial Centre time) on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in the London inter-bank market (if the Reference Rate is LIBOR) or the Euro- Zone inter-bank market (if the Reference Rate is EURIBOR) plus or minus (as appropriate) the Margin (if any) or, if fewer than two of the Reference Banks provide the Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, at approximately 11.00 a.m. (Relevant Financial Centre time) on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for such purpose) informs the Agent it is quoting to leading banks in the London interbank market (if the Reference Rate is LIBOR) or the Euro- Zone inter-bank market (if the Reference Rate is EURIBOR) plus or minus (as appropriate) the Margin (if any), provided that, if the Rate of Interest cannot be determined in accordance with the

foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the Margin relating to that last preceding Interest Period).

(4) In these Terms and Conditions, the following expressions have the following meanings:

(A) "**Reference Banks**" means, in the case of Condition 4(b)(ii)(B)(1)(A) above, those banks whose offered rates were used to determine such quotation when such quotation last appeared on the Relevant Screen Page and, in the case of Condition 4(b)(ii)(B)(1)(B) above, those banks whose offered quotations last appeared on the Relevant Screen Page when no fewer than three such offered quotations appeared.

(B) "**Reference Rate**" means LIBOR or EURIBOR.

(iii) Minimum and/or Maximum Interest Rate

If the applicable Final Terms specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (ii) above is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest.

If the applicable Final Terms specifies a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (ii) above is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

(iv) Determination of Rate of Interest and Calculation of Interest Amounts

The Agent will at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period.

The Agent will calculate the amount of interest (the "**Interest Amount**") payable on the Floating Rate Notes for the relevant Interest Period by applying the Rate of Interest to:

(A) in the case of Floating Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Notes represented by such Global Note; or

(B) in the case of Floating Rate Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such subunit being rounded upwards or otherwise in

accordance with applicable market convention. Where the Specified Denomination of a Floating Rate Note in definitive form is a multiple of the Calculation Amount, the Interest Amount payable in respect of such Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination without any further rounding.

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest for any Interest Period:

(A) if "**Actual/Actual (ISDA)**" or "**Actual/Actual**" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (1) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (2) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);

(B) if "**Actual/365 (Fixed)**" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;

(C) if "**Actual/365 (Sterling)**" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;

(D) if "**Actual/360**" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;

(E) if "**30/360**", "**360/360**" or "**Bond Basis**" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y_1" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y_2" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M_1" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M_2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D_1" is the first calendar day, expressed as a number, of the Interest Period, unless such number is 31, in which case D_1 will be 30; and

"D_2" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31 and D_1 is greater than 29, in which case D_2 will be 30;

(F) if "**30E/360**" or "**Eurobond basis**" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y_1" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y_2" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M_1" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M_2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D_1" is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D1 will be 30; and

"D_2" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31, in which case D_2 will be 30; or

(G) if "**30E/360 (ISDA)**" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y_1" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y_2" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M_1" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M_2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D_1" is the first calendar day, expressed as a number, of the Interest Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D_2 will be 30.

(v) Linear Interpolation

Where Linear Interpolation is specified as applicable in respect of an Interest Period in the applicable Final Terms, the Rate of Interest for such Interest Period shall be calculated by the Agent by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified as applicable in the applicable Final Terms) or the relevant Floating Rate Option (where ISDA Determination is specified as applicable in the applicable Final Terms), one of which shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Period and the other of which shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period provided however that if there is no rate available for a period of time next shorter or, as the case may be, next longer, then the Agent shall determine such rate at such time and by reference to such sources as it determines appropriate.

"**Designated Maturity**" means, in relation to Screen Rate Determination, the period of time designated in the Reference Rate.

(vi) Notification of Rate of Interest and Interest Amounts

The Agent will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer and any stock exchange on which the relevant Floating Rate Notes are for the time being listed and notice thereof to be published in accordance with Condition 13 as soon as possible after their determination but in no event later than the fourth London Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to each stock exchange on which the relevant Floating Rate Notes are for the time being listed and to the Noteholders in accordance with Condition 13. For the purposes of this paragraph, the expression "**London Business Day**" means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in London.

(vii) Certificates to be Final

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 4(b) by the Agent shall (in the absence of wilful default, bad faith or manifest error by them or any of their directors, officers, employees or agents) be binding on the Issuer, the Agent, the other Paying Agents and all Noteholders and Couponholders and (in the absence of the above) no liability to the Issuer, the Noteholders or the Couponholders shall attach to the Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions under this Condition.

(c) Accrual of Interest

Each Note (or, in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the date for its redemption unless, upon due presentation thereof, payment of principal is improperly withheld or refused. In such event, interest will continue to accrue until whichever is the earlier of:

(i) the date on which all amounts due in respect of such Note have been paid; and

(ii) five days after the date on which the full amount of the moneys payable in respect of such Note has been received by the Agent and notice to that effect has been given to the Noteholders in accordance with Condition 13.

5. Payments

(a) Method of Payment

Subject as provided below:

(i) payments in a Specified Currency other than euro will be made by credit or transfer to an account in the relevant Specified Currency (which, in the case of a payment in Japanese yen to a non-resident of Japan, shall be a non-resident account) maintained by the payee with, or, at the option of the payee, by a cheque in such Specified Currency drawn on, a bank in the principal financial centre of the country of such Specified Currency; and

(ii) payments in euro will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque.

Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 7, and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or law implementing an intergovernmental approach thereto. Reference in these Conditions to "**Specified Currency**" will include any successor currency under applicable law.

(b) Presentation of Definitive Notes and Coupons

Payments of principal in respect of Definitive Notes will (subject as provided below) be made in the manner provided in paragraph (a) above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Definitive Notes, and payments of interest in respect of Definitive Notes will (subject as provided below) be made as aforesaid only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Coupons, in each case at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia and its possessions)).

Fixed Rate Notes in definitive form (other than Long Maturity Notes (as defined below) should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears

to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of 10 years after the Relevant Date (as defined in Condition 7) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 8) or, if later, 5 years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

Upon any Fixed Rate Note in definitive form becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the date on which any Floating Rate Note or Long Maturity Note in definitive form becomes due and repayable, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof. A "**Long Maturity Note**" is a Fixed Rate Note (other than a Fixed Rate Note which on issue had a Talon attached) whose nominal amount on issue is less than the aggregate interest payable thereon provided that such Note shall cease to be a Long Maturity Note on the Interest Payment Date on which the aggregate amount of interest remaining to be paid after that date is less than the nominal amount of such Note.

If the due date for redemption of any Definitive Note is not an Interest Payment Date, interest (if any) accrued in respect of such Note from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against surrender of the relevant Definitive Note.

(c) Payments in respect of Global Notes

Payments of principal and interest (if any) in respect of Notes represented by any Global Note will (subject as provided below) be made in the manner specified above in relation to Definitive Notes and otherwise in the manner specified in the relevant Global Note against presentation or surrender, as the case may be, of such Global Note at the specified office of any Paying Agent outside the United States. A record of each payment made against presentation or surrender of any Global Note, distinguishing between any payment of principal and any payment of interest, will be made on such Global Note either by the Paying Agent to which it was presented or in the records of Euroclear and Clearstream, Luxembourg, as applicable.

(d) General provisions applicable to payments

The holder of a Global Note shall be the only person entitled to receive payments in respect of Notes represented by such Global Note and the Issuer will be discharged by payment to, or to the order of, the holder of such Global Note in respect of each amount so paid. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the beneficial holder of a particular nominal amount of Notes represented by such Global Note must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for his share of each payment so made by the Issuer to, or to the order of, the holder of such Global Note.

Notwithstanding the foregoing provisions of this Condition, if any amount of principal and/or interest in respect of Notes is payable in U.S. dollars, such U.S. dollar payments of principal and/or interest in respect of such Notes will be made at the specified office of a Paying Agent in the United States if:

(i) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in U.S. dollars at such specified offices outside the United States of

the full amount of principal and interest on the Notes in the manner provided above when due;

(ii) payment of the full amount of such principal and interest at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in U.S. dollars; and

(iii) such payment is then permitted under United States law without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer.

(e) Payment Day

If the date for payment of any amount in respect of any Note or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, "**Payment Day**" means any day which (subject to Condition 8) is:

(i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:

(A) the relevant place of presentation, in the case of Notes in definitive form only; and

(B) any Additional Financial Centre specified in the applicable Final Terms; and

(ii) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (which if the Specified Currency is Australian dollars shall be Sydney) or (2) in relation to any sum payable in euro, a day on which the TARGET2 System is open.

(f) Interpretation of Principal and Interest

Any reference in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

(i) any Additional Amounts which may be payable with respect to principal under Condition 7;

(ii) the Final Redemption Amount of the Notes;

(iii) the Early Redemption Amount of the Notes;

(iv) the Optional Redemption Amount(s) (if any) of the Notes;

(v) in relation to Zero Coupon Notes, the Amortised Face Amount (as defined in Condition 6(e)); and

(vi) any premium and any other amounts which may be payable by the Issuer under or in respect of the Notes.

Any reference in these Terms and Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any Additional Amounts which may be payable with respect to interest under Condition 7.

6. Redemption and Purchase

(a) Redemption at Maturity

Unless previously redeemed or purchased and cancelled as specified below, each Note will be redeemed by the Issuer at its Final Redemption Amount specified in the applicable Final Terms in the relevant Specified Currency on the Maturity Date.

(b) Redemption for Tax Reasons

If (i) as a result of any change in, or amendment to, the laws or regulations of the Commonwealth of Australia or the State of Queensland or any political sub-division of, or any authority in, or of, the Commonwealth of Australia or the State of Queensland having power to tax, or any change in the application or official interpretation of the laws or regulations, which change or amendment becomes effective after the Issue Date of the first Tranche of the Notes, on the occasion of the next payment due in respect of the Notes the Issuer would be required to pay Additional Amounts as provided or referred to in Condition 7, and (ii) the requirement cannot be avoided by the Issuer taking reasonable measures available to it, the Issuer may at its option, having given not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 13 (which notice shall be irrevocable), redeem all the Notes, but not some only, at any time (if this Note is not a Floating Rate Note) or on any Interest Payment Date (if this Note is a Floating Rate Note) provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due. Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Agent a certificate signed by two Directors of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment. Upon the expiry of any notice as is referred to in this paragraph the Issuer shall be bound to redeem the Notes to which the notice refers in accordance with the provisions of this paragraph.

Notes redeemed pursuant to this Condition 6(b) will be redeemed at their Early Redemption Amount referred to in paragraph (e) below together (if appropriate) with interest accrued to (but excluding) the date of redemption.

