

Supplemental Information Memorandum



Issuer

ING BANK (AUSTRALIA) LIMITED
(ABN 24 000 893 292)

Guarantor

ING BANK N.V.

A\$10,000,000,000

Debt Issuance Program

Joint Arrangers and Program Managers

ING Wholesale Banking

Westpac Institutional Bank

Dealers

Australia and New Zealand Banking
Group Limited (ABN 11 005 357 522)

ING Wholesale Banking

Commonwealth Bank of Australia
(ABN 48 123 123 124)

National Australia Bank Limited
(ABN 12 004 044 937)

Deutsche Bank AG
(ABN 13 064 165 162)

UBS AG, Australia Branch
(ABN 47 088 129 613)

Westpac Banking Corporation
(ABN 33 007 457 141)

21 February 2006

Disclaimer

The Information Memorandum is not a recommendation or a statement of opinion (or a report of either of these things) that you acquire Notes issued by ING Bank (Australia) Limited and neither ING Bank (Australia) Limited nor ING Bank N.V., is acting as your advisor or assuming any duty of care in this respect. You need to make your own assessment as to the appropriateness of any investment and should consider seeking advice from your own advisors in making this assessment. Applicants should read the Information Memorandum in its entirety before deciding to invest or trade in ING Bank (Australia) Limited Notes on the secondary market. If, after reading the Information Memorandum, you are unclear or have any questions regarding ING Bank (Australia) Limited Notes, you should contact your professional adviser. ING Bank (Australia) Limited assumes that you are capable of evaluating the merits and risks of any investment or trading decision with respect to a transaction, its suitability for you and its legal, taxation, accounting and financial implications and that in making this evaluation you are not relying on any recommendation or statement of opinion by ING Bank (Australia) Limited or ING Bank N.V. Before entering into any transaction, you should ensure that you independently assess these things and fully understand the transaction. You should also consider seeking advice from your own professional adviser in making this assessment. To the extent permitted by applicable law, ING Bank (Australia) Limited or ING Bank N.V., their affiliates, or any officer or employee of ING Bank (Australia) Limited or ING Bank N.V., do not accept any liability whatsoever for any direct or consequential loss arising from the use of this website or its contents, including for negligence.

Introduction

This Supplemental Information Memorandum (“**Supplement**”) supplements and should be read in conjunction with, the Information Memorandum dated 5 March 2004 (as supplemented by a supplemental information memorandum dated 11 October 2004) (as so supplemented, “**Information Memorandum**”) issued by ING Bank (Australia) Limited (ABN 24 000 893 292) (“**Issuer**”).

Unless otherwise defined in this Supplement, terms defined in the Information Memorandum have the same meaning when used in this Supplement.

The Issuer accepts responsibility for the information contained in this Supplement. 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 in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

Neither this Supplement nor the Information Memorandum should be considered as a recommendation or statement of opinion, or a report of either of those things, by the Issuer, the Guarantor, the Program Managers, the Joint Arrangers, the Dealers, any I&P Agent (Offshore) and/or the Registrar that any person purchase any Notes or any rights in respect of any Notes.

No representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by any of the Guarantor, the Program Managers, the Joint Arrangers, the Dealers, any I&P Agent (Offshore) or the Registrar (each as defined in the Information Memorandum) as to the accuracy or completeness of this Supplement or any further information supplied by the Issuer in connection with the Program (except for confirming that their respective name on the front page of this Supplement is correct). The Program Managers act in this Program in their respective capacities as manager of the Program, and not in any capacity as a fiduciary.

The purpose of this Supplement is to reflect the increase in the maximum Outstanding Principal Amount of all Notes (as described below) and also to update certain sections of the Information Memorandum. The material set out in this Supplement supersedes the material in the “Program Summary - Program Limit” section of the Information Memorandum.

Program Limit Increase

The maximum Outstanding Principal Amount of all Notes which may be outstanding from time to time under the Program is increased to A\$10,000,000,000 (or its equivalent in other currencies calculated as described in the Information Memorandum) on and from the date of this Supplement. All references in the Information Memorandum to A\$5,000,000,000 will be deemed amended accordingly.

Corporate Profile

The section headed “Corporate Profile” on pages 8 - 10 (inclusive) of the Information Memorandum will be deemed to be deleted and replaced with the section headed “Corporate Profile” set out in Schedule 1 to this Supplement.

Subscription and Sale

The section headed “Subscription and Sale” on pages 96 - 99 (inclusive) of the Information Memorandum will be deemed to be deleted and replaced with the section headed “Subscription and Sale” set out in Schedule 2 to this Supplement.

Taxation

The section headed "Taxation" on pages 100 - 105 (inclusive) of the Information Memorandum will be deemed to be deleted and replaced with the section headed "Taxation" set out in Schedule 3 to this Supplement.

Schedule 1 - Corporate Profile

Incorporation and history of the Guarantor

The Guarantor was incorporated under Dutch law in The Netherlands on 12 November 1927 for an indefinite duration in the form of a public limited company as Nederlandsche Middenstandsbank nv (“**NMB Bank**”).

On 4 October 1989, NMB Bank merged with Postbank, the leading Dutch retail bank. The legal name of NMB Bank was changed to NMB Postbank Groep N.V. On 4 March 1991, NMB Postbank Groep N.V. merged with Nationale-Nederlanden N.V., the largest Dutch insurance group. On that date the newly formed holding company, Internationale Nederlanden Groep N.V., honoured its offer to exchange the shares of NMB Postbank Groep N.V. and of Nationale-Nederlanden N.V. NMB Postbank Groep N.V. and Nationale-Nederlanden N.V. continued as sub-holding companies of Internationale Nederlanden Groep N.V. An operational management structure has ensured a close co-operation between banking and insurance activities, strategically as well as commercially. The sub-holding companies remained legally separate. After interim name changes the statutory names of the above mentioned companies were changed into ING Groep N.V., ING Bank N.V. and ING Verzekeringen N.V. respectively on 1 December 1995.

The Guarantor is registered at the Chamber of Commerce of Amsterdam under no. 33031431. The articles of association were last amended by notarial deed executed on 11 April 2005. According to its articles of association, the object of the Guarantor is to participate in, manage, finance, furnish personal or real security for the obligations of and provide services to other enterprises and institutions of any kind, to conduct banking business in the widest sense, including insurance brokerage, to acquire, build and operate real estate, and to engage in any activity which may be related or conducive to the foregoing.

Profile of ING Groep N.V.

ING Groep N.V. (“**ING Group**”) is the holding company of a broad spectrum of companies (together, “**ING**”), offering banking, insurance and asset management products to more than 60 million private, corporate and institutional clients in over 50 countries. Originating from The Netherlands, ING now has a workforce of almost 113,000 people worldwide. ING Group is a listed company and holds all shares of the Guarantor and ING Verzekeringen N.V., which are non-listed 100% subsidiaries of ING Group. Based on market capitalisation, ING Group is one of the largest financial institutions worldwide and in the top 10 in Europe.

The Guarantor is globally active through several business units, among others ING Bank, Postbank and Regio Bank in The Netherlands and mainly ING Direct, ING Belgium (formerly known as BBL), ING Bank Śląski (participation of 75%), ING Wholesale and ING Real Estate outside The Netherlands.

ING Verzekeringen N.V. (“**ING Insurance**”) is represented in some 25 countries around the world through a variety of insurance companies, offering life insurance and, in a selected number of countries, non-life insurance, as well as asset management. In The Netherlands, ING Insurance is the market leader in life insurance and pensions and a prominent company in the non-life insurance market and as an asset manager. The United States and Canada are other important insurance markets for ING. During the

1980s, ING has started life-insurance companies from scratch in around 20 countries, in Europe (especially Poland, Czech Republic and Hungary), in Asia (especially Japan, Taiwan, Korea, and Malaysia) and in Latin America (especially Mexico and Chile). India and China are important growth markets.

The issued and paid-up capital of ING Group amounted as at 30 June 2005 to EUR 529.2 million and consisted of 2,204.8 million ordinary shares with a nominal value of EUR 0.24 each.

Profile of the Guarantor

The Guarantor is an international banking group of Dutch origin. With total assets as at 31 December 2004 of EUR 616.5 billion and with an average number of full time (or equivalent) employees in 2004 of 61,305, the Guarantor ranks among the major banks of Europe.

The Guarantor is represented in more than 50 countries around the world through a large network of subsidiaries, offices and agencies. It offers its commercial and retail customers a full range of banking and financial services, including lending, stockbroking, insurance broking, fund management, leasing, factoring, investment banking and the provision of funds for venture capital purposes.

The authorised share capital of the Guarantor amounts to EUR 1.808 billion, divided into 1,599,999,950 ordinary shares and 50 preference shares with a nominal value of EUR 1.13 each. The issued and paid-up capital as at 31 December 2005 amounted to EUR 525 million and consisted of 465,035,000 ordinary shares and 7 preference shares with a nominal value of EUR 1.13 each.

More information about ING Group

Extensive information on ING Group, such as the annual report of ING Group and financial press releases, is available on the Internet at www.ing.com. This site also gives direct access to the websites of ING Group companies worldwide.

Incorporation and history of the Issuer

The Issuer was incorporated in New South Wales on 4 May 1971 and is an unlisted public company limited by shares.

The Issuer became an authorised Australian bank on 1 December 1994. Mercantile Mutual Finance Corporation Ltd (“MMFC”) as the Issuer was previously named, at that time a wholly owned and fully guaranteed subsidiary of Mercantile Mutual Holdings Ltd (“MMH”), obtained a banking authorisation under section 9 of the Banking Act 1959 (Cwth). At the same time, MMFC changed its name to ING Mercantile Mutual Bank Limited to reflect its new status. The ownership structure was altered (from that of MMFC) to reflect the adoption of majority control by the Guarantor through the acquisition of 90 percent of the voting shares. MMH retained the remaining 10 percent of voting shares with 100 percent of non-voting shares.

On 26 November 1997, MMH transferred all its shares in the Issuer to the Guarantor making the Issuer a wholly owned subsidiary of the Guarantor. On 12 August 1999, the Issuer changed its name to ING Bank (Australia) Limited.

The Guarantor transferred all of its shares in the Issuer on 26 August 2002 to ING Direct Holding GmbH (a wholly owned subsidiary of the Guarantor). On 27 February 2003, shares in ING Direct Holding GmbH were transferred to ING Direct N.V and on 10 November 2005 the shares in the Issuer held by ING Direct Holding GmbH were transferred to ING Direct N.V. The shares of ING Direct N.V. are wholly owned by the Guarantor. Thus the Issuer remains (indirectly) wholly owned by the Guarantor.

Profile of the ING Group in Australia

ING Group's involvement in Australia dates back to the early 1950s through its involvement in a life insurance company and its eventual acquisition of MMH in the 1980s. MMH was renamed ING Australia Limited in 2001.

As indicated above, an Australian banking authority was obtained in 1994. One of the primary reasons for establishing the banking operations was to offer banking products to the distributors of life insurance and funds management products.

ING Group has invested strongly in Australia and continues to expand its presence through robust organic growth and strategic acquisitions. Australia-wide ING Group employs more than 2000 staff who assist their customers to grow, manage and protect their wealth through the provision of a range of insurance, banking and asset management products.