(c) Redemption at the Option of the Issuer (Issuer Call)

If Issuer Call is specified as being applicable in the applicable Final Terms, the Issuer may, having given:

(i) not less than 15 nor more than 30 days' notice to the Noteholders in accordance with Condition 13; and

(ii) not less than 15 days before the giving of the notice referred to in (i) above, notice in writing to the Agent;

(which notices shall be irrevocable and shall specify the date fixed for redemption), redeem all or some only of the Notes then outstanding on any Optional Redemption Date and at the Optional Redemption Amount(s) specified in the applicable Final Terms together, if appropriate, with interest

accrued to (but excluding) the relevant Optional Redemption Date. Any such redemption must be of a nominal amount equal to the Minimum Redemption Amount or a Higher Redemption Amount. In the case of a partial redemption of Notes, the Notes to be redeemed ("**Redeemed Notes**") will be selected individually by lot, in the case of Redeemed Notes represented by Definitive Notes, and in accordance with the rules of Euroclear and/or Clearstream, Luxembourg, in the case of Redeemed Notes represented by a Global Note, not more than 30 days prior to the date fixed for redemption (such date of selection being hereinafter called the "**Selection Date**"). In the case of Redeemed Notes represented by Definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 13 not less than 15 days prior to the date fixed for redemption. The aggregate nominal amount of Redeemed Notes represented by Definitive Notes shall bear the same proportion to the aggregate nominal amount of all Redeemed Notes as the aggregate nominal amount of Definitive Notes outstanding bears to the aggregate nominal amount of the Notes outstanding, in each case on the Selection Date, provided that such first- mentioned nominal amount shall, if necessary, be rounded downwards to the nearest integral multiple of the Specified Denomination, and the aggregate nominal amount of Redeemed Notes represented by a Global Note shall be equal to the balance of the Redeemed Notes. No exchange of the relevant Global Note will be permitted during the period from (and including) the Selection Date to (and including) the date fixed for redemption pursuant to this paragraph (c) and notice to that effect shall be given by the Issuer to the Noteholders in accordance with Condition 13 at least 5 days prior to the Selection Date.

(d) Redemption at the Option of the Noteholders (Investor Put)

If Investor Put is specified as being applicable in the applicable Final Terms, upon the holder of any Note giving to the Issuer in accordance with Condition 13 not less than 15 nor more than 30 days' notice or such other period of notice as is specified in the applicable Final Terms the Issuer will, upon the expiry of such notice, redeem, subject to, and in accordance with, the terms specified in the applicable Final Terms, in whole (but not in part), such Note on the Optional Redemption Date and at the Optional Redemption Amount specified in the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date.

If this Note is in definitive form, to exercise the right to require redemption of this Note the holder of this Note must deliver such Note at the specified office of any Paying Agent at any time during normal business hours of such Paying Agent falling within the notice period, accompanied by a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent (a "**Put Notice**") and in which the holder must specify a bank account or, if payment is by cheque, an address to which payment is to be made under this Condition. If this Note is represented by a Global Note, to exercise the right to require redemption of this Note the holder of this Note must, within the notice period, give notice of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg (which may include notice being given on his instruction by Euroclear or Clearstream, Luxembourg or any common depositary for them to the Agent by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg from time to time.

Any Put Notice given by a holder of any Note pursuant to this paragraph shall be irrevocable except where prior to the due date of redemption an Event of Default shall have occurred and be continuing in which event such holder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this paragraph and instead to declare such Note forthwith due and payable pursuant to Condition 9.

(e) Early Redemption Amounts

For the purpose of paragraph (b) above and Condition 9, each Note will be redeemed at the Early Redemption Amount calculated as follows:

(i) in the case of a Note with a Final Redemption Amount equal to the Issue Price of the first Tranche of the Series, at the Final Redemption Amount thereof;

(ii) in the case of a Note (other than a Zero Coupon Note) with a Final Redemption Amount which is or may be less or greater than the Issue Price of the first Tranche of the Series, at the amount specified in the applicable Final Terms or, if no such amount is so specified in the applicable Final Terms, at their nominal amount; or

(iii) in the case of a Zero Coupon Note, at an amount (the "**Amortised Face Amount**") equal to the product of:

(A) the Reference Price; and

(B) the sum of the figure 1 and the Accrual Yield, raised to the power of x, where "x" is the Day Count Fraction specified in the applicable Final Terms which will be either (i) 30/360 (in which case the numerator will be equal to the number of days calculated on the basis of a 360 day year consisting of 12 months of 30 days each) from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 360) or (ii) Actual/360 (in which case the numerator will be equal to the actual number of days from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 360) or (iii) Actual/365 (in which case the numerator will be equal to the actual number of days from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 365).

(f) Purchases

The Issuer or any of its Related Entities (as defined below) may at any time purchase Notes (provided that, in the case of Definitive Notes, all unmatured Coupons and Talons appertaining thereto are purchased therewith) at any price in the open market or otherwise. If purchases are made by tender, tenders must be available to all Noteholders alike. Such Notes may be held, reissued, resold or, at the option of the Issuer, surrendered to any Paying Agent for cancellation. In this Condition 6(f), "**Related Entities**" has the meaning given to that term in the Corporations Act.

(g) Cancellation

All Notes which are (i) redeemed or (ii) purchased for cancellation pursuant to paragraph (f) above, will forthwith be cancelled (together with all unmatured Coupons and Talons attached thereto or surrendered therewith at the time of redemption), and shall be forwarded to the Agent and cannot be reissued or resold.

(h) Late payment on Zero Coupon Notes

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to paragraph (a), (b), (c) or (d) above or upon its becoming due and repayable as provided in Condition 9 is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in paragraph (e) (iii) above as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of:

(i) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and

(ii) five days after the date on which the full amount of the moneys payable in respect of such Zero Coupon Notes has been received by the Agent and notice to that effect has been given to the Noteholders in accordance with Condition 13.

7. Taxation

All payments in respect of the Notes and Coupons by the Issuer shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature ("**Taxes**") imposed or levied by or on behalf of the Commonwealth of Australia or the State of Queensland, or any political sub-division of, or any authority in, or of, the Commonwealth of Australia or the State of Queensland having power to tax, unless the withholding or deduction of the Taxes is required by law. In that event, the Issuer will pay such additional amounts ("**Additional Amounts**") as may be necessary in order that the net amounts received by the Noteholders and Couponholders after such withholding or deduction shall equal the respective amounts which would otherwise have been receivable in respect of the Notes or Coupons, in the absence of such withholding or deduction; except that no such Additional Amounts shall be payable in relation to any payment in respect of any Note or Coupon:

(a) to, or to a third party on behalf of, a holder who is liable to such Taxes in respect of such Note or Coupon by reason of his having some connection with the Commonwealth of Australia or the State of Queensland other than the mere holding of such Note or Coupon or receipt of principal or interest in respect thereof provided that such a holder shall not be regarded as being connected with the Commonwealth of Australia for the reason that such a holder is a resident of the Commonwealth of Australia within the meaning of the Income Tax Assessment Act 1936 (the "**Tax Act**") where, and to the extent that, such tax is payable by reason of section 128B (2A) of the Tax Act;

(b) presented for payment more than 30 days after the Relevant Date except to the extent that a holder would have been entitled to Additional Amounts on presenting the same for payment on the last day of the period of 30 days assuming, whether or not such is in fact the case, that day to have been an Interest Payment Date;

(c) to, or to a third party on behalf of, a holder who is liable to the Taxes in respect of the Note or Coupon by reason of his being an associate of the Issuer for the purposes and within the meaning of sections 128F(5), 128F(6) and 128F(9) of the Tax Act;

(d) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive; or

(e) presented for payment by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note or Coupon to another Paying Agent in a Member State of the EU.

For the avoidance of doubt, no Additional Amounts are payable in relation to any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to Sections 1471 through 1474 of the U.S. Internal Revenue Code ("**FATCA**"), any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto, as provided in Condition 5(a).

As used herein, the "**Relevant Date**" means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Agent on or before the due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 13.

8. Prescription

The Notes and Coupons will become void unless presented for payment within a period of 10 years (in the case of principal) and 5 years (in the case of interest) after the Relevant Date (as defined in Condition 7) therefor, subject as provided in Condition 5(b).

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition or Condition 5(b) or any Talon which would be void pursuant to Condition 5(b).

9. Events of Default

*(a) If any one or more of the following events (each an "**Event of Default**") shall occur:*

(i) if the Issuer fails to pay any principal or any interest in respect of the Notes within seven days of the relevant due date;

(ii) if the Issuer is in default in the performance, or is otherwise in breach, of any covenant or undertaking or other agreement of the Issuer in respect of the Notes (other than any obligation for the payment of any amount due in respect of any of the Notes) and such default or breach continues for a period of 14 days after notice thereof has been given to the Issuer;

(iii) if it is or will become unlawful for the Issuer to perform or comply with any one or more of its obligations under the Notes or the Agency Agreement;

(iv) if the Issuer (A) becomes insolvent, is unable to pay its debts as they fall due or fails to comply with a statutory demand (which is still in effect) under section 459F of the Corporations Act, or (B) stops or suspends or threatens to stop or suspend payment of all or a material part of its debts or appoints an administrator under section 436A of the Corporations Act, or (C) begins negotiations or takes any proceeding or other step with a view to re-adjustment, rescheduling or deferral of all its indebtedness (or any part of its indebtedness which it will or might otherwise be unable to pay when due) or proposes or makes a general assignment or an arrangement or composition with or for the benefit of its creditors, or a moratorium is agreed or declared in respect of or affecting indebtedness of the Issuer, except in any case referred to in (C) above for the purposes of a solvent reconstruction or amalgamation the terms of which have previously been approved by an Extraordinary Resolution of the Noteholders and in the case referred to in (B) above, no Event of Default in respect of the Notes shall

occur solely on account of any failure by the Issuer to perform or observe any of its obligations in relation to, the agreement or declaration of any moratorium with respect to, the suspension of any payments on or the taking of any proceeding in respect of, any share, note or other security or instrument constituting Tier 1 Capital or Tier 2 Capital (as defined by APRA from time to time);

(v) if an order is made or an effective resolution is passed for the winding-up of the Issuer (except in any such case for the purposes of a solvent reconstruction or amalgamation the terms of which have previously been approved by an Extraordinary Resolution of the Noteholders) or an administrator is appointed to the Issuer by a provisional liquidator of the Issuer under section 436B of the Corporations Act;

(vi) if a distress, attachment, execution or other legal process is levied, enforced or sued out against or on the Issuer or against all or a material part of the assets of the Issuer and is not stayed, satisfied or discharged within 21 days;

(vii) if any present or future Security Interest on or over the assets of the Issuer becomes enforceable and any step (including the taking of possession or the appointment of a receiver, manager or similar officer which is not vacated or discharged within 14 days) is taken to enforce that Security Interest by reason of a default or event of default (howsoever described) having occurred; or

(viii) if any event occurs which, under the laws of any relevant jurisdiction, has an analogous or equivalent effect to any of the events mentioned in this Condition,

then any Noteholder may, by written notice to the Issuer at the specified office of the Agent, effective upon the date of receipt thereof by the Agent, declare the Note held by the holder to be forthwith due and payable whereupon the same shall become forthwith due and payable at the Early Redemption Amount (as described in Condition 6(e)), together with accrued interest (if any) to the date of repayment, without presentment, demand, protest or other notice of any kind.

(b) For the purposes of these Conditions:

(i) "**Corporations Act**" means the Corporations Act 2001 of Australia;

(ii) "**Government Agency**" means any government or any governmental, semi-governmental or judicial entity or authority;

(iii) "**Guarantee**" means any guarantee, indemnity, letter of credit, suretyship or any other obligation (whatever called and of whatever nature):

(A) to pay or to purchase; or

(B) to provide funds (whether by the advance of money, the purchase of or subscription for share or other securities, the purchase of assets, rights or services, or otherwise) for the payment or discharge of; or

(C) to indemnify against the consequences of default in the payment of; or

(D) otherwise to be responsible for:

any obligation or indebtedness, any dividend, capital or premium on shares or stock or the insolvency or the financial condition of any other person;

(iv) "**Security Interest**" includes any mortgage, pledge, lien or charge or any security or preferential interest or arrangement of any kind (including, without limitation, retention of title and any deposit of money by way of security), but excluding (A) any charge or lien arising in favour of any Government Agency by operation of law (provided there is no default in payment of moneys owing under such charge or lien), (B) a right of title retention in connection with the acquisition of goods in the ordinary course of business on the terms of sale of the supplier (provided there is no default in connection with the relevant acquisition) and (C) any security or preferential interest or arrangement arising under or created pursuant to any right of set-off.

10. Replacement of Notes, Coupons and Talons

Should any Note, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Agent upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Notes, Coupons or Talons must be surrendered before replacements will be issued.

11. Agent and Paying Agents

The names of the initial Agent and the other initial Paying Agents and their initial specified offices are set out below. If any additional Paying Agents are appointed in connection with any Series, the names of such Paying Agents will be specified in Part B of the applicable Final Terms.

The Issuer is entitled to vary or terminate the appointment of any Paying Agent and/or appoint additional or other Paying Agents and/or approve any change in the specified office through which any Paying Agent acts, provided that:

(i) so long as the Notes are listed on or admitted to trading by any stock exchange or admitted to listing by any other relevant authority, there will at all times be a Paying Agent with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange or any other relevant authority;

(ii) there will at all times be a Paying Agent with a specified office in a city in Europe;

(iii) there will at all times be an Agent; and

(iv) the Issuer undertakes that it will ensure that it maintains a paying agent in a Member State of the European Union that is not obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive.

In addition, the Issuer shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in the final paragraph of Condition 5(d). Any variation, termination, appointment or change of any Paying Agent shall only take effect (other than in the case of insolvency or where the Paying Agent is an FFI and does not become or ceases to be a Participating FFI, when it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the Noteholders in accordance with Condition 13.

In acting under the Agency Agreement, the Paying Agents act solely as agents of the Issuer and do not assume any obligation to, or relationship of agency or trust with, any Noteholders or Couponholders. The Agency Agreement contains provisions permitting any entity into which any Paying Agent is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor paying agent.

12. Exchange of Talons

On and after the Interest Payment Date, on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the Agent or any other Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Note to which it appertains) a further Talon, subject to the provisions of Condition 8. Each Talon shall, for the purposes of these Terms and Conditions, be deemed to mature on the Interest Payment Date on which the final Coupon comprised in the Coupon sheet in which that Talon was included on issue matures.

13. Notices

All notices regarding the Notes will be deemed to be validly given if published in a leading English language daily newspaper of general circulation in London. It is expected that such publication will be made in the Financial Times in London. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Notes are for the time being listed or by which they have been admitted to listing. Any such notice will be deemed to have been given on the date of the first publication.

Until such time as any Definitive Notes are issued, there may, so long as any Global Note(s) representing the Notes is or are held in its/their entirety on behalf of Euroclear and Clearstream, Luxembourg, be substituted for such publication in such newspaper(s) the delivery of the relevant notice to Euroclear and Clearstream, Luxembourg for communication by them to the holders of the Notes and, in addition, for so long as any Notes are listed or admitted to trading on a stock exchange or are admitted to listing by other relevant authority and the rules of that stock exchange or other relevant authority so require, such notice will be published in a daily newspaper of general circulation in the place or places required by that stock exchange or other relevant authority. Any such notice shall be deemed to have been given to the holders of the Notes on the seventh day after the day on which the said notice was given to Euroclear and Clearstream, Luxembourg.

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together (in the case of any Note in definitive form) with the relative Note or Notes, with the Agent. Whilst any of the Notes are represented by a Global Note, such notice may be given by any holder of a Note to the Agent via Euroclear and/or Clearstream, Luxembourg, as the case may be, in such manner as the Agent and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

14. Meetings of Noteholders and Modification

The Agency Agreement contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including the modification by Extraordinary Resolution of any of the Notes, the Coupons or any of the provisions of the Agency Agreement. Such a meeting may be convened by the Issuer or Noteholders holding not less than 5 per cent. in nominal amount of the Notes for the time being outstanding. The quorum at any meeting for passing an Extraordinary Resolution will be one or more persons present holding or representing a clear majority in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons present whatever the nominal amount of the Notes held or represented by him or them, except that at any meeting, the business of which includes the modification of certain provisions of the Notes or Coupons (including modifying the date of maturity of the Notes or any date for payment of interest thereof, reducing or cancelling the amount of principal or the rate of interest payable in respect of the Notes or altering the currency of payment of the Notes or Coupons), the quorum shall be one or more persons holding or representing not less than 75 per cent. in nominal amount of the Notes for the time being outstanding, or at any adjourned such meeting one or more persons holding or representing a

clear majority, in nominal amount of the Notes for the time being outstanding. An Extraordinary Resolution passed at any meeting of the Noteholders shall be binding on all the Noteholders, whether or not they are present at the meeting, and on all Couponholders.

The Agent and the Issuer may agree, without the consent of the Noteholders or Couponholders to:

(i) any modification (except as mentioned above) of the Agency Agreement which is not prejudicial to the interests of the Noteholders; or

(ii) any modification of the Notes, the Coupons or the Agency Agreement which is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of the law of the jurisdiction in which the Issuer is incorporated.

Any such modification shall be binding on the Noteholders and the Couponholders and any such modification shall be notified by the Issuer to the Noteholders in accordance with Condition 13 as soon as practicable thereafter.

15. Further Issues

The Issuer is at liberty from time to time without the consent of the Noteholders or the Couponholders to create and issue further notes having terms and conditions the same as the Notes or the same in all respects save for the amount and date of the first payment of interest thereon and so that the same shall be consolidated and form a single Series with the outstanding Notes.

16. Contracts (Rights of Third Parties) Act 1999

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Note, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

17. Governing law and submission to jurisdiction

(a) Governing Law

The Agency Agreement, the Notes and the Coupons and any non-contractual obligations arising out of or in connection with any of the foregoing and every other agreement for the issue of Notes are governed by, and will be construed in accordance with English law.

(b) Jurisdiction

(i) Subject to Condition 17(b)(iii) below, the English courts have exclusive jurisdiction to settle any dispute arising out of or in connection with the Notes and/or the Coupons, including any dispute as to their existence, validity, interpretation, performance, breach or termination or the consequences of their nullity and any dispute relating to any non- contractual obligations arising out of or in connection with the Notes and/or the Coupons (a "**Dispute**") and accordingly each of the Issuer and any Noteholders or Couponholders in relation to any Dispute submits to the exclusive jurisdiction of the English courts.

(ii) For the purposes of this Condition 17(b), each of the Issuer and any Noteholders or Couponholders waives any objection to the English courts on the grounds that they are an inconvenient or inappropriate forum to settle any Dispute.

(iii) To the extent allowed by law, the Noteholders and the Couponholders may, in respect of any Dispute or Disputes, take (i) proceedings in any other court with jurisdiction; and (ii) concurrent proceedings in any number of jurisdictions.

(c) Agent for service of process

The Issuer irrevocably and unconditionally appoints Law Debenture Corporate Services Limited at its office in London (currently at Fifth Floor, 100 Wood Street, London EC2V 7EX) as its agent for service of process in England in respect of any Disputes and undertakes that in the event of Law Debenture Corporate Services Limited ceasing so to act it will appoint such other person as its agent for that purpose.

Use of Proceeds

The net proceeds of issue of each Tranche will be used by the Issuer to maintain a prudential level of liquidity and to finance the Australian commercial business operations of the Issuer. If, in respect of any particular issue of Notes which are derivative securities for the purposes of Article 15 of the Commission Regulation No. 809/2004 implementing the Prospectus Directive, there is a particular identified use of proceeds, this will be stated in the applicable Final Terms.

Bank of Queensland Limited

Overview of the Bank

The Bank is a full service financial institution, listed on the ASX, regulated by APRA as an authorised deposit-taking institution ("**ADI**") and ranked among the top 100 companies by market capitalisation on the ASX. The Bank's principal office is located at Level 6, 100 Skyring Terrace, Newstead, Queensland 4006 and its telephone number is +61 7 3212 3333.

The Bank has grown from being the first Permanent Building Society in Queensland in 1874 to the current day with a network retail branches and other points of presence spanning every state and territory in Australia.

The Bank aspires to build a differentiated position in the Australian financial services sector by demonstrating to customers that "It is Possible to Love a Bank." The Bank's corporate strategy is to focus on niche customer segments that value a more intimate banking relationship beyond what they receive from the major banks. Importantly, the Bank's strategic focus plays to its competitive strengths as a small challenger bank of being able to provide customers with personalised relationship management, passionate customer service, focused products and solutions, and nimble decision-making and problem resolution. The strategy is executed through the Bank's four strategic pillars: (i) "Customer in Charge" (ii) "Grow the Right Way" (iii) "There's Always a Better Way", and (iv) "Loved Like No Other".

Principal activities

The principal activity of the Bank is the provision of financial services and insurance to the community. The Bank has an authority to carry on banking business under the Banking Act. There were no significant changes during the year in the nature of the activities of the consolidated Group.

Business strategies and prospects for the future

In terms of Customer in Charge, the Bank is continuing to expand its source of originations through growth in the mortgage broker market as well as improvements to digital, online and call centre channels. The Bank has further expanded its mortgage broker distribution network with accredited brokers servicing customers in New South Wales, Victoria, Western Australia, South Australia and, more recently, the Bank's home state of Queensland.

The successful integration of BOQ Specialist (formerly Investec Bank (Australia) Limited's Professional Finance and Asset Finance & Leasing businesses) has provided the Bank with unique access to a compelling and expanding customer base of high net worth medical, dental and accounting professionals served through a high touch, specialist banking proposition.

In the Retail network, a new commission model has been introduced for Owner Managed branches based upon a balanced scorecard approach. The new scorecard balances lending, deposits, cross sales and compliance components and strongly aligns interests of Owner Managers and the Bank. The new scorecard and commission model forms the basis of a new standardised franchise agreement which is being rolled out on a progressive basis as existing agreements expire. There is also significant work underway to optimise branch mix and locations, particularly across the Bank's Corporate-owned branches.

To Grow the Right Way and achieve the right balance of return for risk taken, the Bank continues to diversify its balance sheet by pursuing higher margin segments in Business Banking, Agribusiness and Asset Leasing. In Business Banking, a tiered approach to origination through the Bank's

distribution channels has been embedded to reflect deal complexity. Business mix changes reflecting a core focus on credit quality were evident across the retail portfolio, with the concentration of poorer performing line of credit mortgages being substantially reduced.

There's Always A Better Way, which is the pursuit of operational efficiency has seen continued focus on improving processes and systems to reduce the turnaround time on compliant retail and business lending applications. In 2016, the Bank will implement a new digitised mortgage origination process as well as continue to simplify its product suite. An example of this approach is the Bank's simple low cost mortgage offering 'Clear Path' which has been well received by the Bank's customers, particularly in the owner occupied segment.

Loved Like No Other is about building a culture that makes the Bank a great place to work and inspires the Bank's passion to deliver exceptional customer outcomes. The major brand refresh surrounding 'It's Possible to Love a Bank' resulted in an increase in national unprompted awareness of the Bank's brand. The Bank has seen a further increase in the Bank's Net Promoter Scores from 16.1 per cent. in August 2014 to 30.5 per cent. in August 2015, placing the Bank second amongst all measured banks (an increase from 9.9 per cent. in August 2013) which demonstrates strong customer satisfaction and advocacy. The Bank's internal Employee Engagement score also saw a significant increase from 43 per cent. in July 2014 to 67 per cent. in July 2015.