Profile of ING Bank (Australia) Limited

The Issuer is a specialist retail bank. Its strategy is to provide customers with a select range of value for money products through low cost distribution channels supported by outstanding customer service. It offers customer focussed products in the retail mortgage market, the innovative direct banking market and the specialised commercial property market.

Under the name of ING Bank Australia, the Retail Mortgage Group, a division of the Issuer, distributes a broad range of competitive and flexible home and investment loans through mortgage brokers and financial advisers.

ING DIRECT, another division of the Issuer, offers to its target markets and existing customers straight forward products via the telephone, Internet or mail.

Its flagship product, the "Savings Maximiser" - a high variable interest savings account without any strings attached - is an example of the innovative new breed of product designed for the Internet and telephone.

In 2003, ING DIRECT added the Mortgage Simplifier, a straight forward mortgage product to its product suite and in 2004, the Business Optimiser, a fee-free savings account for targeting small to medium sized businesses was launched.

Both ING Bank Australia and ING DIRECT operate without the need for traditional bank branches.

Schedule 2 - Subscription and Sale

Pursuant to the Dealer Agreement dated 3 August 2001 between the Issuer, the Guarantor and the Dealers, as amended and supplemented from time to time (“**Dealer Agreement**”), Notes will be offered by the Issuer through the Dealers. The Issuer will have the sole right to accept any such offers to purchase Notes and may reject any such offer in whole or (subject to the terms of such offer) in part. Each Dealer has the right, in its discretion reasonably exercised, to reject any offer to purchase Notes made to it in whole or (subject to the terms of such offer) in part. The Issuer is entitled under the Dealer Agreement to appoint one or more Dealers as a dealer for a particular issue of Notes.

By its purchase and acceptance of Notes issued under the Dealer Agreement, each Dealer agrees that it will observe all applicable laws and regulations in any jurisdiction in which it may offer, sell, or deliver Notes and that it will not directly or indirectly offer, sell, resell, re-offer or deliver Notes or distribute the Information Memorandum, any Pricing Supplement, circular, advertisement or other offering material relating to the Notes in any country or jurisdiction except under circumstances that will result, to the best of its knowledge and belief, in compliance with all applicable laws and regulations.

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

1 **Australia**

Each Dealer has acknowledged and each further Dealer appointed under the Program will be required to acknowledge, that in relation to the Program and each issue of Notes no prospectus or other disclosure document (as defined in the Corporations Act 2001 of Australia (the “**Corporations Act**”)) in relation to the Program or any Notes, has been or will be lodged with the Australian Securities and Investments Commission (“**ASIC**”).

Each Dealer has represented and undertaken, and each further Dealer appointed under the Program will be required to represent and undertake that, unless the relevant Pricing Supplement otherwise provides, it:

- (a) has not offered or invited applications, and will not offer or invite applications, for the issue, sale or purchase of any 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, the Information Memorandum or any other offering material or advertisement relating to any Notes in Australia,

unless:

- (i) the aggregate consideration payable by each offeree is at least A\$500,000 (or its equivalent in other currencies but disregarding moneys lent by the offeror or its associates) or the offer or invitation otherwise does not

require disclosure to investors in accordance with Part 6D.2 of the Corporations Act;

- (ii) such action complies with all applicable laws and regulations; and
- (iii) such action does not require any document to be lodged with ASIC.

In addition and unless the relevant Pricing Supplement otherwise provides, each Dealer has represented and undertaken, and each further Dealer appointed under the Program will be required to represent and undertake 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 for the purposes of section 128F(9) of the Income Tax Assessment Act 1936 (as amended) of Australia (“**Australian Tax Act**”) and associated regulations and, where applicable, any replacement legislation including, but not limited to, the Income Tax Assessment Act 1997 (as amended) of Australia, except as permitted by section 128F(5) of the Australian Tax Act.

2 The United Kingdom

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

- (a) 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 Financial Services and Markets Act 2000 (as amended) (“**FSMA**”)) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to those Notes in, from or otherwise involving the United Kingdom.

3 The United States of America

Each Dealer has represented and undertaken, and each further Dealer appointed under the Program will be required to represent and undertake that the Notes have not been and will not be registered under the Securities Act, and may not be offered, sold, delivered or transferred within the United States or to, or for the account or benefit of, U.S. persons except (a) in accordance with Regulation S under the Securities Act (“**Regulation S**”), or (b) in other transactions exempt from the registration requirements of the Securities Act.

Each Dealer has represented, warranted and agreed and each further Dealer appointed under the Program will be required to represent, warrant and agree that it has not offered, sold or delivered and that it will not offer, sell or deliver the Notes:

- (a) as part of their distribution at any time; and
- (b) otherwise until 40 days after completion of the distribution of such Notes, as determined and certified by the relevant Dealer or, in the case of an issue of Notes on a syndicated basis, the Lead Manager,

within the United States or to, or for the account or benefit of, U.S. persons only in accordance with Rule 903 of Regulation S or in other transactions exempt from the registration requirements of the Securities Act.

Each Dealer who has purchased Notes must determine and certify to the Issuer and, in the case of an issue of Notes on a syndicated basis, the Lead Manager, when it has completed the distribution of those Notes. In the case of an issue of Notes on a syndicated basis, the Lead Manager must certify when the distribution of all of those Notes has been completed.

Each Dealer has further represented and agreed, and each further Dealer appointed under the Program will be required to further represent and agree that it will have sent to each distributor to which it sells Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons.

Until 40 days after the completion of the distribution of all Notes of the Tranche of which those Notes are a part, an offer or sale of such Notes within the United States by any dealer or other distributor (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

Terms used under this subheading “United States” have the meanings given to them by Regulation S and the Securities Act.

4 Hong Kong

Each Dealer represents and agrees, and each further Dealer appointed under the Program will be required to represent and agree, that:

- (a) it has not sold or offered, and will not offer or sell, in Hong Kong, by means of any document, any Notes other than (i) to persons whose ordinary business is to buy or sell shares or debentures (whether as principal or agent), or (ii) in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap. 32 of the laws of Hong Kong) (“CO”), or (iii) to “professional investors” within the meaning of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (“SFO”) and any rules made under the SFO, or (iv) in other circumstances which do not result in the document being a “prospectus” within the meaning of the CO; and
- (b) it has not issued, or had in its possession for the purpose of issue, and will not issue or have in its possession for the purpose of issue (in each case whether in Hong Kong or elsewhere), any advertisement, invitation or document relating to any Notes which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the 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” within the meaning of the SFO and any rules made under the SFO.

5 Singapore

This Information Memorandum has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Program will be required to represent and agree, that this Information Memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes has not been, and will not be, circulated or distributed by it nor have the Notes been, nor will the Notes be, offered or sold by it, or made the subject of an invitation for subscription or purchase by it, whether directly or indirectly, to persons in Singapore other than:

- (a) to an institutional investor under section 274 of the Securities and Futures Act (Cap. 289) (as amended) of Singapore (“SFA”); or
- (b) to a relevant person, or any person pursuant to section 275(1A), and in accordance with the conditions, specified in section 275 of the SFA; or
- (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

6 Japan

The Notes have not been and will not be registered under the Securities and Exchange Law of Japan (“Securities and Exchange Law”) and, accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Program will be required to represent and agree, that it will not offer or sell any Notes directly or indirectly, in Japan or to, or for the benefit of, any Japanese Person or to others for re-offering or resale, directly or indirectly, in Japan or to any Japanese Person except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Securities and Exchange Law and any other applicable laws and regulations of Japan. For the purposes of this paragraph, “Japanese Person” means any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

7 European Economic Area

In relation to each Member State of the European Economic Area (being the countries in the European Union plus Iceland, Norway and Liechtenstein) which has implemented the Prospectus Directive (each, a “**Relevant Member State**”), each Dealer has represented and agreed, and each further Dealer appointed under the Program 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 (“**Relevant Implementation Date**”) it has not made and will not make an offer of Notes 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 Notes to the public in that Relevant Member State:

- (a) in (or in Germany, where the offer starts within) the period beginning on the date of publication of a prospectus in relation to those Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive, and ending on the date which is 12 months after the date of such publication;
- (b) at any time to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;
- (c) at any time to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000 and (3) an annual net turnover of more than €50,000,000 all as shown in its last annual or consolidated accounts; or
- (d) at any time any other circumstances which do not require the publication by the Issuer of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression “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 for 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 and includes any relevant implementing measure in each Relevant Member State.

8 General

These selling restrictions may be modified by the agreement of the Issuer and the Program Managers after consultation with the Dealers following a change in or clarification of a relevant law, regulation, directive, request or guideline having the force of law or compliance with which is in accordance with the practice of responsible financial institutions in the country concerned or any change in or introduction of any of them or in their interpretation or administration. Any such modification will be set out in the relevant Subscription Agreement, if applicable, and in the Pricing Supplement issued in respect of the Notes to which it relates or in a supplement to the Information Memorandum.

Each Dealer represents and undertakes and each further Dealer appointed under the Program will be required to represent and undertake that no action has been taken by it and no action will be taken by it which, in either case, would permit a public offering of the Notes, or possession or distribution of the Information Memorandum or other offering material in any jurisdiction where action for that purpose is required.

Persons into whose hands this Information Memorandum comes are required by the Issuer and the Dealers to comply with any applicable law and directive in

each jurisdiction in which they offer, sell, purchase or deliver Notes or distribute, publish or possess the Information Memorandum or other offering material and to obtain any authorisation required by them for the offer, sale, purchase or delivery by them of any Notes under any applicable law or directive in force in any jurisdiction to which they are subject or in which they make such offers, sales, purchases or deliveries, in all cases at their own expense, and neither the Issuer nor any Dealer shall have responsibility for such matters.

For the purposes of this provision, “directive” includes a treaty, official directive, request, regulation, guideline or policy (whether or not having the force of law) with which responsible participants in the relevant market generally comply.

Schedule 3 - Taxation

Australia

*The following is a summary of the Australian taxation treatment under the Income Tax Assessment Acts of 1936 and 1997 of Australia (together, “**Australian Tax Act**”) at the date of this Information Memorandum of payments of interest (as defined in the Australian Tax Act) on the Notes to be issued by the Issuer under the Program and certain other matters. It is not exhaustive and, in particular does not deal with the position of certain classes of holders of Notes (including, without limitation, dealers in securities, custodians or other third parties who hold Notes on behalf of other persons).*

Prospective holders of Notes should also be aware that particular terms of issue of any Series of Notes may affect the tax treatment of that and other Series of Notes. The following is a general guide and should be treated with appropriate caution. Prospective holders of Notes who are in any doubt as to their tax position should consult their professional advisers on the tax implications of an investment in the Notes for their particular circumstances.