Through continued focus on its four strategic pillars, the Bank aims to deliver robust and sustainable financial performance, consistent growth in returns to shareholders and superior service to customers and the wider community.

Directors and Company Secretary of the Bank

As at the date of this Information Memorandum there are no existing or potential conflicts of interests between any duties owed to the Bank by its Directors or the Company Secretary and the private interests or external duties of those Directors or the Company Secretary. The 2015 consolidated financial statements sets out key management personnel disclosures, which are incorporated by reference and form part of this Information Memorandum.

The Directors of the Bank, the business address of each of whom should be regarded for the purposes of this Information Memorandum as Level 6, 100 Skyring Terrace, Newstead, Queensland 4006, and their respective principal outside activities, where significant, are at the date of this Information Memorandum as follows:

Directors

The Directors of the Bank at any time during or since the end of the 2015 financial year are:

Name, qualifications and independence status	Age	Experience, special responsibilities and other Directorships
Roger Davis B.Econ. (Hons), Master of Philosophy Chairman Non-Executive Independent Director	63	Mr Davis was appointed Chairman on 28 May 2013 and has served on the Board of the Bank since August 2008. He has 33 years' experience in banking and investment banking in Australia, the US and Japan. He is currently a consulting Director at Rothschild Australia Limited. He was previously a Managing Director at Citigroup where he worked for over 20 years and more recently was a Group Managing Director at ANZ Bank. He is a Director of AIG Australia Ltd, Argo Investments Limited, Ardent Leisure Management Ltd, Ardent Leisure Ltd and Aristocrat Leisure Ltd. He was formerly Chairman of Charter Hall Office REIT and Esanda, and a Director of ANZ (New Zealand) Limited, CitiTrust in Japan and Citicorp Securities Inc. in the USA. He has a Bachelor of Economics (Hons) degree from the University of Sydney and a Master of Philosophy degree from Oxford University. He is a qualified CPA. Mr Davis is Chair of the Nomination & Governance Committee, a member of the Audit and Risk Committees, and an attendee at all other Board Committees.
Jon Sutton Managing Director and Chief Executive Officer Executive Non-Independent Director	52	Mr Sutton was appointed Managing Director and Chief Executive Officer on 5 January 2015 following four months as Acting Chief Executive Officer. Mr Sutton originally joined the Bank in July 2012 as Chief Operating Officer. Mr Sutton has more than 20 years' experience in banking and prior to joining the Bank was the Managing Director of Bankwest. Before that, as Executive General Manager of Commonwealth Bank Agribusiness, he was central to the establishment of the bank's agribusiness segment which grew strongly under his guidance and leadership. Prior to this, Mr Sutton was General Manager of Client Risk Solutions at the Commonwealth Bank of Australia, responsible for marketing derivative products including interest rates, commodities and foreign exchange. He was also Head of Resources and Agribusiness and Head of Corporate Risk Management Commodities, charged with marketing commodity hedging products to Australian institutions within the base metals, precious metals and energy sectors.
Michelle Tredenick B Sc, FAICD, F Fin	54	Ms Tredenick has served on the Board of the Bank since February 2011. Ms Tredenick is an experienced company director and corporate advisor with over 30 years' experience in leading Australian businesses. She is

Non-Executive Independent Director		currently a Director of Vocation Limited and Canstar Pty Ltd, Cricket Australia and is Chairman of IAG NRMA Corporate Superannuation Trustee Board. She is a member of the Senate of the University of Queensland as well as sitting on the Board of Ethics Centre. She also has her own consulting business advising Boards and CEOs on strategy and technology and the successful management of large investment and transformation programs. Ms Tredenick's Executive career included roles on the group executive teams of a number of Australia's largest companies including NAB, MLC and Suncorp. Her experience spans time as CIO with all of these companies as well as Head of Strategy and Marketing and divisional profit and loss roles in Corporate Superannuation, Insurance and Funds Management. Ms Tredenick is Chair of the Information Technology Committee and a member of each of the Human Resources & Remuneration and Risk Committees.
Richard Haire B.Ec, FAICD, FAIM Non-Executive Independent Director	56	Mr Haire was appointed a Director of the Bank on 18 April 2012. Mr Haire has more than 28 years' experience in the international cotton and agribusiness industry, including 26 years in agricultural commodity trading and banking. He serves as the Executive Chairman of Webster Limited (on a part-time basis), a Non-Executive Director of the Reef Casino Trust and was formerly a Director of Open Country Dairy (NZ) and New Zealand Farming Systems Uruguay. Mr Haire is Chair of the Audit Committee and a member of the Risk and Information Technology Committees.
David Willis B Com, ACA, ICA Non-Executive Independent Director	59	Mr Willis was appointed a Director of the Bank in February 2010. Mr Willis has over 33 years' experience in financial services in the Asia Pacific, the UK and the US. He is a qualified Accountant in Australia and New Zealand and has had 17 years' experience working with Australian and foreign banks. Mr Willis is a Director of New Zealand Post, CBH (A Grain Cooperative in Western Australia) and Interflour Holdings, a Singapore based flour milling company. He is also a Director of Parcel Direct Group based in Sydney. Mr Willis chairs a Sydney based Charity "The Horizons Program". Mr Willis is Chair of the Human Resources & Remuneration Committee and is a member of the Risk Committee. He is a Non-Executive Director of the Bank's insurance subsidiary, St Andrew's.
Neil Berkett B Com and Admin Non-Executive Independent Director	59	Mr Berkett was appointed a Director of the Bank on 30 July 2013. His career spans a range of sectors and geographies in both the consumer and enterprise space with an emphasis on managing significant change. For six years finishing in mid-2013 he was the Chief Executive Officer of Virgin Media, a NASDAC listed company where he oversaw the successful turnaround, differentiation and growth of the

UK cable company. Mr Berkett then led the sale of the company to Liberty Global in June 2013. His previous career included senior roles at Lloyds TSB, Prudential, St George Bank in Australia, Citibank and Eastwest Airlines. He is the Non-Executive Chairman of the Guardian Media Group, is a Non-Executive Director with the Sage Group plc and a Trustee for the National Society for the Prevention of Cruelty to Children. Mr Berkett is a member of each of the Human Resources & Remuneration and Information Technology Committees.

Bruce Carter

B Econ, MBA, FAICD, FICA

Non-Executive Independent Director

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Mr Carter has served on the Board of the Bank since February 2014. Mr Carter was a founding Managing Partner of Ferrier Hodgson South Australia, a corporate advisory and restructuring business, and has worked across a number of industries and sectors in the public and private sectors. He has been involved with a number of state government-appointed restructures and reviews including chairing a task force to oversee the government's involvement in major resource and mining infrastructure projects. Mr Carter had a central role in a number of key government economic papers including the Economic Statement on South Australian Prospects for Growth, the Sustainable Budget Commission, and the Prime Minister's 2012 GST Distribution Review. Mr Carter has worked with all the major financial institutions in Australia. Before Ferrier Hodgson, Mr Carter was at Ernst & Young for 14 years including four years as Partner in Adelaide. During his time at Ernst & Young he worked across the London, Hong Kong, Toronto and New York offices. Mr Carter is the chair of Australian Submarine Corporation and Aventus Capital Limited and a Non-Executive Director of SkyCity Entertainment Group Limited and Genesee & Wyoming Australia Pty Ltd. Mr Carter is a member of each of the Audit and Risk Committees.

Margaret Seale

BA, FAICD

Non-Executive Independent Director

55

Ms Seale was appointed a Director of the Bank in January 2014. Ms Seale has more than 25 years' experience in senior executive roles in Australia and overseas in the global publishing, health and consumer goods industries and in the transition of traditional business models to adapt and thrive in a digital environment. Most recently she was appointed as the Non-Executive Chair of Penguin Random House Australia & NZ Pty Ltd and President, Asia Development for Random House Inc, the global company. Amongst other roles prior to that she held national sales and national marketing roles for Oroton and Pan Macmillan respectively. She is a Non-Executive Director of Telstra and member of the Audit & Risk Committee. She has also served on the boards of the Australian Publishers' Association and the Powerhouse Museum, and on the Council of Chief Executive Women, chairing its Scholarship Committee from 2011 to 2012. She remains a Non-

		Executive Director of Random House Australia and New Zealand. She is a member of the Information Technology and Human Resources & Remuneration Committees.
Karen Penrose B.Comm, CPA, GAICD Non-Executive Independent Director	55	Ms Penrose currently serves as a Non-executive Director for public, Government, private and charitable organisations. She is an experienced Audit Chair and member of due diligence committees, including the merger of Novion Property Group and Federation Centres, take-over defence by AWE Limited in relation to Senex, and Spark Infrastructure's bid for the NSW Government's privatisation of poles and wires assets. She has specialist knowledge in finance and capital markets, risk management and compliance, mergers, acquisitions and divestments, built throughout her prior executive career which included 20 years in banking with the Commonwealth Bank of Australia and HSBC and eight years to early 2014 as a listed-company Chief Financial Officer and Chief Operating Officer. Ms Penrose is a Non-Executive Director of Vicinity Centres Limited, Spark Infrastructure Group, AWE Limited and the pro bono board of Future Generation Global Investment Company Limited. She is also a Non-Executive Director of UrbanGrowth NSW and was formerly Deputy Chairman of Silver Chef Limited.

Company Secretary

Michelle Thomsen, Company Secretary
LLB, BCom

Ms Thomsen was appointed Company Secretary on 13 July 2015. Prior to this, Ms Thomsen was Executive General Manager - Associate General Counsel – Group Services at Suncorp Group Limited and has held a number of in house and private practice roles, including General Counsel positions for two funds listed on the Australian Securities Exchange. She was a partner at SJ Berwin LLP (now King & Wood Mallesons) in London, prior to returning to Australia in 2012.

Melissa Grundy resigned on 13 March 2015.

Stacey Hester was acting Company Secretary during the interim period between the resignation of Ms Grundy and the appointment of Ms Thomsen.

Organisational Structure

The Bank's controlled entities are set out in Note 6.5 to the 2015 consolidated financial statements, which are incorporated by reference and form part of this Information Memorandum.

Shareholding Details

As at 1 December 2015 the following shareholding details applied:

Eight largest ordinary shareholders:

Shareholder	*No. of ordinary shares*	*%*
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	74,207,172	19.75%

J P MORGAN NOMINEES AUSTRALIA LIMITED	37,542,329	9.99%
NATIONAL NOMINEES LIMITED	30,137,514	8.02%
CITICORP NOMINEES PTY LIMITED	18,125,435	4.82%
BNP PARIBAS NOMS PTY LTD	8,092,995	2.15%
MILTON CORPORATION LIMITED	7,306,078	1.94%
AMP LIFE LIMITED	3,935,375	1.05%
HSBC NOMINEES (AUSTRALIA) LIMITED	2,256,946	0.60%
TOTAL	181,603,844	48.32**%**

Australian Taxation

1. INTRODUCTION

The following is a summary of the Australian withholding tax treatment under the Tax Act and the Taxation Administration Act 1953 of Australia, at the date of this Information Memorandum, of payments of interest (as defined in the Tax Act) by the Issuer on the Notes and certain other Australian tax matters.

A term used below but not otherwise defined has the meaning given to it in the Terms and Conditions.

This summary applies to holders of Notes that are:

- *residents of Australia for tax purposes that do not hold their Notes, and do not derive any payments under the Notes, in carrying on a business at or through a permanent establishment outside of Australia, and non-residents of Australia for tax purposes that hold their Notes, and derive all payments under the Notes, in carrying on a business at or through a permanent establishment in Australia ("**Australian Holders**"); and*

- *non-residents of Australia for tax purposes that do not hold their Notes, and do not derive any payments under the Notes, in carrying on a business at or through a permanent establishment in Australia, and residents of Australia for tax purposes that hold their Notes, and derive all payments under the Notes, in carrying on a business at or through a permanent establishment outside of Australia ("**Non-Australian Holders**").*

The summary is not exhaustive and, in particular, does not deal with the position of certain classes of holders (including, without limitation, dealers in securities, custodians or other third parties who hold Notes on behalf of any person). In addition, unless expressly stated, this summary does not consider the Australian tax consequences for persons who hold interests in the Notes through Euroclear, Clearstream, Luxembourg or another clearing system.

Prospective holders of the Notes should also be aware that particular terms of issue of any Series of Notes may affect the tax treatment of that Series of Notes. Information regarding taxes in respect of Notes may also be set out in any supplement to this Information Memorandum.

This summary is not intended to be, nor should it be construed as, legal or tax advice to any particular holder of Notes. Each holder should seek professional tax advice in relation to their particular circumstances.

2. AUSTRALIAN WITHHOLDING TAXES

(a) Australian interest withholding tax

The Tax Act characterises securities as either "debt interests" (for all entities) or "equity interests" (for companies), including for the purposes of Australian interest withholding tax ("**Australian IWT**") and dividend withholding tax. For Australian IWT purposes, "interest" is defined to include amounts in the nature of, or in substitution for, interest and certain other amounts. The Issuer intends to issue Notes which are to be characterised as "debt interests" for the purposes of the tests contained in Division 974 and the returns paid on the Notes are to be "interest" for the purpose of section 128F of the Tax Act.

Australian Holders

Payments of interest in respect of the Notes to Australian Holders will not be subject to Australian IWT.

Non-Australian Holders

Australian IWT is payable at a rate of 10 per cent. of the gross amount of interest paid by the Issuer to a Non-Australian Holder, unless an exemption is available.

(i) Section 128F exemption from Australian IWT

An exemption from Australian IWT is available in respect of interest paid on the Notes if the requirements of section 128F of the Tax Act are satisfied.

Unless otherwise specified in any relevant supplement to this Information Memorandum, the Issuer intends to issue the Notes in a manner which will satisfy the requirements of section 128F of the Tax Act.

In broad terms, the requirements are as follows:

(A) the Issuer is a resident of Australia and a company (as defined in section 128F(9) of the Tax Act) when it issues the Notes and when interest is paid;

(B) the Notes are issued in a manner which satisfies the "public offer" test in section 128F of the Tax Act.

In relation to the Notes, there are five principal methods of satisfying the public offer test, the purpose of which is to ensure that lenders in capital markets are aware that the Issuer is offering the Notes for issue. In summary, the five methods are:

- offers to 10 or more unrelated financiers, securities dealers or entities that carry on the business of providing finance, or of investing in securities in the course of operating in financial markets;
- offers to 100 or more investors of a certain type;
- offers of listed Notes;
- offers via publicly available information sources; or
- offers to a dealer, manager or underwriter who offers to sell the Notes within 30 days by one of the preceding methods;

(C) the Issuer does not know, or have reasonable grounds to suspect, at the time of issue, that the Notes (or interests in the Notes) were being, or would later be, acquired, directly or indirectly, by an "associate" of the Issuer, except as permitted by section 128F(5) of the Tax Act (see below); and

(D) at the time of the payment of interest, the Issuer does not know, or have reasonable grounds to suspect, that the payee is an "associate" of the Issuer, except as permitted by section 128F(6) of the Tax Act (see below).

An "associate" of the Issuer for the purposes of section 128F of the Tax Act includes:

- a person or entity which holds more than 50 per cent. of the voting shares of, or otherwise controls, the Issuer;
- an entity in which more than 50 per cent. of the voting shares are held by, or which is otherwise controlled by, the Issuer;
- a trustee of a trust where the Issuer is capable of benefiting (whether directly or indirectly) under that trust; and
- a person or entity who is an "associate" of another person or company which is an "associate" of the Issuer under the first bullet point above.

However, for the purposes of sections 128F(5) and (6) of the Tax Act (see paragraphs (C) and (D) above), an "associate" of the Issuer does not include:

(A) an Australian Holder; or

(B) a Non-Australian Holder that is acting in the capacity of:

(I) in the case of section 128F(5), a dealer, manager or underwriter in relation to the placement of the relevant Notes, or a clearing house, custodian, funds manager or responsible entity of a registered scheme (for the purposes of the Corporations Act 2001 of Australia); or

(II) in the case of section 128F(6), a clearing house, paying agent, custodian, funds manager or responsible entity of a registered scheme (for the purposes of the Corporations Act 2001 of Australia).

(ii) Exemptions under certain double tax conventions

The Australian government has signed double tax conventions ("**Relevant Treaties**") with certain countries (each a "**Specified Country**"), under which an exemption from Australian IWT is available in certain circumstances. The Relevant Treaties apply to interest derived by a resident of a Specified Country.

Broadly, the Relevant Treaties effectively prevent Australian IWT applying to interest derived by:

- governments of the Specified Countries and certain governmental authorities and agencies in a Specified Country; and
- a "financial institution" resident in a Specified Country which is unrelated to and dealing wholly independently with the Issuer. The term "financial institution" refers to either a bank or any other enterprise which substantially derives its profits by carrying on a business of raising and providing finance. However, interest paid under a back to back loan or an economically equivalent arrangement will not qualify for this exemption.

The Australian Federal Treasury maintains a listing of Australia's double tax conventions which provides details of country, status, withholding tax rate limits and Australian domestic implementation. This listing is available to the public on the Federal Treasury's Department website.

(b) Notes in bearer form

Section 126 of the Tax Act imposes a type of withholding tax (see below in relation to the rate of withholding tax) on the payment of interest on debentures in bearer form (such as the Notes) if the Issuer fails to disclose the names and addresses of the holders of the debentures to the Australian Taxation Office ("**ATO**").

Section 126 does not, however, apply to the payment of interest on Notes in bearer form held by non-Australian residents who do not carry on business at or through a permanent establishment in Australia where the issue of those Notes has satisfied the requirements of section 128F or Australian IWT is payable.

In addition, the ATO has confirmed that for the purpose of section 126, the holder of debentures in bearer form is the person in possession of the debentures. Section 126 is, therefore, limited in its application to persons in possession of Notes in bearer form who are residents of Australia or non-Australian residents who are engaged in carrying on business at

or through a permanent establishment in Australia. Where interests in Notes in bearer form are held through Euroclear, Clearstream, Luxembourg or another clearing system, the Issuer intends to treat the relevant operator of the clearing system (or its nominee) as the bearer of the Notes for the purposes of section 126.

The rate of withholding tax is 47 per cent. for the, 2015-16 and 2016-17 income years and, under current law, will be reduced to 45 per cent. following the 2016-17 income year.

(c) Payment of additional amounts

As set out in more detail in the Terms and Conditions for the Notes, and unless expressly provided to the contrary in any relevant supplement to this Information Memorandum, if the Issuer is at any time required by law to withhold or deduct an amount in respect of any Australian withholding taxes imposed or levied by the Commonwealth of Australia or the State of Queensland in respect of the Notes, the Issuer must, subject to certain exceptions, pay such additional amounts as may be necessary in order that the net amounts received by each holder after such withholding or deduction shall equal the respective amounts which would otherwise have been receivable in respect of the Notes. If, as a result of any change in law of the Commonwealth of Australia or the State of Queensland, the Issuer is required by law in relation to any Notes to withhold or deduct an amount in respect of any withholding taxes, the Issuer will have the option to redeem those Notes in accordance with the Terms and Conditions.

3. OTHER TAX MATTERS

Under Australian laws as presently in effect:

- *death duties* – no Notes will be subject to death, estate or succession duties imposed by Australia, or by any political subdivision or authority therein having power to tax, if held at the time of death;

- *stamp duty and other taxes* - no ad valorem stamp, issue, registration or similar taxes are payable in Australia on the issue, transfer or redemption of any Notes;

- *additional withholdings from certain payments to non-residents* - the Governor-General may make regulations requiring withholding from certain payments to non-residents of Australia (other than payments of interest and other amounts which are already subject to the current IWT rules or specifically exempt from those rules). Regulations may only be made if the responsible Minister is satisfied the specified payments are of a kind that could reasonably relate to assessable income of foreign residents. The possible application of any future regulations to the proceeds of any sale of the Notes will need to be monitored;

- *garnishee directions by the Commissioner of Taxation* – the Commissioner may give a direction requiring the Issuer to deduct from any payment to a holder of the Notes any amount in respect of Australian tax payable by the holder. If the Issuer is served with such a direction, then the Issuer will comply with that direction and make any deduction required by that direction;

- *supply withholding tax* - payments in respect of the Notes can be made free and clear of any "supply withholding tax"; and

- *goods and services tax (GST)* - neither the issue nor receipt of the Notes will give rise to a liability for GST in Australia on the basis that the supply of Notes will comprise either an input taxed financial supply or (in the case of a non-Australian resident outside Australia at the time of the supply) a GST-free supply. Furthermore, neither the payment of principal or interest by the Issuer, nor the disposal of the Notes, should give rise to any GST liability in Australia.]

United Kingdom Taxation, FATCA Disclosure, Common Reporting Standard, the Proposed Financial Transactions Tax and EU Savings Directive

United Kingdom Taxation

The following applies only to persons who are the beneficial owners of Notes and is a summary of the Issuer's understanding of current United Kingdom law and published HM Revenue and Customs (HMRC) practice relating only to United Kingdom withholding tax treatment of payments of interest (as that term is understood for United Kingdom tax purposes) in respect of the Notes and to certain United Kingdom reporting requirements in respect of the Notes. It does not deal with any other United Kingdom taxation implications of acquiring, holding or disposing of Notes. The United Kingdom tax treatment of prospective Noteholders depends on their individual circumstances and may be subject to change in the future. Prospective Noteholders who are in any doubt as to their tax position or who may be subject to tax in a jurisdiction other than the United Kingdom should seek their own professional advice.

Payment of interest on the Notes

Payments of interest on the Notes that does not have a United Kingdom source may be made without withholding on account of United Kingdom income tax.

Information Reporting Requirements

HMRC has powers to obtain information and documents relating to the Notes, including in relation to issues of and other transactions in the Notes, interest, payments treated as interest and other payments derived from the Notes. This may include details of the beneficial owners of the Notes, of the persons for whom the Notes are held and of the persons to whom payments derived from the Notes are or may be paid. Information may be obtained from a range of persons including persons who effect or are a party to such transactions on behalf of others, registrars and administrators of such transactions, the registered holders of the Notes, persons who make, receive or are entitled to receive payments derived from the Notes and persons by or through whom interest and payments treated as interest are paid or credited.