1 Interest withholding tax

An exemption from Australian interest withholding tax imposed under Division 11A of Part III of the Australian Tax Act (“**IWT**”) is available in respect of the Notes issued by the Issuer, under section 128F of the Australian Tax Act if the following conditions are met:

- (a) the Issuer is either a resident of Australia or a non-resident carrying on business at or through a permanent establishment in Australia when it issues the Notes and when interest (as defined in section 128A(1AB) of the Australian Tax Act) is paid. Interest is defined to include amounts in the nature of, or in substitution for, interest and certain other amounts;
- (b) the Notes are issued in a manner which satisfies the public offer test. 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:
 - (i) offers to 10 or more unrelated financiers or securities dealers;
 - (ii) offers to 100 or more investors;
 - (iii) offers of listed Notes;
 - (iv) offers via publicly available information sources; and
 - (v) offers to a dealer, manager or underwriter who offers to sell the Notes within 30 days by one of the preceding methods.

In addition, the issue of any of the Notes (whether in global form or otherwise) and the offering of interests in any of the Notes by one of these methods should satisfy the public offer test;

- (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 Australian Tax Act; 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 Australian Tax Act.

Associates

An “associate” of an Issuer for the purposes of section 128F of the Australian Tax Act includes (i) a person or entity which holds 50% or more of the voting shares of, or otherwise controls, the Issuer, (ii) any entity in which more than 50% of the voting shares are held by, or which is otherwise controlled by, the Issuer, (iii) a trustee of a trust where the Issuer is capable of benefiting (whether directly or indirectly) under that trust, and (iv) a person or entity who is an “associate” of another person or company which is an “associate” of the Issuer under any of the foregoing.

However, for the purposes of sections 128F(5) and (6) of the Australian Tax Act (see paragraphs (c) and (d) above), “associate” does not include:

- (A) onshore associates (i.e. Australian resident associates who do not hold the Notes in the course of carrying on business at or through a permanent establishment outside Australia and non-resident associates who hold the Notes in the course of carrying on business at or through a permanent establishment in Australia); or
- (B) offshore associates (i.e. Australian resident associates who hold the Notes in the course of carrying on business at or through a permanent establishment outside Australia and non-resident associates who do not hold the Notes in the course of carrying on business at or through a permanent establishment in Australia) who are 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, a clearing house, custodian, funds manager or responsible entity of a registered managed investment scheme (within the meaning of the Corporations Act); or
 - (ii) in the case of section 128F(6), a clearing house, paying agent, custodian, funds manager or responsible entity of a registered managed investment scheme.

Compliance with section 128F of the Australian Tax Act

Unless otherwise specified in any relevant Pricing Supplement (or another 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 Australian Tax Act.

US and UK Resident holders of Notes

The Australian government has signed a number of new or amended double tax conventions (“**New Treaties**”) with the Specified Countries. The New Treaties apply to interest derived by a resident of a Specified Country. The New Treaties effectively prevent interest withholding tax applying to interest derived by:

- the government of the relevant Specified Country and certain governmental authorities and agencies in the Specified Country; and
- certain (1) banks, and (2) other unrelated financial institutions which substantially derive their profits by carrying on a business of raising and providing finance, which are resident in a Specified Country,

by reducing the interest withholding rate to zero. Under the New Treaties back-to-back loans and economically equivalent arrangements will not obtain the benefit of the reduction in the interest withholding rate mentioned above and the anti-avoidance provisions in the Australian Tax Act can apply.

“Specified Countries” means the United States and the United Kingdom. The New Treaty for the United States applies to any interest paid on or after 1 July 2003. The New Treaty for the United Kingdom applies to any interest paid on or after 1 July 2004.

Payments under the Guarantee

It is unclear whether or not any payment by the Guarantor under the Guarantee in respect of the Notes would be subject to Australian IWT. The Australian Taxation Office has published Taxation Determination TD 1999/26 (“**Taxation Determination**”) stating that payments by a guarantor in respect of debentures (such as the Notes) are entitled to the benefit of the exemption contained in section 128F of the Australian Tax Act if payments of interest in respect of those debentures by the issuer are exempt from IWT. However, there is some doubt as to whether the Taxation Determination applies in the context of the Guarantee and whether the reasoning adopted in the Taxation Determination is correct. If the reasoning adopted in the Taxation Determination is not applicable, IWT at the rate of 10% will be payable on payments of interest (as defined in section 128B(1AB) of the Australian Tax Act), or interest paid on an overdue amount, by the Guarantor to non-residents (other than non-residents holding the Notes in the course of carrying on a business at or through a permanent establishment in Australia) or residents of Australia holding the Notes in the course of carrying on a business at or through a permanent establishment outside Australia.

It is unclear whether any payment under the Guarantee in respect of the Notes would constitute a payment of interest so defined, but each Issuer and the Guarantor have been advised by Mallesons Stephen Jaques that the better view is that such payments (other than interest paid on an overdue amount) would not constitute interest as so defined and, therefore, should not, in any event, be subject to the IWT provisions of the Australian Tax Act.

As set out in more detail in the Guarantee, if the Guarantor is at any time compelled or authorised by law to deduct or withhold an amount in respect of any Australian withholding taxes imposed or levied by the Commonwealth of Australia in respect of payments under the Guarantee, the Guarantor must, subject to certain exceptions, pay such additional amounts as may be necessary in order

to ensure that the net amounts received by the holders of those Notes after such deduction or withholding are equal to the respective amounts which would have been received had no such deduction or withholding been required.

Payment of Additional Amounts

As set out in more detail in the relevant Terms and Conditions for the Notes, and unless expressly provided to the contrary in the relevant Pricing Supplement (or another relevant supplement to this Information Memorandum), if the Issuer is at any time compelled or authorised by law to deduct or withhold an amount in respect of any Australian withholding taxes imposed or levied by or on behalf of the Commonwealth of Australia in respect of the Notes, the Issuer will, subject to certain exceptions pay such additional amounts as may be necessary in order that the net amounts received by the holders of Notes after such withholding or deduction are equal to the respective amounts which would have been received had no such withholding or deduction been required. If the Issuer or the Guarantor is compelled by law in relation to any Notes to deduct or withhold an amount in respect of any withholding taxes, the Issuer will have the option to redeem those Notes in accordance with the relevant Terms and Conditions.

2 Other Australian tax matters

Subject to paragraph 3, under Australian laws as presently in effect:

- (a) *income tax - offshore holders of Notes* - assuming the requirements of section 128F of the Australian Tax Act are satisfied with respect to the Notes, payment of principal and interest (as defined in section 128A(1AB) of the Australian Tax Act) to a holder of the Notes, who is a non-resident of Australia and who, during the taxable year, does not hold the Notes in the course of carrying on business at or through a permanent establishment in Australia, will not be subject to Australian income taxes; and
- (b) *income tax - Australian holders of Notes* - Australian residents or non-Australian residents who hold the Notes in the course of carrying on business at or through a permanent establishment in Australia (“**Australian Holders**”), will be assessable for Australian tax purposes on income either received or accrued due to them in respect of the Notes. Whether income will be recognised on a cash receipts or accruals basis will depend upon the tax status of the particular holder of the Notes and the terms and conditions of the Notes. Special rules apply to the taxation of Australian residents who hold the Notes in the course of carrying on business at or through a permanent establishment outside Australia which vary depending on the country in which that permanent establishment is located; and
- (c) *gains on disposal of Notes - offshore holders of Notes* - a holder of the Notes, who is a non-resident of Australia and who, during the taxable year, does not hold the Notes in the course of carrying on business at or through a permanent establishment in Australia, will not be subject to Australian income tax on gains realised during that year on sale or redemption of the Notes, provided such gains do not have an Australian source. A gain arising on the sale of Notes by a non-Australian resident holder to another non-Australian resident where the Notes are sold

outside Australia and all negotiations are conducted, and documentation executed, outside Australia would not be regarded as having an Australian source; and

- (d) *gains on disposal of Notes - Australian Holders* - Australian Holders will be required to include any gain or loss on disposal of the Notes in their taxable income. Special rules apply to the taxation of Australian residents who hold the Notes in the course of carrying on business at or through a permanent establishment outside Australia which vary depending on the country in which that permanent establishment is located; and
- (e) *deemed interest* - there are specific rules that can apply to treat a portion of the purchase price of Notes as interest for withholding tax purposes when certain Notes originally issued at a discount or with a maturity premium or which do not pay interest at least annually are sold to an Australian resident (who does not acquire them in the course of carrying on trade or business at or through a permanent establishment outside Australia) or a non-resident who acquires them in the course of carrying on trade or business at or through a permanent establishment in Australia. If the Notes are not issued at a discount and do not have a maturity premium, these rules should not apply to the Notes. These rules do not apply in circumstances where the deemed interest would have been exempt under section 128F of the Australian Tax Act if the Notes had been held to maturity by a non-resident; and
- (f) *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; and
- (g) *stamp duty and other taxes* - no ad valorem stamp, issue, registration or similar taxes are payable in Australia on the issue or transfer of any Notes; and
- (h) *other withholding taxes on payments in respect of Notes* - section 12-140 of the Taxation Administration Act 1953 of Australia (“**Taxation Administration Act**”) imposes a type of withholding tax at the rate of (currently) 48.5% on the payment of interest on certain registered securities unless the relevant payee has quoted an Australian tax file number (“**TFN**”), (in certain circumstances) an Australian Business Number (“**ABN**”) or proof of some other exception (as appropriate). Assuming the requirements of section 128F of the Australian Tax Act are satisfied with respect to the Notes, then the requirements of section 12-140 do not apply to payments to a holder of Notes in registered form who is not a resident of Australia and not holding those Notes in the course of carrying on business at or through a permanent establishment in Australia. Payments to other classes of holders of Notes in registered form may be subject to a withholding where the holder of those Notes does not quote a TFN, ABN or provide proof of an appropriate exemption (as appropriate); and
- (i) *other withholding taxes on payments in respect of guarantee* - payments by the Guarantor under the Guarantee may be made free and clear of the

withholdings required under section 12-140 of the Taxation Administration Act, provided that tax at the rate of (currently) 48.5% must be withheld from payments under the Guarantee to Australian residents or non-residents carrying on business through a permanent establishment in Australia unless the relevant payee has quoted a TFN, (in certain circumstances) an ABN) or proof of some other exception (as appropriate); and

- (j) *supply withholding tax* - payments in respect of the Notes and the Guarantee can be made free and clear of the “supply withholding tax” imposed under section 12-190 of the Taxation Administration Act; and
- (k) *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 an offshore subscriber) a GST-free supply. Furthermore, neither the payment of principal or interest by the Issuer, nor the disposal of the Notes, would give rise to any GST liability in Australia; and
- (l) *debt/equity rules* - Division 974 of the Australian Tax Act, which applies from 1 July 2001, contains tests for characterising debt (for all entities) and equity (for companies) for Australian tax purposes, including for the purposes of dividend withholding tax and IWT. 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 Australian Tax Act. Accordingly, Division 974 is unlikely to affect the Australian tax treatment of holders of Notes.
- (m) *additional withholdings from certain payments to non-residents* - section 12-315 of Schedule 1 to the Taxation Administration Act gives the Governor-General power to make regulations requiring withholding from certain payments to non-residents after 1 July 2003. However, section 12-315 expressly provides that the regulations will not apply to interest and other payments which are already subject to the current IWT rules or specifically exempt from those rules. Further, 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 regulations promulgated prior to the date of this Information Memorandum are not relevant to any payments in respect of the Notes. Any further regulations should also not apply to repayments of principal under the Notes, as in the absence of any issue discount, such amounts will generally not be reasonably related to assessable income. The possible application of any regulations to the proceeds of any sale of the Notes will need to be monitored; and
- (n) *Taxation of foreign exchange gains and losses* - divisions 775 and 960 of the Australian Tax Act contain rules to deal with the taxation consequences of foreign exchange transactions entered into after 1 July 2003 (unless a taxpayer elects for them to apply to earlier transactions). The rules are complex and may apply to any holders of the Notes who are Australian residents or non-residents that hold Notes that are not

denominated in Australian dollars in the course of carrying on business in Australia. Any such holders of Notes should consult their professional advisors for advice as to how to tax account for any foreign exchange gains or losses arising from their holding of those Notes.