Information relating to the Notes may also be required to be provided automatically to HMRC by "financial institutions" under regulations made under section 222 of the Finance Act 2013, which implement the requirements of various automatic information exchange programmes, including FATCA, Council Directive 2011/16/EU on Administrative Cooperation in the field of Taxation (as amended), the Global Standard released by the Organisation for Economic Co-operation and Development in July 2014, and arrangements between the United Kingdom and its overseas territories and crown dependencies.

Information obtained by HMRC may be provided to tax authorities in other jurisdictions.

FATCA Disclosure

Foreign Account Tax Compliance Act

Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986 ("**FATCA**") impose a new reporting regime and potentially a 30 per cent. withholding tax with respect to certain payments to (i) any non-U.S. financial institution (a "**foreign financial institution**", or "**FFI**" (as defined by FATCA)) that does not become a "**Participating FFI**" by entering into an agreement with the U.S. Internal

Revenue Service ("**IRS**") to provide the IRS with certain information in respect of its account holders and investors or is not otherwise exempt from or in deemed compliance with FATCA and (ii) any investor (unless otherwise exempt from FATCA) that does not provide information sufficient to determine whether the investor is a U.S. person or should otherwise be treated as holding a "**United States Account**" of the Issuer. The Issuer is classified as an FFI.

The new withholding regime is now in effect for payments from sources within the United States and will apply to "**foreign passthru payments**" (a term not yet defined) no earlier than 1 January 2019. This withholding would potentially apply to payments in respect of (i) any Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or after the "**grandfathering date**", which is the date that is six months after the date on which final U.S. Treasury regulations defining the term foreign passthru payment are filed with the Federal Register, or which are materially modified on or after the grandfathering date and (ii) any Notes characterised as equity or which do not have a fixed term for U.S. federal tax purposes, whenever issued. If Notes are issued before the grandfathering date, and additional Notes of the same series are issued on or after that date, the additional Notes may not be treated as grandfathered, which may have negative consequences for the existing Notes, including a negative impact on market price.

Australia and the United States signed an intergovernmental agreement ("**Australian IGA**") in respect of FATCA on 28 April 2014. The Australian Government has enacted legislation amending, among other things, the Taxation Administration Act 1953 of Australia to give effect to the Australian IGA ("**Australian IGA Legislation**").

Australian financial institutions which are Reporting Australian Financial Institutions under the Australian IGA must comply with specific due diligence procedures to identify their account holders (e.g. the Noteholders) and provide the Australian Taxation Office ("**ATO**") with information on financial accounts (for example, the Notes) held by U.S. persons and recalcitrant account holders and on payments made to non-participating FFIs. The ATO is required to provide such information to the IRS. Consequently, Noteholders may be requested to provide certain information and certifications to the Issuer and to any other financial institutions through which payments on the Notes are made in order for the Issuer and such other financial institutions to comply with their FATCA obligations.

A Reporting Australian Financial Institution that complies with its obligations under the Australian IGA will not generally be subject to FATCA withholding on amounts it receives, and will not generally be required to deduct FATCA withholding from payments it makes with respect to the Notes, other than in certain prescribed circumstances.

In the event that any amount is required to be withheld or deducted from a payment on the Notes as a result of FATCA, pursuant to the terms and conditions of the Notes, no additional amounts will be paid by the Issuer as a result of the deduction or withholding. Whilst the Notes are in global form and held within the ICSDs, it is expected that FATCA will not affect the amount of any payments made under, or in respect of, the Notes by the Issuer, any paying agent and the Common Depositary, given that each of the entities in the payment chain between the Issuer and the participants in the ICSDs is a major financial institution whose business is dependent on compliance with FATCA and that any alternative approach introduced under an IGA will be unlikely to affect the Notes. The documentation expressly contemplates the possibility that the Notes may go into definitive form and therefore that they may be taken out of the ICSDs. If this were to happen, then a non-FATCA compliant holder could be subject to FATCA withholding. However, definitive Notes will only be printed in remote circumstances.

FATCA is particularly complex and its application is uncertain at this time. Prospective investors should consult their tax advisers on how these rules may apply to the Issuer and to payments they may receive in connection with the Notes.

Common Reporting Standard

The OECD Common Reporting Standard for Automatic Exchange of Financial Account Information ("**CRS**") will require certain financial institutions to report information regarding certain accounts (which may include the Notes) to their local tax authority and follow related due diligence procedures. Noteholders may be requested to provide certain information and certifications to ensure compliance with the CRS. A jurisdiction that has signed the CRS Competent Authority Agreement may provide this information to other jurisdictions that have signed the CRS Competent Authority Agreement. A version of the CRS is expected to apply to Australian financial institutions with effect from 1 January 2017.

The proposed financial transactions tax ("FTT")

On 14 February 2013, the European Commission published a proposal (the **Commission's Proposal**) for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**participating Member States**").

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in Notes (including secondary market transactions) in certain circumstances. The issuance and subscription of Notes should, however, be exempt.

Under the Commission's Proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between the participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional Member States may decide to participate and participating Member States may decide not to participate.

Prospective holders of Notes are advised to seek their own professional advice in relation to the FTT.

EU Savings Directive

Under Council Directive 2003/48/EC (the "**Savings Directive**") on the taxation of savings income, Member States are required to provide to the tax authorities of other EU Member States details of certain payments of interest or similar income paid or secured by a person established in a member state to or for the benefit of an individual resident in another EU Member State or certain limited types of entities established in another Member State.

For a transitional period, Austria is instead required (unless during that period it elects otherwise) to operate a withholding system in relation to such payments (subject to a procedure whereby, on meeting certain conditions, the beneficial owner of the interest or other income may request that no tax be withheld). The end of the transitional period is dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries. A number of non-EU

countries and territories including Switzerland have adopted similar measures (a withholding system in the case of Switzerland).

On 10 November 2015, the Council of the European Union adopted a Council Directive repealing the Savings Directive from 1 January 2017 in the case of Austria and from 1 January 2016 in the case of all other EU Member States (subject to on-going requirements to fulfil administrative obligations such as the reporting and exchange of information relating to, and accounting for withholding taxes on, payments made before those dates). This is to prevent overlap between the Savings Directive and a new automatic exchange of information regime to be implemented under Council Directive 2011/16/EU on Administrative Cooperation in the field of Taxation (as amended by Council Directive 2014/107/EU). The new regime under Council Directive 2011/16/EU (as amended) is in accordance with the Global Standard released by the Organisation for Economic Co-operation and Development in July 2014. Council Directive 2011/16/EU (as amended) is generally broader in scope than the Savings Directive, although it does not impose withholding taxes.

Subscription and Sale

Summary of Dealer Agreement

Subject to the terms and the conditions contained in an amended and restated dealer agreement dated 12 December 2014 (as amended, supplemented or restated from time to time, the "**Dealer Agreement**") between the Issuer and the Dealers from time to time party thereto (the "**Dealers**"), the Notes will be offered on a continuous basis by the Issuer to the Dealers. However, the Issuer has reserved the right to sell Notes directly on its own behalf to Dealers in accordance with the Dealer Agreement. The Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Dealer Agreement also provides for Notes to be issued in syndicated Tranches that are jointly and severally underwritten by two or more Dealers.

The Issuer has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes. The Dealer Agreement entitles the Dealers to terminate any agreement that they make to subscribe Notes in certain circumstances prior to payment for such Notes being made to the Issuer.

Selling Restrictions

United States

Each Dealer appointed under the Dealer Agreement will be required to acknowledge that the Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S under the Securities Act or pursuant to an exemption from the registration requirements of the Securities Act.

In addition, each Dealer appointed under the Dealer Agreement will be required to agree that it has not offered and sold the Notes and will not offer and sell any Notes (a) as part of their distribution at any time and (b) otherwise until 40 days after the completion of the distribution of the series of which such Notes are a part, as determined and certified to the Agent or the Issuer (as described below), except in accordance with Rule 903 of Regulation S under the Securities Act. Accordingly, each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree, that neither it, its affiliates (if any) nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to Notes, and it, its affiliates (if any) and any person acting on its or their behalf have complied and will comply with the offering restrictions requirements of Regulation S. Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that, at or prior to confirmation of sale of Notes, it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Notes from it or through it during the distribution compliance period a confirmation or notice to substantially the following effect:

> "The Notes covered hereby have not been registered under the United States Securities Act of 1933, as amended (the **Securities Act**) and may not be offered and sold within the United States or to or for the account or benefit of U.S. persons (a) as part of their distribution at any time or (b) otherwise until 40 days after the completion of the distribution of the series of Notes of which such Notes are a part, except in either case in accordance with Regulation S under the Securities Act. Terms used above have the meaning given to them by Regulation S."

In addition, in respect of Notes where TEFRA D is specified in the applicable Final Terms, each such Dealer represents warrants and agrees in relation to each Tranche of Notes:

(a) except to the extent permitted under U.S. Treas. Reg. § 1.163-5(c)(2)(i)(D) (the **D Rules**), (i) that it has not offered or sold, and that during the restricted period will not offer or sell, Notes in bearer form to a person who is within the United States or its possessions or to a United States person, and (ii) that it has not delivered and will not deliver within the United States or its possessions definitive Notes in bearer form that are sold during the restricted period;

(b) that it has and that throughout the restricted period it will have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Notes in bearer form are aware that such Notes may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person, except as permitted by the D Rules;

(c) if it is a United States person, it is acquiring the Notes in bearer form for purposes of resale in connection with their original issuance and if it retains Notes in bearer form for its own account, it will only do so in accordance with the requirements of U.S. Treas. Reg. § 1.163-5(c)(2)(i)(D)(6); and

(d) with respect to each affiliate (if any) that acquires from a Dealer Notes in bearer form for the purpose of offering or selling such Notes during the restricted period, such Dealer either (i) repeats and confirms on behalf of such affiliate (if any) to the effect set forth in sub-paragraphs (a), (b) and (c) or (ii) agrees that it will obtain from such affiliate (if any) for the benefit of the Issuer the representations and agreements contained in sub-paragraphs (a), (b) and (c).

Terms used above have the meanings given to them by the United States Internal Revenue Code of 1986 and regulations thereunder, including the D Rules.

In respect of Notes where TEFRA C is specified in the applicable Final Terms, such Notes must be issued and delivered outside the United States and its possessions in connection with their original issuance. Each Dealer will be required to agree that it has not offered, sold or delivered, and will not offer, sell or deliver, directly or indirectly, such Notes within the United Sates or its possessions in connection with their original issuance. Further, each Dealer represents and agrees in connection with the original issuance of such Notes that it has not communicated, and will not communicate, directly or indirectly, with a prospective purchaser if such purchaser is within the United States or its possessions and will not otherwise involve its U.S. office in the offer or sale of such Notes.

The Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. Treasury regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code and the Treasury regulations promulgated thereunder.

Public Offer Selling Restriction under the Prospectus Directive

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Information Memorandum as completed by the final terms in relation thereto to the public in that Relevant Member State, except

that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

(a) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;

(b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or

(c) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "**offer of Notes to the public**" in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression "**Prospectus Directive**" means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU), and includes any relevant implementing measure in the Relevant Member State.

United Kingdom

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that:

(i) in relation to any Notes having a maturity of less than one year, (a) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (b) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of section 19 of the FSMA by the Issuer;

(ii) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and

(iii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

The Netherlands

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that the Notes will only be offered in The Netherlands to qualified investors as defined in the Prospectus Directive, unless such offer is made in accordance with the Dutch Financial Supervision Act ("**Wet op het financieel toezicht**").

Australia

No prospectus or other disclosure document (as defined in the Corporations Act 2001 of Australia (the "**Corporations Act**")) in relation to the Programme or any Notes has been, or will be, lodged with the Australian Securities and Investments Commission ("**ASIC**"). Each Dealer has represented and agreed, and any further Dealer appointed under the Programme will be required to represent and agree that, unless the relevant Final Terms (or another relevant supplement to this Information Memorandum) otherwise provides, in connection with the distribution of the Notes, it:

(a) has not offered or invited applications, and will not offer or invite applications, for the issue, sale, subscription or purchase of the Notes in Australia (including an offer or invitation which is received by a person in Australia); and

(b) has not distributed or published, and will not distribute or publish this Information Memorandum or any supplement, advertisement or other offering material relating to the Notes in Australia;

unless:

(i) the minimum aggregate consideration payable by each offeree is at least A$500,000 (or its equivalent in other currency, in either case, disregarding moneys lent by the offeror or its associates) or the offer or invitation otherwise does not require disclosure to investors under Parts 6D.2 or 7.9 of the Corporations Act;

(ii) the offer or the issuance of the Notes does not constitute an offer to a "**retail client**" for the purposes of Section 761G of the Corporations Act;

(iii) such action complies with all applicable laws, regulations and directives in Australia; and

(iv) such action does not require any document to be lodged with ASIC or any other regulatory authority in Australia.

In addition, each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that, in connection with the primary distribution of the Notes, it will not sell Notes to any person if, at the time of such sale, the employees of the Dealer aware of, or involved in, the sale knew or had reasonable grounds to suspect that, as a result of such sale, any Notes or an interest in any Notes were being, or would later be, acquired (directly or indirectly) by an associate of the Issuer that is:

(a) a non-resident of Australia that did not acquire the Notes in carrying on a business in Australia at or through a permanent establishment in Australia and did not acquire the Notes in the capacity of a dealer, manager or underwriter in relation to the placement of the Notes; or a clearing house, custodian, funds manager or a responsible entity of a registered scheme; or

(b) a resident of Australia that acquired the Notes in carrying on a business in a country outside Australia at or through a permanent establishment in that country and did not acquire the Notes in the capacity of a dealer, manager or underwriter in relation to the placement of the Notes; or a clearing house, custodian, funds manager or a responsible entity of a registered scheme.

Switzerland

This Information Memorandum is not intended to constitute an offer or solicitation to purchase or invest in the Notes described herein. Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that the Notes have not been and will not be publicly offered, sold or advertised, directly or indirectly, in, into or from Switzerland and will not be listed on the SIX Swiss Exchange or on any other exchange or regulated trading facility in Switzerland. Neither this Information Memorandum nor any other offering or marketing material relating to the Notes constitutes a prospectus as such term is understood pursuant to article 652a or article 1156 of the Swiss Code of Obligations, and each Dealer has further represented and agreed and each further Dealer appointed under the Programme will be required to further represent and agree that neither this Information Memorandum nor any other offering or marketing material relating to the Notes has been or will be publicly distributed or otherwise made publicly available in Switzerland.

Hong Kong

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that:

(a) it has not offered or sold, and will not offer or sell, in Hong Kong, by means of any document, any Notes (except for Notes which are a "structured product" as defined in the Securities and Futures Ordinance (Cap. 571) (as amended) of Hong Kong (the "**SFO**")) other than (i) to "professional investors" as defined in the SFO and any rules made under the SFO, or (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) (as amended) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and

(b) it has not issued, or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

Singapore

This Information Memorandum has not been registered as a prospectus with the Monetary Authority of Singapore, and the Notes will be offered pursuant to exemptions under the Securities and Futures Act, Chapter 289 of Singapore (the "**Securities and Futures Act**"). Each Dealer has represented, warranted and agreed and each further Dealer appointed under the Programme will be required to represent, warrant and agree that the Notes may not be offered or sold or made the subject of an invitation for subscription or purchase nor may this Information Memorandum or any other document or material in connection with the offer or sale or invitation for subscription or purchase of any Notes be circulated or distributed, whether directly or indirectly, to any person in Singapore other than (a) to an institutional investor pursuant to Section 274 of the Securities and Futures Act, (b) to a relevant person under Section 275(1) of the Securities and Futures Act or any person pursuant to Section 275(1A) of the Securities and Futures Act, and in accordance with the conditions specified in Section 275 of the Securities and Futures Act or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the Securities and Futures Act.

Where the Notes are subscribed or purchased under Section 275 of the Securities and Futures Act by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the Securities and Futures Act)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the Securities and Futures Act) of that corporation or the beneficiaries' rights and interest in that trust shall not be transferable for 6 months after that corporation or that trust has acquired the Notes pursuant to an offer under Section 275 of the Securities and Futures Act except:

(1) to an institutional investor or to a relevant person defined in Section 275(2) of the Securities and Futures Act or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the Securities and Futures Act; or

(2) where no consideration is or will be given for the transfer; or

(3) where the transfer is by operation of law; or

(4) pursuant to Section 276(7) of the Securities and Futures Act or Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations.

General

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes this Information Memorandum or any advertisement or other offering material and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Issuer nor any other Dealer shall have any responsibility therefor.

Neither the Issuer nor any of the Dealers represents that any Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

With regard to each Tranche, the relevant Dealer will be required to comply with such other additional restrictions as the Issuer and the relevant Dealer shall agree and as shall be set out in the applicable Final Terms.

Form of Final Terms

Set out below is the form of Final Terms which will be completed for each Tranche of Notes issued under the Programme.

[Date]

Bank of Queensland Limited
(ABN 32 009 656 740)

Issue of [Aggregate Nominal Amount of Tranche][Title of Notes]
under the U.S.$4,000,000,000

Euro Medium Term Note Programme

PART A - CONTRACTUAL TERMS

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Information Memorandum dated 9 December 2015 [and the supplement to the Information Memorandum dated [insert date]] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the "**Prospectus Directive**") as amended (which includes the amendments made by Directive 2010/73/EU (the "**2010 PD Amending Directive**") to the extent that such amendments have been implemented in a relevant Member State). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Information Memorandum [as so supplemented]. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Information Memorandum [as so supplemented]. The Information Memorandum [and the supplement to the Information Memorandum] [is/are] available for viewing at http://www.boq.com.au/ shareholder_debt_programmes.htm.]

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") set forth in the Information Memorandum dated [original date] and incorporated by reference into the Information Memorandum dated 9 December 2015, [and the supplement to the Information Memorandum dated [insert date]]. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive (Directive 2003/71/EC) (the "**Prospectus Directive**") as amended (which includes the amendments made by Directive 2010/73/EU (the "**2010 PD Amending Directive**") to the extent that such amendments have been implemented in a relevant Member State) and must be read in conjunction with the Information Memorandum dated [●] December 2015 [and the supplement to the Information Memorandum dated [insert date]] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive. Copies of the Information Memorandum [as so supplemented] are available for viewing at http://www.boq.com.au/shareholder_debt_programmes.htm.]

1.	Issuer:		Bank of Queensland Limited
2.	(a)	Series Number:	[ ]
	(b)	Tranche Number:	[ ]
	(c)	Date on which the Notes will be consolidated and form a single Series:	The Notes will be consolidated and form a single Series with [ ] on [the Issue Date/exchange of the Temporary Global Note for interests in the

			Permanent Global Note, as referred to in paragraph 21 below, which is expected to occur on or about [ ]][Not Applicable]
3.	Specified Currency or Currencies:		[ ]
4.	Aggregate Nominal Amount:		
	(a)	Series:	[ ]
	(b)	Tranche:	[ ]
5.	Issue Price:		[ ] per cent. of the Aggregate Nominal Amount [plus accrued interest from [ ]]
6.	(a)	Specified Denominations:	[ ]
	(b)	Calculation Amount:	[ ]
7.	(a)	Issue Date:	[ ]
	(b)	Interest Commencement Date:	[/Issue Date/Not Applicable]
8.	Maturity Date:		[Fixed rate – /Floating rate – Interest Payment Date falling in or nearest to [ ]]
9.	Interest Basis:		[[ ] per cent. Fixed Rate] [[ ] month [LIBOR/EURIBOR] +/-[ ] per cent. Floating Rate] [Zero Coupon] (see paragraph [14/15/16] below)
10.	Redemption/Payment Basis:		Subject to any purchase or cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100 per cent. of their nominal amount
11.	Change of Interest Basis or Redemption/Payment Basis:		[ ] [Not Applicable]
12.	Put/Call Options:		[Investor Put] [Issuer Call] [(see paragraph [17/18] below)]
13.	(a)	Status of the Notes:	Senior
	(b)	[Date [Board] approval for issuance of Notes obtained:	[ ]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

14.	Fixed Rate Note Provisions		[Applicable/Not Applicable]
	(a)	Rate(s) of Interest:	[ ] per cent. Per annum [payable [annually/semi-annually/quarterly] in arrear]
	(b)	Interest Payment Date(s):	[[ ] in each year up to and including the Maturity Date]/[ ]
	(c)	Fixed Coupon Amount(s):	[Not Applicable/[ ] per Calculation Amount]
	(d)	Broken Amount(s):	[Not Applicable/[ ] per Calculation Amount, payable on the Interest Payment Date falling [in/on][ ]]
	(e)	Day Count Fraction:	[30/360 or Actual/Actual (ICMA)]
	(f)	Determination Date(s):	[[ ] in each year] [Not Applicable]
15.	Floating Rate Note Provisions		[Applicable/Not Applicable]
	(a)	Specified Period(s)/Specified Interest Payment Dates:	[ ][, subject to adjustment in accordance with the Business Day Convention set out in (b) below/, not subject to any adjustment, as the Business Day Convention in (b) below is specified to be Not Applicable]
	(b)	Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/ Preceding Business Day Convention][Not Applicable]
	(c)	Additional Business Centre(s):	[ ]
	(d)	Manner in which the Rate of Interest and Interest Amount is to be determined:	[Screen Rate Determination/ISDA Determination]
	(e)	Party responsible for calculating the Rate of Interest and Interest Amount (if not the Agent):	[ ]
	(f)	Screen Rate Determination:	
		• Reference Rate and Relevant Financial Centre:	Reference Rate: [ ] month [LIBOR/ EURIBOR] Relevant Financial Centre: [London/Brussels]
		• Interest Determination Date(s):	[ ]
		• Relevant Screen Page:	[ ]

(g) ISDA Determination

- Floating Rate Option: [ ]
- Designated Maturity: [ ]
- Reset Date: [ ]

(h) Linear Interpolation: [Not Applicable/ Applicable - the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation]

(i) Margin(s): [+/-] [ ] per cent. per annum

(j) Minimum Rate of Interest: [ ] per cent. per annum

(k) Maximum Rate of Interest: [ ] per cent. per annum

(l) Day Count Fraction: [Actual/Actual (ISDA)
Actual/365 (Fixed)
Actual/365 (Sterling)
Actual/360
30/360
30E/360
30E/360 (ISDA)]

16. Zero Coupon Note Provisions [Applicable/Not Applicable]

(a) Accrual Yield: [ ] per cent. per annum

(b) Reference Price: [ ]

(c) Day Count Fraction in relation to Early Redemption Amounts: [30/360]
[Actual/360]
[Actual/365]

PROVISIONS RELATING TO REDEMPTION

17. Issuer Call: [Applicable/Not Applicable] (a)

(a) Optional Redemption Date(s): [ ]

(b) Optional Redemption Amount of each Note: [ ] per Calculation Amount

(c) If redeemable in part:

(i) Minimum Redemption Amount: [ ]

(ii) Maximum Redemption Amount: [ ]

	(d)	Notice period (if other than as set out in the Conditions):	Minimum Period: [ ] Maximum Period: [ ]
18.	Investor Put:		[Applicable/Not Applicable]
	(a)	Optional Redemption Date(s):	[ ]
	(b)	Optional Redemption Amount of each Note and method:	[ ] per Calculation Amount
	(c)	Notice period (if other than as set out in the Conditions):	Minimum Period: [ ] Maximum Period: [ ]
19.	Final Redemption Amount of each Note:		[ ] per Calculation Amount
20.	Early Redemption Amount of each Note payable on redemption for taxation reasons or on event of default:		[ ] per Calculation Amount

GENERAL PROVISIONS APPLICABLE TO THE NOTES

21.	Form of Notes:	[Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes [on 60 days' notice given at any time/only upon an Exchange Event]] [Temporary Global Note exchangeable for Definitive Notes on and after the Exchange Date] [Permanent Global Note exchangeable for Definitive Notes [on 60 days' notice given at any time/only upon an Exchange Event]]
22.	Additional Financial Centre(s):	[Not Applicable/]
23.	Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature):	[Yes/No]

Signed on behalf of the Issuer:

By: .....