3. Recent Developments

Taxation of financial arrangements

On 16 December 2005 the Minister for Revenue and Assistant Treasurer issued an exposure draft of proposed new rules for the “Taxation of Financial Arrangements”. It is intended that the new rules (if enacted) would represent a new code for the taxation of receipts and payments in relation to financial arrangements. The new division defines financial arrangements and sets out five tax-timing methods. These methods (elective fair value, accruals, elective foreign currency retranslation, realisation and elective hedging) determine the tax-timing treatment of all financial arrangements covered by the legislation.

The exposure draft does not specify the commencement date for the new rules, although the explanatory material released with the exposure draft says that the new rules will apply to financial arrangements acquired after the start date. Taxpayers may also be able to elect for the new rules to apply to all financial arrangements existing at the start date.

The proposed measures should not apply to holders of Notes who are non-residents of Australia and who do not hold their Notes in the course of carrying on a business at or through a permanent establishment in Australia.

Although the exposure draft does not contain any indication as to how (if at all) the proposed rules are to relate to the imposition of interest withholding tax, the rules are not expected to have any effect on the Australian interest withholding tax regime. Significantly, the Government has given no indication that it intends the new rules to apply in a manner which overrides the section 128F exemption.

Comments on the draft are due by 1 March 2006 and it is expected that the Government will consult with taxpayers and industry representatives to develop the final legislation.

4 Australian Approvals

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 or Coupons. However, the Banking (Foreign Exchange) Regulations and other regulations in Australia also prohibit payments, transactions and dealings with assets or named individuals or entities subject to international sanctions or associated terrorism.

The Netherlands

It is assumed that the holders of the Notes do not hold a substantial interest in the share

capital of the Guarantor. Generally speaking, an interest in the share capital of the Guarantor should not be considered a substantial interest if the holder of such interest, and, if the holder is a natural person, his or her spouse, (registered) partner, certain other relatives or certain persons sharing the holder's household, alone or together, does or do not hold, whether directly or indirectly, the ownership of, or certain rights over, shares or rights resembling shares representing five percent or more of the total issued and outstanding capital, or the issued and outstanding capital of any class of shares, of the Guarantor.

Also, it is assumed that the Notes and income received or capital gains derived therefrom, are not attributable to employment activities of the holder of the Notes.

Furthermore, it is assumed that the holders of the Notes are not residents of The Netherlands, not deemed to be resident of The Netherlands and have not opted to be treated as resident in The Netherlands. Under the current tax law of The Netherlands:

1. Withholding tax

All payments in respect of the Notes, including payments made under the Guarantee, can be made without withholdings or deductions for or on account of any taxes, duties or charges of any nature whatsoever imposed by the Dutch tax authorities or any political subdivision thereof or therein or any of their representatives, agents or delegates.

2. Taxes on income and capital gains

A holder of a Note who derives income from such Note, or who realizes a gain on the disposal or redemption of a Note, will not be subject to Dutch taxation on income or capital gains, unless:

- (i) such holder derives such income or gain from an enterprise whether as an entrepreneur (*ondernemer*) or pursuant to the co-entitlement to the net worth of such enterprise, other than as an entrepreneur or a shareholder, which enterprise is in whole or in part, carried on through a permanent establishment or a permanent representative in The Netherlands, to which the Note is attributable; or
- (ii) the holder is an individual, and such income or gain qualifies as income from miscellaneous activities (*resultaat uit overige werkzaamheden*) in The Netherlands, which include activities with respect to the Note that exceed regular, active portfolio management (*normaal, actief vermogensbeheer*).

3. Gift, estate or inheritance tax

There will be no Dutch gift, estate or inheritance taxes levied on the receipt of a Note by way of gift by a holder, or upon the death of a holder, unless:

- (a) at the time of the gift or death, the Note can be attributed to an enterprise or an interest therein which is, in whole or in part, carried on through a permanent establishment or a permanent representative in The Netherlands; or

- (b) the holder of the Note dies within 180 days of making the gift, and at the time of death is a resident or deemed resident of The Netherlands.

4. Value-added tax

No value-added tax will be due in The Netherlands in respect of payments made in consideration for the issue of the Notes, whether in respect of payments of interest and principal or in respect of the transfer of a Note.

5. Other taxes

There will be no registration tax, capital contribution tax, customs duty, stamp duty, real estate transfer tax or any other similar tax or duty due in The Netherlands in respect of or in connection with the issue, transfer, execution or delivery by legal proceedings of the Notes or the performance of the Issuer's obligations under the relevant documents or the performance of the Guarantor's obligations under the Guarantee.

6. Residency

A holder of a Note will not become, and will not be deemed to be, resident in The Netherlands by the sole virtue of holding such Note or the execution, performance, and/or delivery of the relevant documents, including the Guarantee.

Supplemental Information Memorandum



Issuer

**ING BANK (AUSTRALIA) LIMITED
(ABN 24 000 893 292)**

Guarantor

ING BANK N.V.

A\$5,000,000,000

Debt Issuance Program

Joint Arrangers and Program Managers

ING Financial Markets

Westpac Institutional Bank

Dealers

Australia and New Zealand Banking Group
Limited (ABN 11 005 357 522)

ING Financial Markets

Commonwealth Bank of Australia
(ABN 48 123 123 124)

National Australia Bank Limited
(ABN 12 004 044 937)

Deutsche Bank AG
(ABN 13 064 165 162)

UBS AG
(ABN 47 088 129 613)

Westpac Banking Corporation
(ABN 33 007 457 141)

11 October 2004

Introduction

This Supplemental Information Memorandum (“**Supplement**”) supplements and should be read in conjunction with, the Information Memorandum dated 5 March 2004 (“**Information Memorandum**”) issued by ING Bank (Australia) Limited (ABN 24 000 893 292) (“**Issuer**”).

Unless otherwise defined in this Supplement, terms defined in the Information Memorandum have the same meaning when used in this Supplement.

The Issuer accepts responsibility for the information contained in this Supplement. 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 in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

Neither this Supplement nor the Information Memorandum should be considered as a recommendation or statement of opinion, or a report of either of those things, by the Issuer, the Guarantor, the Program Managers, the Joint Arrangers, the Dealers, any I&P Agent (Offshore) and/or the Registrar that any person purchase any Notes or any rights in respect of any Notes.

The purpose of this Supplement is to reflect the increase in the maximum Outstanding Principal Amount of all Notes (as described below). The material set out in this Supplement supersedes the material in the “Program Summary - Program Limit” section of the Information Memorandum.

Program Limit Increase

The maximum Outstanding Principal Amount of all Notes which may be outstanding from time to time under the Program is increased to A\$5,000,000,000 (or its equivalent in other currencies calculated as described in the Information Memorandum) on and from the date of this Supplement. All references in the Information Memorandum to A\$2,000,000,000 will be deemed amended accordingly.

Information Memorandum



Issuer

**ING BANK (AUSTRALIA) LIMITED
(ABN 24 000 893 292)**

Guarantor

ING BANK N.V.

A\$2,000,000,000

Debt Issuance Program

Joint Arrangers and Program Managers

ING Financial Markets



Dealers

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Limited
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National Australia Bank Limited
(ABN 12 004 044 937)

UBS AG
(ABN 40 008 582 705)

Westpac Banking Corporation
(ABN 33 007 457 141)

5 March 2004

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The documents set out under the heading “Documents incorporated by reference” on page 6 are incorporated by reference in this Information Memorandum.

Introduction

ING Bank (Australia) Limited (ABN 24 000 893 292) (“**Issuer**” or “**ING**”) may offer from time to time transferable loan certificates (“**TLCs**”), medium term notes (“**MTNs**”) and transferable deposits (“**TDs**”) (together, “**Notes**”) under the Debt Issuance Program described in this Information Memorandum (“**Program**”).

The Notes will be guaranteed by ING Bank N.V. (“**Guarantor**”) pursuant to a Guarantee deed poll dated 3 August 2001 executed by the Guarantor in favour of holders of Notes from time to time (“**Guarantee**”).

Subject to applicable laws, regulations and directives, the Issuer may issue Notes under the Program in any country including Australia and countries in Europe and Asia (but not the United States).

The aggregate principal amount of Notes outstanding will not at any time exceed the Program limit (or its equivalent in other currencies at the date of issue). As at the date of this Information Memorandum, the Program limit is A\$2,000,000,000. This limit may be varied from time to time.

This Information Memorandum summarises information regarding the issue of Notes in Australia, Asia and Europe and replaces the Information Memorandum dated 3 August 2001 and the Supplemental Information Memorandum dated 21 July 2003.

Notes will be issued in one or more Tranches (each a “**Tranche**”) within one or more series (each a “**Series**”). Tranches of Notes within a particular Series may have various issue dates, issue prices and interest commencement dates and, in respect of the first interest payment (if any), different interest payment amounts, but will otherwise be issued on identical terms and conditions.

A pricing supplement (“**Pricing Supplement**”) will be issued for each Tranche of Notes issued under a particular Series and will contain details of the aggregate principal amount of the Tranche of Notes and the interest (if any) payable in respect thereof, and the issue price, issue date and maturity date of the Tranche of Notes, together with any other terms and conditions not contained in this Information Memorandum which apply to that Tranche of Notes.

Notes will ordinarily be unlisted, but application may be made to list Notes of a particular Series on the Australian Stock Exchange or any other stock exchange. The relevant Pricing Supplement in respect of the issue of any Notes will specify whether or not such Notes will be listed on the Australian Stock Exchange (or any other stock exchange).

Each Series of TLCs will be issued in registered form pursuant to a deed poll dated 3 August 2001 executed by the Issuer (“**TLC Deed Poll**”), as amended by a supplemental deed poll dated 5 March 2004 (“**Supplemental Deed Poll**”), and take the form of an entry in a register. Each Series of MTNs will be issued in registered form pursuant to a deed poll dated 3 August 2001 executed by the Issuer (“**MTN Deed Poll**”), as amended by the Supplemental Deed Poll, and take the form of an entry in a register. Each Series of TDs will be issued in registered form pursuant to a deed poll dated 3 August 2001 executed by the Issuer (“**TD Deed Poll**”), as amended by the Supplemental Deed Poll, and take the form of an entry in a register. Each deed poll, as amended by the Supplemental Deed Poll, will contain the terms and conditions of the relevant Notes (“**Terms and Conditions**”).