Duly authorised

PART B - OTHER INFORMATION

1. LISTING

[Listing and Admission to trading:		[Applicable]]
[(i)	[Application for admission to the Official List and for admission to trading [has been / is expected to be] made:	[Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [the London Stock Exchange's regulated market and listing on the Official List of the UK Listing Authority] with effect from [ ] [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [the London Stock Exchange's regulated market and listing on the Official List of the UK Listing Authority] with effect from [ ].]
[(ii)	Date from which admission is effective:	[ ]]
[(iii)	Estimate of total expenses related to admission to trading:	[ ]]

2. RATINGS

Ratings:	The Notes to be issued have been rated: [S&P: [ ]] [Fitch: [ ]] [Moody's: [ ]]

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

[Save for any fees payable to the [Managers/Dealers], so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. The [Dealers] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.]

4. YIELD

Indication of yield:	[ ] [Not Applicable]

5. OPERATIONAL INFORMATION

(i)	ISIN Code:	[ ]
(ii)	Common Code:	[ ]

(iii)	Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s):	[Not Applicable/]
(iv)	Names and addresses of additional Paying Agent(s) (if any):	[ ]

6. DISTRIBUTION

(i)	U.S. Selling Restrictions:	[Reg.S Compliance Category 2; TEFRA D/TEFRA C/TEFRA not applicable]
(ii)	Additional selling restrictions:	[Not Applicable/]

General Information

1. It is expected that each Tranche of Notes which is to be admitted to the Official List and to trading on the London Stock Exchange's regulated market will be admitted separately as and when issued, subject only to the issue of a Global Note or Notes initially representing the Notes of such Tranche. Application has been made to the UK Listing Authority for Notes issued under the Programme to be admitted to the Official List and to the London Stock Exchange for such Notes to be admitted to trading on the London Stock Exchange's regulated market. The listing of the Programme in respect of Notes is expected to be granted on or about 11 December 2015.

   The Dealer Agreement provides, that if the maintenance of the listing of any Notes has, in the opinion of the Issuer, become unduly onerous for any reason whatsoever, the Issuer shall be entitled to terminate such listing subject to its using its best endeavours promptly to list or admit to trading the Notes on an alternative stock exchange, within or outside the European Union, to be agreed between the Issuer and the relevant Dealer.

2. The Issuer has or will as soon as practicable obtain all necessary consents, approvals and authorisations in connection with the issue and performance of the Notes. The issue of Notes under the Programme was authorised by resolutions of the Board of Directors of the Issuer passed on 26 September 1997, 21 November 1997, 15 December 2000, 13 December 2001, 22 November 2002, 19 November 2004, 18 November 2005, 22 November 2006, 22 November 2007, 20 November 2008, 25 November 2009, 13 October 2010, 12 October 2011, 17 October 2012, 9 October 2013, 8 October 2014 and 26 November 2015. The increase in aggregate nominal amount of the Programme from U.S.$2,000,000,000 to U.S.$3,500,000,000 was authorised by a resolution of the Board of Directors of the Issuer passed on 22 November 2007 and the increase in aggregate nominal amount of the Programme from U.S.$3,500,000,000 to U.S.$4,000,000,000 was authorised by a resolution of the Board of Directors of the Issuer passed on 20 November 2008.

3. There has been no significant change in the financial or trading position of the Group since 31 August 2015 and no material adverse change in the financial position or prospects of the Issuer since the same date. In addition, there have been no recent events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer's solvency.

4. Save as disclosed in the section titled "*Legal proceedings*" in "*Risk Factors*" on page 15, there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened) of which the Issuer or any of its Subsidiaries are aware during a period covering at least the previous 12 months which may have, or have had in the recent past, significant effects on the Issuer and/or the Group's financial position or profitability.

5. Each Permanent Global Note, Definitive Note, Coupon and Talon will bear the following legend: "Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in sections 165(j) and 1287(a) of the Internal Revenue Code".

6. The Notes have been accepted for clearance through Clearstream, Luxembourg and Euroclear. The Common Code and the International Securities Identification Number (ISIN) for each Tranche of Notes will be set out in the relevant Final Terms. If the Notes are to clear through an additional or alternative clearing system, the appropriate information will be specified in the applicable Final Terms.

The address of Clearstream, Luxembourg is Clearstream Banking, 42 Avenue JF Kennedy, L-1855 Luxembourg and the address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels.

7. In relation to any Tranche of Fixed Rate Notes, an indication of the yield in respect of such Notes will be specified in the applicable Final Terms. The yield is calculated at the Issue Date on the basis of the relevant Issue Price. The yield indicated will be calculated as the yield to maturity as at the Issue Date of the Notes and will not be an indication of future yield.

8. For so long as Notes may be issued pursuant to this Information Memorandum, the following documents will when published, be available, during usual business hours on any day (Saturdays, Sundays and public holidays excepted), for inspection at the registered office of the Issuer and the office of the Agent:

   (i) the Agency Agreement (which includes the form of the Global Notes, the Definitive Notes, the Coupons and the Talons), including any supplements thereto;

   (ii) the Dealer Agreement, including any supplements thereto;

   (iii) the Deed of Covenant;

   (iv) the constitution of the Issuer;

   (v) the published annual report and audited financial statements of the Issuer for the last two financial years and the most recently published interim accounts;

   (vi) each Final Terms for Notes that are admitted to the Official List and to trading by the London Stock Exchange or any other stock exchange (save that the Final Terms will only be available for inspection by a holder of such Note and such holder must produce evidence satisfactory to the Paying Agent as to the identity of such holder);

   (vii) a copy of this Information Memorandum together with any supplement to this Information Memorandum or further Information Memorandum; and

   (viii) a copy of the subscription agreement for Notes issued on a syndicated basis that are admitted to the Official List and to trading by the London Stock Exchange.

9. Copies of the latest annual consolidated accounts of the Issuer and the latest interim consolidated accounts of the Issuer may be obtained, and copies of the Agency Agreement will be available for inspection, at the specified offices of each of the Paying Agents during normal business hours, so long as any of the Notes is outstanding.

10. KPMG, Chartered Accountants, have audited in compliance with Australian auditing standards, and rendered unqualified reports on, the accounts of the Issuer for each of the last three years ended 31 August 2015.

11. No Australian approvals are currently required for or in connection with the issue of the Notes by the Issuer or for or in connection with the performance and enforceability of such Notes, Coupons or Talons (if any). However:

   (a) the specific approval of the RBA must be obtained in connection with certain payments and transactions for the purposes of the Banking (Foreign Exchange) Regulations 1959 and other regulations in Australia. In addition, it is an offence to supply, sell or transfer certain goods and services, or directly or indirectly make

assets available to, or for the benefit of, certain persons or entities designated from time to time for the purposes of the Autonomous Sanctions Act 2011, Autonomous Sanctions Regulations 2011 and other regulations in Australia, unless the Minister for Foreign Affairs has given a written notice to permit such to occur; and

(b) it is an offence to hold and use or deal with, allow to be used or dealt with, or facilitate the use of or dealing with certain assets, or to directly or indirectly make an asset available to certain named persons or entities associated with terrorism, pursuant to the Charter of the United Nations Act 1945 and the Charter of the United Nations (Dealing with Assets) Regulations 2008, unless the Minister for Foreign Affairs has given a written notice to permit such to occur.

12. Save as set out in the Final Terms, the Issuer does not intend to provide any post-issuance information in relation to any issues of Notes.

13. Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services to the Issuer and its affiliates in the ordinary course of business. Certain of the Dealers and their affiliates may have positions, deal or make markets in the Notes issued under the Programme, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies on behalf of the Issuer and its affiliates, investor clients, or as principal in order to manage their exposure, their general market risk, or other trading activities.

In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or the Issuer's affiliates. Certain of the Dealers or their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such positions could adversely affect future trading prices of Notes issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

REGISTERED AND HEAD OFFICE OF THE ISSUER

Level 6, 100 Skyring Terrace
Newstead
Queensland 4006
Australia

ARRANGER

UBS Limited
1 Finsbury Avenue
London EC2M 2PP
United Kingdom

DEALERS

Barclays Bank PLC
5 The North Colonnade
Canary Wharf
London E14 4BB
United Kingdom

Deutsche Bank AG, London Branch
Winchester House
1 Great Winchester Street
London EC2N 2DB
United Kingdom

J.P. Morgan Securities plc
25 Bank Street
Canary Wharf
London E14 5JP
United Kingdom

Macquarie Bank Limited
No. 1 Martin Place
Sydney NSW 2000
Australia

Nomura International plc
1 Angel Lane
London EC4R 3AB
United Kingdom

The Royal Bank of Scotland plc
135 Bishopsgate
London EC2M 3UR
United Kingdom

UBS Limited
1 Finsbury Avenue
London EC2M 2PP
United Kingdom

Westpac Banking Corporation
Camomile Court
23 Camomile Street
London EC3A 7LL
United Kingdom

AGENT

Citibank, N.A., London Branch
13th Floor, Citigroup Centre
Canada Square
Canary Wharf
London E14 5LB
United Kingdom

PAYING AGENT

Citigroup Global Markets Deutschland AG
Reuterweg 16
60323 Frankfurt
Germany

AUDITORS

To the Issuer

KPMG, Chartered Accountants
Level 16
Riparian Plaza
71 Eagle Street
Brisbane
Queensland 4000
Australia

LEGAL ADVISERS

To the Issuer

in respect of Australian law

Clayton Utz
Level 28
Riparian Plaza
71 Eagle Street
Brisbane
Queensland 4000
Australia

To the Dealers

in respect of Australian law

King & Wood Mallesons
Level 61
Governor Phillip Tower
1 Farrer Place
Sydney NSW 2000
Australia

in respect of English law

Allen & Overy
Level 25
85 Castlereagh Street
Sydney NSW 2000
Australia