The Notes will be lodged in the Australian settlement system operated by Austraclear Limited (“**Austraclear System**”). The Notes may also be transacted through Euroclear Bank S.A./ N.V, as operator of the Euroclear System (“**Euroclear**”), Clearstream Banking, société anonyme (“**Clearstream, Luxembourg**”) and/or any other relevant clearing system specified in the relevant Pricing Supplement (together the “**Clearing Systems**”).

Terms used but not defined have the meanings given in the relevant Terms and Conditions.

Important Notice

Issuer's responsibility

This Information Memorandum has been prepared by and issued with the authority of the Issuer. The Issuer accepts responsibility for the information contained in this Information Memorandum.

The Program Managers, the Dealers and the Registrar make no representation or warranty, express or implied, as to and assume no responsibility or liability for the authenticity, origin, validity, accuracy or completeness of, or any errors or omissions in, any information, statement, opinion or forecast contained in this Information Memorandum or in any accompanying, previous or subsequent material or presentation, except that they have confirmed that their respective Details in the Directory are correct.

Documents incorporated by reference

This Information Memorandum is to be read in conjunction with all documents which are deemed to be incorporated by reference (see "Documents incorporated by reference" below). This Information Memorandum shall, unless otherwise expressly stated, be read and construed on the basis that such documents are so incorporated and form part of this Information Memorandum. References to "Information Memorandum" are to this Information Memorandum and to any other document incorporated by reference collectively and to any of them individually.

No representation

No representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by any of the Guarantor, the Program Managers, the Joint Arrangers, the Dealers, any I&P Agent (Offshore) or the Registrar (each as defined under "Program Summary" below) as to the accuracy or completeness of this Information Memorandum or any further information supplied by the Issuer in connection with the Program (except for confirming that their respective name and address details in the Directory on page 106 are correct). The Program Managers act in this Program in their respective capacities as manager of the Program, and not in any capacity as a fiduciary.

Independent advice

This Information Memorandum contains only summary information concerning the Notes. It is not 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 the Issuer, the Guarantor, the Program Managers, the Joint Arrangers, the Dealers, any I&P Agent (Offshore) and/or the Registrar that any recipient of this Information Memorandum or any other financial statements purchase any Notes or any rights in respect of any Notes. Each investor contemplating purchasing any Notes or any rights in respect of any Notes under the Program should make (and shall be taken to have made) its own independent investigation of the financial condition and affairs of, and its own appraisal of the creditworthiness of, the Issuer.

No advice is given in respect of the taxation treatment of investors in connection with investment in any Notes and each investor is advised to consult its own professional advisers.

Currency of information

Neither the delivery of this Information Memorandum nor any sale made in connection with this Information Memorandum at any time implies that the information contained in this Information Memorandum concerning the Issuer or the Guarantor is correct at any time subsequent to the Preparation Date (as defined below) or that any other information supplied in connection with the Program is correct as of any time subsequent to the Preparation Date. Investors should assume that none of the Guarantor, the Program Managers, the Joint Arrangers, the Dealers, any I&P Agent (Offshore) or the Registrar will review the financial condition or affairs of the Issuer or the Guarantor during the life of the Program. Investors should review, amongst other things, the documents deemed to be incorporated in this Information Memorandum by reference when deciding whether or not to purchase any Notes.

The Issuer has agreed to notify the Dealers promptly of any fact, condition, matter or thing of which it is aware which renders anything contained in this Information Memorandum misleading or deceptive in any material respect and accordingly in such circumstances to ensure that a new or supplemental information memorandum is prepared and made available to Dealers.

Except as provided above, the Issuer is under no obligation to update this Information Memorandum at any time after the date of this Information Memorandum or any subsequent issue of Notes.

No authorisation

No person has been authorised by the Issuer or the Guarantor to give any information or make any representations not contained in or consistent with this Information Memorandum in connection with the Issuer, the Guarantor, the Program or the issue or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Guarantor, any of the Dealers, the Joint Arrangers, the Program Managers, any I&P Agent (Offshore) and/or the Registrar.

Distribution to professional investors only

This Information Memorandum has been prepared on a confidential basis for institutions whose ordinary business includes the buying or selling of securities. This Information Memorandum is not intended for and should not be distributed to any other person. Its contents may not be reproduced or used in whole or in parts for any purpose other than in connection with the Program, nor furnished to any other person without the express written permission of the Issuer.

No disclosure required

Each offer or invitation of applications to issue, sell or purchase the Notes in, to or from Australia will not require disclosure to investors in accordance with Part 6D.2 of the Corporations Act 2001 of Australia because either the minimum aggregate consideration payable by each offeree or invitee is at least A\$500,000 (disregarding amounts lent by the offeror or inviter or its associates to the offeree or invitee) or the offer or invitation of applications does not otherwise require disclosure to be made under Part 6D.2 of the Corporations Act 2001 of Australia. Accordingly, neither this Information Memorandum nor any other prospectus, disclosure document, offering material or advertisement in relation to the Program is required to be lodged with the Australian Securities and Investments Commission.

Distribution

The distribution of this Information Memorandum and the offer or sale of Notes are restricted by law in certain jurisdictions. The Issuer, the Guarantor, the Program Managers, the Joint Arrangers, the Dealers, any I&P Agent (Offshore) and the Registrar do not represent that this document may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Guarantor, the Program Managers, the Joint Arrangers, the Dealers, any I&P Agent (Offshore) or the Registrar which would permit a public offering of any Notes or distribution of this Information Memorandum in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Information Memorandum nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations and the Dealers have represented that all offers and sales by them will be made on the same terms. Persons into whose possession this Information Memorandum or any Notes come must inform themselves about, and observe, any such restrictions. See "Subscription and Sale" below.

No registration

The Notes have not been and will not be registered under the United States Securities Act of 1933 (as amended) ("**Securities Act**"). Subject to certain exceptions, Notes may not be offered, sold, delivered or transferred within the United States or to, or for the account of, U.S. Persons (as defined in Regulation S under the Securities Act).

No offer

This Information Memorandum does not, and is not intended to, constitute an offer or invitation by or on behalf of the Issuer, the Guarantor, the Program Managers, the Joint Arrangers, the Dealers, any I&P Agent (Offshore) or the Registrar to any person to subscribe for, purchase or otherwise deal in any Notes nor is it intended to be used for the purpose of or in connection with offers or invitations to subscribe for, purchase or otherwise deal in any Notes.

Supplementary Information Memorandum

The Issuer may agree with any Dealer that the Notes may be issued in a form not contemplated by this Information Memorandum, in which event a supplementary information memorandum, if appropriate, will be made available which will describe the effect of the agreement reached in relation to such Notes.

Stabilisation

In connection with any issue of Notes, the Dealer (if any) designated as stabilising manager in the relevant Pricing Supplement may over-allot or effect transactions outside Australia which stabilise or maintain the market price of the Notes of the relevant Series at a level which might not otherwise prevail. Such stabilising, if commenced, may be discontinued at any time. Such stabilising shall be in compliance with all relevant laws and regulations.

References to credit ratings

There are references in this Information Memorandum to the credit ratings of the Notes. A credit rating is not a recommendation to buy, sell or hold the Notes and may be subject to revision, suspension or withdrawal at any time by the relevant rating agency.

Disclosure of interest

Each Program Manager and Dealer and the Registrar (as relevant) disclose that they, their subsidiaries, directors and employees:

- may have pecuniary or other interests in the securities mentioned in this Information Memorandum, and may also have interests pursuant to other arrangements; and
- will receive fees, brokerage and commissions, and may act as principal in any dealings in the Notes.

Litigation

The Issuer is not a party to any litigation which would have a material adverse effect on its ability to make payments when due under the Notes.

Documents incorporated by reference

The following documents are incorporated in and taken to form part of this Information Memorandum:

- all amendments and supplements to this Information Memorandum prepared by the Issuer from time to time;
- the most recently published consolidated audited annual financial statements and any interim financial statements (whether audited or unaudited) published subsequently to such annual financial statements of the Issuer and the Guarantor from time to time;
- all documents issued by the Issuer and expressly stated to be incorporated in this Information Memorandum by reference;
- the TLC Deed Poll, the MTN Deed Poll, the TD Deed Poll and the Supplemental Deed Poll;
- the Terms and Conditions; and
- the Guarantee.

Any statement contained in this Information Memorandum or in any of the documents incorporated by reference in, and forming part of this Information Memorandum, shall be modified or superseded for the purpose of this Information Memorandum to the extent that a statement contained in any document subsequently incorporated by reference modifies or supersedes such statement.

Copies of documents incorporated by reference are available for inspection from the Issuer, the Registrar and the Program Managers at their respective offices specified in the "Directory".

Preparation Date

In this Important Notice section, “**Preparation Date**” means:

- in relation to this Information Memorandum, the date indicated on its face or, if the Information Memorandum has been amended or supplemented, the date indicated on the face of that amendment or supplement;
- in relation to financial statements incorporated in this Information Memorandum, the date up to or as at the date to which the accounts relate; and
- in relation to any other item of information which is to be read in conjunction with this Information Memorandum, the date indicated on its face as being its date of release.

Corporate Profile

Incorporation and history of the Guarantor

The Guarantor was incorporated under Dutch law in the Netherlands on 12 November 1927 for an indefinite duration in the form of a public limited company as Nederlandsche Middenstandsbank N.V..

After the merger with Postbank N.V. on 4 October 1989, the name of the company known as Nederlandsche Middenstandsbank N.V. was changed into NMB Postbank Groep N.V.. On 4 March 1991 NMB Postbank Groep N.V. merged with Nationale-Nederlanden N.V., the largest Dutch insurance group. On that date the newly formed holding company Internationale Nederlanden Groep N.V. (“**ING**” and, together with each member of its group, “**ING Group**”) honoured its offer to exchange the shares of NMB Postbank Groep N.V. and of Nationale-Nederlanden N.V.. NMB Postbank Groep N.V. and Nationale-Nederlanden N.V. continued as sub-holding companies of ING Group. The sub-holding companies remain legally separate. An operational management structure ensures a close co-operation between the banking and insurance activities, strategically as well as commercially. After interim changes of names, the statutory names of the above mentioned companies have been changed into ING Groep N.V., ING Bank N.V. (the Guarantor) and ING Verzekeringen N.V. on 1 December 1995.

Profile of ING Group

ING Group is a global financial institution of Dutch origin with 115,000 employees. ING offers banking, insurance and asset management to 60 million clients in 60 countries. The clients are individuals, families, small businesses, large corporations, institutions and governments. ING comprises a broad spectrum of prominent businesses that increasingly serve their clients under the ING brand. ING's strategy is to achieve sustainable growth while maintaining healthy profitability. The Group's financial strength, its broad range of products and services, the wide diversity of its profit sources and the good spread of risks form the basis for ING's continuity and growth potential. ING seeks a careful balance between the interests of its stakeholders: its customers, shareholders, employees and society at large. It expects all its employees to act in accordance with the Group's Business Principles. These principles are based on ING's core values: responsiveness to the needs of customers, entrepreneurship, professionalism, teamwork and integrity. In the Netherlands, ING Group markets its products and services through approximately 11,000 independent and 1,200 tied insurance intermediaries, approximately 350 bank branches, Postbank's home banking service, the Internet and over 2,300 post offices and agencies. In addition, ING Group has more than 500 agents affiliated with the Regio Bank network and a number of specialised subsidiaries to provide the services to retail and wholesale clients.

Outside the Netherlands, ING Group has an extensive network of subsidiaries, offices, branches and agencies in Europe, North America, South America, Asia and Australia. The international insurance operations concentrate primarily on serving individuals and small and medium sized enterprises in regional and national markets. The banking operations outside the Benelux and Poland concentrate on wholesale clients. In a growing number of mature markets ING Group offers retail banking services through ING Direct.

The issued and paid-up capital of ING Groep N.V. amounted as at 30 June 2003 to EUR 599.3 million and consisted of 2,061.7 million ordinary shares with a nominal value of EUR 0.24 each and 87.1 million preference shares with a nominal value of EUR 1.20 each.

Profile of the Guarantor

The Guarantor is an international banking group of Dutch origin. With total assets as at 31 December 2002 of EUR 477.1 billion and with an average number of full time (or equivalent) employees in 2002 of 61,189, the Guarantor ranks among the major banks of Europe.

The Guarantor conducts the main banking activities of ING Group. The Guarantor is active in different market segments through several business units, among others ING Bank, Postbank, CenE Bankiers and Regio Bank in the Netherlands and mainly ING BHF Bank and ING Bank Slaski outside the Netherlands.

The Guarantor is represented in some 60 countries around the world through a large network of subsidiaries, offices and agencies. It offers its commercial and retail customers a full range of banking and financial services, including lending, stockbroking, insurance broking, funds management, leasing, factoring, investment banking and the provision of funds for venture capital purposes.

In the Netherlands, the Guarantor has access to a variety of distribution channels, comprising bank branches, home

banking, direct marketing techniques and specialised subsidiaries for the provision of services to retail and wholesale customers. Postbank has a leading position in the Dutch payment transfer system. Approximately 50 per cent of the adult population in the Netherlands and 70 per cent of Dutch corporations currently have accounts with the Postbank.

The authorised share capital of the Guarantor amounts to EUR 1.8 billion, divided into 1,600,000,000 ordinary shares and 50 preference shares with a nominal value of EUR 1.13 each. The issued and paid-up capital as at 31 December 2002 amounted to EUR 525 million and consisted of 465,035,000 ordinary shares and 7 preference shares with a nominal value of EUR 1.13 each.

More information about ING Group

Extensive information on ING Group, such as the annual report of ING Group and financial press releases, is available on the Internet at www.ing.com. This site also gives direct access to the websites of ING Group companies worldwide.

Incorporation and history of the Issuer

The Issuer was incorporated in New South Wales on 4 May 1971 and is an unlisted public company limited by shares.

The Issuer became an authorised Australian bank on 1 December 1994. Mercantile Mutual Finance Corporation Ltd (“MMFC”) as the Issuer was previously named, at that time a wholly owned and fully guaranteed subsidiary of Mercantile Mutual Holdings Ltd (“MMH”), obtained a banking authorisation under section 9 of the Banking Act 1959 (Cwth). At the same time, MMFC changed its name to ING Mercantile Mutual Bank Limited to reflect its new status. The ownership structure was altered (from that of MMFC) to reflect the adoption of majority control by the Guarantor through the acquisition of 90 percent of the voting shares. MMH retained the remaining 10 percent of voting shares with 100 percent of non-voting shares.

On 26 November 1997, MMH transferred all its shares in the Issuer to the Guarantor making the Issuer a wholly owned subsidiary of the Guarantor. On 12 August 1999, the Issuer changed its name to ING Bank (Australia) Limited.

The Guarantor transferred all of its shares in the Issuer on 26 August 2002 to ING Direct Holding GmbH. On 27 February 2003, shares in ING Direct Holding GmbH were transferred to ING Direct N.V. The shares of ING Direct N.V. are wholly owned by the Guarantor. Thus the Issuer remains (indirectly) wholly owned by the Guarantor.

The Guarantor is considering a change to its structure in 2004 (subject to all relevant regulatory and other approvals). The Guarantor will transfer its shares in ING Direct N.V. to a new Dutch holding company with a Dutch banking licence, ING Bank Holding N.V. It is expected that ING Bank Holding N.V. will be rated and capitalised at an equivalent level to the Guarantor. The existence and effectiveness of the Guarantee will not be affected. Both the Issuer and the Guarantor will continue to be wholly owned members of the ING Group.

Profile of the ING Group in Australia

ING Group’s involvement in Australia dates back to the early 1950s through its involvement in a life insurance company and its eventual acquisition of MMH in the 1980s. MMH was renamed ING Australia Limited in 2001.

As indicated above, an Australian banking authority was obtained in 1994. One of the primary reasons for establishing the banking operations was to offer banking products to the distributors of life insurance and funds management products.

ING Group has invested strongly in Australia and continues to expand its presence through robust organic growth and strategic acquisitions. Australia-wide ING Group employs more than 2000 staff who assist their customers to grow, manage and protect their wealth through the provision of a range of insurance, banking and asset management products.

Profile of ING Bank (Australia) Limited

The Issuer is a specialist retail bank. Its strategy is to provide customers with a select range of value for money products through low cost distribution channels supported by outstanding customer service. It offers customer focussed products in the retail mortgage market, the innovative direct banking market and the specialised commercial property market.

Under the name of ING Bank Australia, the Retail Mortgage Group, a division of the Issuer, distributes a broad range

of competitive and flexible home and investment loans through mortgage brokers and financial advisers.

ING DIRECT, another division of the Issuer, offers to its target markets and existing customers straightforward products via the telephone, Internet or mail.

Its flagship product, the “Savings Maximiser” - a high variable interest savings account without any strings attached - is an example of the innovative new breed of product designed for the Internet and telephone.

The “All Rounder” managed investment was added in May 2001 and 12 months later the company introduced its second managed fund, “True Blue”. In 2003, ING DIRECT added the Mortgage Simplifier, a straightforward mortgage product to its product suite.

Both ING Bank Australia and ING DIRECT operate without the need for traditional bank branches.

Program Summary

The following is a brief summary only and should be read in conjunction with the rest of this Information Memorandum and, in relation to any Notes, in conjunction with the relevant Terms and Conditions and the relevant Pricing Supplement.

Issuer: ING Bank (Australia) Limited.

Guarantor: ING Bank N.V.

Guarantee: The Guarantee is constituted by a guarantee deed poll dated 3 August 2001 executed by the Guarantor in favour of holders of Notes from time to time.

The due and punctual payment of principal and interest on the Notes (as defined below) and all other amounts payable in relation to or in connection with the Notes (including certain additional amounts in relation to tax) are unconditionally and irrevocably guaranteed by the Guarantor under the Guarantee. The obligations of the Guarantor under the Guarantee are direct, unconditional, unsecured and unsubordinated obligations of the Guarantor and rank at least *pari passu* with all other outstanding unsecured and unsubordinated obligations of the Guarantor, other than those preferred by mandatory provisions of law.

Program: A combined non-underwritten revolving Program for the issue of medium term notes, transferable loan certificates and other notes and for the acceptance of transferable deposits in any jurisdiction except the United States (subject to applicable legal and regulatory restrictions). Particular issues of Notes may be underwritten as agreed between the Issuer, the Guarantor and the relevant Dealers.

Notes will be issued in a manner which enables the Issuer to pay interest to holders of Notes free of any Australian interest withholding tax (as to which, see "Taxation" below).

Program Limit: A\$2,000,000,000 (or its equivalent in other currencies at the time of issue). The Program Limit may be increased by agreement between the Issuer, the Guarantor and the Program Managers from time to time.

Types of Notes: Debt instruments issued under the Program may be in the form of transferable loan certificates in registered form ("TLCs"), medium term notes in registered form ("MTNs") or transferable deposits ("TDs") (TLCs, MTNs and TDs together, "Notes"), or debt instruments issued under the Program may have such other characteristics as may be agreed between the Issuer, the Guarantor, the Joint Arrangers and Program Managers and the Dealer purchasing such debt instruments as more fully described in the relevant Pricing Supplement.

No certificate or other evidence of title will be issued unless the Issuer determines that certificates should be available or it is required to do so pursuant to any applicable law or regulation. Notes which are held in a Clearing System will be registered in the name of the relevant Clearing System or a nominee, depository or common depository for the relevant Clearing System.

Joint Arrangers and Program Managers: ING Financial Markets and Westpac Banking Corporation (ABN 33 007 457 141)

Dealers: The Dealers are:

Australia and New Zealand Banking Group Limited
Commonwealth Bank of Australia
Deutsche Bank AG
ING Bank N.V.
National Australia Bank Limited
UBS AG

Westpac Banking Corporation

Additional Dealers may be appointed from time to time in accordance with the Dealer Agreement (“**Dealer Agreement**”) dated 3 August 2001 (as amended from time to time). An updated list of Dealers may be obtained from the Program Managers. Dealers may be removed upon 30 days’ notice from the Issuer.

Registrar and Australian Paying Agent:

Austraclear Services Limited (ABN 28 003 284 419) and/or each other person appointed from time to time by the Issuer, with the consent of the Program Managers, to perform agency functions (within Australia) in relation to an issue of Notes. Details of each such appointment will be contained in the relevant Pricing Supplement.

I&P Agent (Offshore):

Such person appointed from time to time by the Issuer, with the consent of the Program Managers, to perform agency functions (outside Australia) in relation to an issue of Notes (if applicable). Details of each such appointment will be contained in the relevant Pricing Supplement.

Status:

Notes will be direct, unsubordinated and unsecured obligations of the Issuer and will rank at least equally with all other unsecured and unsubordinated obligations of the Issuer, except liabilities mandatorily preferred by law.

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

*Section 13A of the Banking Act 1959 of Australia provides that the assets of an authorised deposit-taking institution (“**ADI**”), which includes banks, in Australia would, in the event of the ADI becoming unable to meet its obligations or suspending payment, be available to meet that ADI’s deposit liabilities in Australian in priority to all other liabilities of that ADI. Under Section 16 of the Banking Act 1959, debts due to the Australian Prudential Regulation Authority shall in a winding-up of an ADI have, subject to Section 13A of the Banking Act 1959, priority over all other unsecured debts of that ADI. Further, under Section 86 of the Reserve Bank Act 1959 of Australia, debts due by a bank to the Reserve Bank of Australia shall in a winding-up of that bank have, subject to Section 13A of the Banking Act 1959, priority over all other debts, other than debts due to the Commonwealth of Australia.*

The Issuer does not make any representation as to whether the TDs or any of them, would constitute deposit liabilities in Australia under such statutory provisions.

Governing law:

The Notes and all related documentation will be governed by the laws of New South Wales, Australia.

Use of proceeds:

The net proceeds of any issue of Notes will be used by the Issuer for its general financing purposes in Australia.

Program Term:

The Program continues until terminated by the Issuer and/or Guarantor giving 30 days’ notice to the Program Managers and the Dealers, or earlier by agreement between all the parties to it.

Method of Issue:

The Issuer may from time to time issue Notes in one or more Tranches within one or more Series. Tranches of Notes within a particular Series may have various issue dates, issue prices and interest commencement dates and, in respect of the first interest payment (if any), different interest payment amounts, but will otherwise be issued on identical terms and conditions. The Notes of each Series are intended to be fungible with all other Notes of that Series. However, in certain circumstances, Notes of a particular Tranche may not be nor become fungible with Notes of any other Tranche or Tranches forming part of the same Series until a specified time following the issue thereof, all as described in the relevant Pricing Supplement.

- Stamp duty:** Any stamp duty incurred at the time of issue of the Notes will be for the account of the Issuer. Any stamp duty incurred on a transfer of Notes will be for the account of the relevant investors. As at the date of this Information Memorandum, no Australian stamp duty is payable on the issue or any transfer of Notes. Investors are advised to seek independent advice regarding any stamp duty or other taxes imposed upon the transfer of Notes, or interests in Notes, in any jurisdiction outside of Australia.
- Taxes:** Investors should obtain their own taxation advice regarding the taxation status of investing in the Notes. A summary of the Australian taxation treatment of payments of interest on the Notes is set out below under the heading “Taxation”.
- Austraclear:** The Issuer will apply to Austraclear Limited (“**Austraclear**”) for approval for Notes to be traded on the Austraclear System. Such approval of the Notes by Austraclear is not a recommendation or endorsement by Austraclear of the Notes.
- Other Clearing Systems:** Where relevant, the Issuer will apply to any other relevant operators for approval for Notes to be traded on that Clearing System.
- Tax File Number or Australian Business Number:** The Issuer will deduct tax from payments of interest (as defined in section 128A(1AB) of the Income Tax Assessment Act 1936) under the Notes at the highest marginal tax rate plus the Medicare levy if an investor has not supplied an appropriate tax file number or Australian business number or exemption details.
- Rating:** The Issuer expects that Notes issued under the Program will be rated AA- by Standard & Poor’s Rating Services, a division of the McGraw Hills Companies Inc..
- Title:** Entry of the name of a person in the relevant Register (if applicable) in respect of any Note constitutes the obtaining or passing of title and is conclusive evidence that the person so entered is the registered owner of such Note.
- Transfer procedure:** Notes may only be transferred in whole but not in part.
- As at the date of this Information Memorandum, the minimum aggregate consideration payable on each transfer of Notes within, to or from Australia must be at least A\$500,000 or its equivalent in another currency (disregarding amounts lent by the transferor or its associates to the transferee) or the offer or invitation resulting in the transfer must not otherwise require disclosure to be made under Part 6D.2 of the Corporations Act 2001 of Australia.
- Notes that are transferred entirely in a jurisdiction outside Australia may only be transferred in accordance with the laws of the jurisdiction in which the transfer takes place.
- Transfers of Notes held in any Clearing System specified in the relevant Pricing Supplement will be made in accordance with the rules and regulations of the relevant Clearing System.
- In other cases, application for the transfer of Notes must be made by lodgement of a duly completed (if applicable) stamped transfer and acceptance form with the Registrar. Transfers to unincorporated associations will not be permitted. Transfer and acceptance forms can be obtained from the Registrar. The transfer takes effect upon the transferee’s name being entered on the Register.
- Redemption:** It is the Issuer's intention that Notes entered in the Austraclear System will be redeemed through Austraclear in a manner consistent with the Austraclear Regulations (as defined below).

It is the Issuer's intention that Notes entered in a Clearing System other than Austraclear will be redeemed in a manner consistent with the rules of such Clearing System.

Payments:

It is the Issuer's intention that payments of principal, interest and other amounts on Notes entered in the Austraclear System will be made in accordance with the regulations known as the "Regulations and Operating Manual" established by Austraclear (as amended or replaced from time to time) to govern the use of the Austraclear System ("**Austraclear Regulations**").

It is the Issuer's intention that payments of principal, interest and other amounts on Notes entered in a Clearing System other than Austraclear will be made in accordance with the rules of such Clearing System.

Selling Restrictions:

The offering, sale and delivery of Notes and the distribution of this Information Memorandum and other material in relation to any Notes are subject to restrictions as may apply in any country in connection with the offering and sale of a particular Tranche of Notes including, in particular, restrictions in Australia, the United Kingdom, the United States of America, Hong Kong, Singapore and Japan. The selling restrictions applicable to the offer, sale or delivery of Notes are specified in "Subscription and Sale" below.

Pricing Supplement:

This Information Memorandum is to be read in relation to the issue of any Notes in conjunction with the Pricing Supplement issued by the Issuer in relation to such Notes. This Information Memorandum is intended to describe in general the nature of the Program. The Pricing Supplement relating to a Tranche of Notes will provide particular information relating to the Tranche including details of the form of the Notes, the Series in which the Notes will be issued and any other information relating to the issue of those Notes.

Australian withholding tax:

All payments by the Issuer in respect of the Notes will be made free and clear of and without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of the Commonwealth of Australia, or in each case any political subdivision thereof or any authority therein or thereof, subject to Condition 7.6 of the Terms and Conditions of the relevant Notes.

See "Taxation" below for a description of relevant Australian tax legislation.

Key Provisions of Transferable Loan Certificates

The following is summary of the key provisions relating to Transferable Loan Certificates to be issued under the Program. It is a brief summary only and should be read in conjunction with the rest of this Information Memorandum and the Terms and Conditions and, in relation to any TLCs, in conjunction with the relevant Pricing Supplement. Terms used and not defined have the meanings given in the TLC Terms and Conditions (as defined below).

Types of Notes: TLCs may be issued bearing a fixed or floating rate of interest as described in the Pricing Supplement.

Form: TLCs represent and evidence the making of a cash advance to the Issuer and will be debt obligations of the Issuer which are constituted by, and owing under, the TLC Deed Poll and take the form of entries in a register (“**TLC Register**”). Inscription on the Register constitutes:

- (a) the issue of the relevant TLC;
- (b) an acknowledgment to the relevant TLC Holder by the Issuer of the indebtedness of the Issuer to that TLC Holder from time to time under the TLC Deed Poll;
- (c) an undertaking by the Issuer to the TLC Holder to make all payments of principal, interest and any other sums in respect of the TLC from time to time in accordance with the TLC Deed Poll; and
- (d) an entitlement to the other benefits given to the TLC Holders under the TLC Deed Poll in respect of the TLCs.

The terms and conditions of the TLCs (“**TLC Terms and Conditions**”) are contained as a schedule to the TLC Deed Poll, as amended by the Supplemental Deed Poll, as modified and supplemented by a Pricing Supplement for the relevant Tranche.

They are set out in full below under the heading “Terms and Conditions of the TLCs”.

No certificate or other evidence of title will be issued to TLC Holders unless the Issuer determines that certificates should be available or it is required to do so pursuant to any applicable law or regulation. TLCs which are held in any Clearing System will be registered in the name of the relevant Clearing System or a nominee, depository or common depository for that system.

Currencies: Subject to any applicable legal or regulatory requirements, such currencies as may be agreed between the Issuer and the relevant Dealer, including, without limitation, Australian Dollars, US Dollars, Pounds Sterling, Euro, Yen or any other freely transferable and freely convertible currency (each such currency other than Australian Dollars being an “**Alternate Currency**”). Payments in respect of TLCs may be made in, or limited to, any currency or currencies other than the currency in which the TLCs are denominated, all as set out in the relevant Pricing Supplement.

Issuance in Series: TLCs will be issued in Series. Each Series may comprise one or more Tranches issued on different issue dates. The TLCs of each Series will all be subject to identical terms, except that the issue date and the amount of the first payment of interest may be different in respect of different Tranches of a Series and a Series may comprise TLCs in more than one denomination.

Denominations: Unless otherwise specified in a Pricing Supplement, TLCs will be issued in denominations of A\$100,000 (or an approximate equivalent in an Alternate Currency) as specified in the relevant Pricing Supplement, and may only be issued if:

- (a) in the case of a Domestic Issue of TLCs, the consideration payable is a minimum of A\$500,000 (or the equivalent in an Alternate Currency) (after disregarding moneys lent by the Issuer or its associates) or if the TLCs are otherwise issued in a manner that does not require disclosure to be made under Part 6D.2 of the Corporations Act 2001 of Australia; or
- (b) in the case of an Offshore Issue of TLCs, the issue complies with all applicable laws.

- Tenor:** TLCs will be issued with a tenor of not less than 365 days and there will be no maximum tenor.
- Issue Price:** TLCs may be issued at any price on a fully or partly paid basis, as specified in the relevant Pricing Supplement.
- Purchase Price:** As specified in the relevant Pricing Supplement, or as otherwise agreed between the parties.
- Interest:** TLCs will be interest bearing. Interest may accrue at fixed or variable rates and may vary during the life of a Series.
- Interest payment dates:** Interest is payable on the date or dates and in the manner specified in the relevant Pricing Supplement.
- Events of Default:** The occurrence of one or more of the following events whether or not within the control of the Issuer shall, constitute an “Event of Default”:
- (a) default is made for more than 30 days in the payment of interest or principal in respect of the TLCs; or
 - (b) the Issuer shall fail to perform or observe any of its obligations under the TLCs (other than its obligations for the payment of principal or interest in respect of the TLCs), or the Guarantor shall fail to perform or observe any of its obligations under the Guarantee or under the TLCs, and in either case such failure has continued for the period of 60 days next following the service on the Issuer or, as the case may be, the Guarantor of notice requiring the same to be remedied; or
 - (c) the Issuer:
 - (i) 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 2001 of Australia; or
 - (ii) 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 2001 of Australia; or
 - (iii) begins negotiations or takes any proceedings or other step with a view to re-adjustment, re-scheduling 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 for the purposes of a solvent reconstruction or amalgamation the terms of which have previously been approved in writing by a meeting of the holders of TLCs; or
 - (d) 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 in writing by a meeting of the holders of TLCs, or an administrator is appointed to the Issuer by a provisional liquidator of the Issuer under section 436B of the Corporations Act 2001 of Australia; or
 - (e) the Guarantor is declared bankrupt, or a declaration in respect of the Guarantor is made under Chapter 10 of the Act on the Supervision of the Credit System (*Wet toezicht kredietwezen 1992*) of the Netherlands; or
 - (f) an order is made or an effective resolution is passed for the winding up or liquidation of the Guarantor unless this is done in connection with a merger,

consolidation or other form of combination of another company and such company assumes all obligations contracted by the Guarantor in connection with the TLCs; or

- (g) the Issuer or, as the case may be, the Guarantor ceases to carry on substantially the whole of its business (except for the purposes of a solvent reconstruction or amalgamation the terms of which have previously been approved in writing by a meeting of the holders of TLCs); or
- (h) the Guarantee ceases to be, or is claimed by the Guarantor not to be, in full force and effect or the Guarantor fails to perform any of its obligations in respect of the Guarantee and (except where such failure is incapable of remedy, where no such notice is required) such failure continues for the period of 60 days next following the service on the Guarantor of notice requiring the same to be remedied.

If any Event of Default occurs and is continuing in relation to the TLCs of any Series or any of them, then a holder of TLCs of that Series may by written notice to the Issuer, or, as the case may be, the Guarantor (with a copy to each of the Registrar and the Program Managers) declare the TLC held by the holder of TLCs to be forthwith due and payable whereupon the Early Termination Amount (together with all accrued interest (if any)) applicable to each TLC held by the holder of TLCs shall be due and payable immediately or on such other date specified in the notice.

Early Redemption (Tax):

If the Issuer, on the occasion of the next payment due in respect of any series of TLCs, would be required to make payment of any Additional Amounts (as that term is defined in Condition 7.6 of the TLC Terms and Conditions), then the Issuer may elect to redeem all of the TLCs at their early redemption amount, as more fully described in Condition 5.3 of the TLC Terms and Conditions.

Early Redemption at Option of Issuer or Holder:

If specified in the relevant Pricing Supplement then the Issuer or, as the case may be, a TLC Holder may redeem all (or if agreed, part) of the TLCs at their early redemption amount, as more fully described in Conditions 5.4 and 5.5 of the TLC Terms and Conditions.

Withholding tax:

Unless otherwise specified in the Pricing Supplement, TLCs will be issued in a manner which enables the Issuer to pay interest to TLC Holders free of Australian interest withholding tax. Unless otherwise specified in the Pricing Supplement, all payments by the Issuer or the Guarantor (if applicable) in respect of the TLC Holders will be made free and clear of and without holding or deduction for, on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of the Commonwealth of Australia or any political subdivision thereof or any authority therein or thereof subject to certain customary exceptions as provided under Condition 7.6 of the TLC Terms and Conditions.

Clearing System:

TLCs may be transacted through the Clearing System specified in the relevant Pricing Supplement.

Listing:

TLCs will not normally be listed on any stock exchange.

Calculation Agent:

A Calculation Agent may be named in the Pricing Supplement in respect of each Tranche of TLCs. The Issuer may terminate the appointment of the Calculation Agent, appoint additional or other Calculation Agents or elect to have no Calculation Agent. Where no Calculation Agent is appointed, the calculation of interest and principal payments in respect of TLCs will be made by the Issuer.

Key Provisions of Medium Term Notes

The following is summary of the key provisions relating to Medium Term Notes to be issued under the Program. It is a brief summary only and should be read in conjunction with the rest of this Information Memorandum and the Terms and Conditions and, in relation to any MTNs, in conjunction with the relevant Pricing Supplement. Terms used and not defined have the meanings given in the MTN Terms and Conditions (as defined below).

Types of Notes: The types of MTNs that may be issued include fixed rate notes, floating rate notes, indexed notes, zero coupon notes, amortising notes, domestic, offshore, global (all as defined in the MTN Terms and Conditions (as defined below) and or the relevant Pricing Supplement) and any other notes referred to in the Pricing Supplement.

Form: MTNs will be debt obligations of the Issuer which are constituted by, and owing under, the MTN Deed Poll and take the form of entries in a register (“**MTN Register**”). Inscription on the Register constitutes:

- (a) the issue of the relevant MTN;
- (b) an acknowledgment to the relevant MTN Holder by the Issuer of the indebtedness of the Issuer to that MTN Holder from time to time under the MTN Deed Poll;
- (c) an undertaking by the Issuer to the MTN Holder to make all payments of principal, interest and any other sums in respect of the MTN from time to time in accordance with the MTN Deed Poll; and
- (d) an entitlement to the other benefits given to the MTN Holders under the MTN Deed Poll in respect of the MTNs.

The terms and conditions of the MTNs (“**MTN Terms and Conditions**”) are contained as a schedule to the MTN Deed Poll, as amended by the Supplemental Deed Poll, as modified and supplemented by a Pricing Supplement for the relevant Tranche.

They are set out in full below under the heading “Terms and Conditions of the MTNs”.

The MTNs of any Series may be described as “MTNs”, “Notes”, “Bonds” or by any other marketing name specified in the relevant Pricing Supplement.

No certificate or other evidence of title will be issued to MTN Holders unless the Issuer determines that certificates should be available or it is required to do so pursuant to any applicable law or regulation. MTNs which are held in any Clearing System will be registered in the name of the relevant Clearing System or a nominee, depository or common depository for that system.

Currencies: Subject to any applicable legal or regulatory requirements, such currencies as may be agreed between the Issuer and the relevant Dealer, including, without limitation, Australian Dollars, US Dollars, Pounds Sterling, Euro, Yen or any other freely transferable and freely convertible currency (each such currency other than Australian Dollars being an “**Alternate Currency**”). Payments in respect of MTNs may be made in, or limited to, any currency or currencies other than the currency in which the MTNs are denominated, all as set out in the relevant Pricing Supplement.

Issuance in Series: MTNs will be issued in Series. Each Series may comprise one or more Tranches issued on different issue dates. The MTNs of each Series will all be subject to identical terms, except that the issue date and the amount of the first payment of interest may be different in respect of different Tranches of a Series and a Series may comprise MTNs in more than one denomination.

Denominations: Unless otherwise specified in a Pricing Supplement, MTNs will be issued in denominations of A\$100,000 (or an approximate equivalent in an Alternate Currency) as

specified in the relevant Pricing Supplement, and may only be issued if:

- (a) in the case of a Domestic Issue of MTNs, the consideration payable is a minimum of A\$500,000 (or the equivalent in an Alternate Currency) (after disregarding moneys lent by the Issuer or its associates) or if the MTNs are otherwise issued in a manner that does not require disclosure to be made under Part 6D.2 of the Corporations Act 2001 of Australia; or
- (b) in the case of an Offshore Issue of MTNs, the issue complies with all applicable laws.

Tenor: MTNs will be issued with a tenor of not less than 365 days and there will be no maximum tenor.

Issue Price: MTNs may be issued at any price on a fully or partly paid basis, as specified in the relevant Pricing Supplement.

Purchase Price: As specified in the relevant Pricing Supplement, or as otherwise agreed between the parties.

Interest: MTNs may be interest bearing or non-interest bearing. Interest (if any) may accrue at fixed or variable rates and may vary during the life of a Series.

Interest payment dates: Interest (if any) is payable on the date or dates and in the manner specified in the relevant Pricing Supplement.

Events of Default: The same Events of Default as for TLCs (see above) apply to MTNs (as if references to TLCs and holders of TLCs were references to MTNs and holders of MTNs).

Early Redemption (Tax): If the Issuer, on the occasion of the next payment due in respect of any series of MTNs, would be required to make payment of any Additional Amounts (as that term is defined in Condition 7.6 of the MTN Terms and Conditions), then the Issuer may elect to redeem all of the MTNs at their early redemption amount, as more fully described in Condition 5.3 of the MTN Terms and Conditions.

Early Redemption at Option of Issuer or Holder: If specified in the relevant Pricing Supplement then the Issuer or, as the case may be, an MTN Holder may redeem all (or if agreed, part) of the MTNs at their early redemption amount, as more fully described in Conditions 5.4 and 5.5 of the MTN Terms and Conditions.

Withholding tax: Unless otherwise specified in the Pricing Supplement, MTNs will be issued in a manner which enables the Issuer to pay interest to MTN Holders free of Australian interest withholding tax. Unless otherwise specified in the Pricing Supplement, all payments by the Issuer or the Guarantor (if applicable) in respect of the MTN Holders will be made free and clear of and without holding or deduction for, on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of the Commonwealth of Australia or any political subdivision thereof or any authority therein or thereof subject to certain customary exceptions as provided under Condition 7.6 of the MTN Terms and Conditions.

Clearing System: MTNs may be transacted through the Clearing System specified in the relevant Pricing Supplement.

Listing: Application may be made for one or more Tranches of MTNs issued pursuant to the Program to be listed on the Australian Stock Exchange or any other stock exchange. MTNs which are listed on the Australian Stock Exchange will not be transferred through or registered on the Clearing House Electronic Sub-Register System (“CHESS”) and will

not be “CHESS approved securities”.

Calculation Agent:

A Calculation Agent may be named in the Pricing Supplement in respect of each Tranche of MTNs. The Issuer may terminate the appointment of the Calculation Agent, appoint additional or other Calculation Agents or elect to have no Calculation Agent. Where no Calculation Agent is appointed, the calculation of interest and principal payments in respect of MTNs will be made by the Issuer.

Key Provisions of Transferable Deposits

The following is summary of the key provisions relating to Transferable Deposits to be issued under the Program. It is a brief summary only and should be read in conjunction with the rest of this Information Memorandum and the Terms and Conditions and, in relation to any TDs, in conjunction with the relevant Pricing Supplement. Terms used and not defined have the meanings given in the TD Terms and Conditions (as defined below).

Types of Notes: TDs may be accepted bearing a fixed or floating rate of interest or may be non-interest bearing as described in the Pricing Supplement.

Form: TDs represent and evidence the making of a deposit with the Issuer and will be debt obligations of the Issuer which are constituted by, and owing under, the TD Deed Poll and take the form of entries in a register (“**TD Register**”). Inscription on the Register constitutes:

- (a) the acceptance of the relevant TD;
- (b) an acknowledgment to the relevant TD Holder by the Issuer of the indebtedness of the Issuer to that TD Holder from time to time under the TD Deed Poll;
- (c) an undertaking by the Issuer to the TD Holder to make all payments of principal, interest and any other sums in respect of the TD from time to time in accordance with the TD Deed Poll; and
- (d) an entitlement to the other benefits given to the TD Holders under the TD Deed Poll in respect of the TDs.

The terms and conditions of the TDs (“**TD Terms and Conditions**”) are contained as a schedule to the TD Deed Poll, as amended by the Supplemental Deed Poll, as modified and supplemented by a Pricing Supplement for the relevant Tranche.

They are set out in full below the heading “Terms and Conditions of the TDs”.

No certificate or other evidence of title will be issued to TD Holders unless the Issuer determines that certificates should be available or it is required to do so pursuant to any applicable law or regulation. TDs which are held in any Clearing System will be registered in the name of the relevant Clearing System or a nominee, depository or common depository for that system.

Currencies: Subject to any applicable legal or regulatory requirements, such currencies as may be agreed between the Issuer and the relevant Dealer, including, without limitation, Australian Dollars, US Dollars, Pounds Sterling, Euro, Yen or any other freely transferable and freely convertible currency (each such currency other than Australian Dollars being an “**Alternate Currency**”). Payments in respect of TDs may be made in, or limited to, any currency or currencies other than the currency in which the TDs are denominated, all as set out in the relevant Pricing Supplement.

Issuance in Series: TDs will be accepted in Series. Each Series may comprise one or more Tranches issued on different issue dates. The TDs of each Series will all be subject to identical terms, except that the deposit date and the amount of the first payment of interest may be different in respect of different Tranches of a Series and a Series may comprise TDs in more than one denomination.

Denominations: Unless otherwise specified in a Pricing Supplement, TDs will be issued in denominations of A\$100,000 (or an approximate equivalent in an Alternate Currency) as specified in the relevant Pricing Supplement, and may only be accepted if:

- (a) in the case of a Domestic Issue of TDs, the consideration payable is a minimum of A\$500,000 (or the equivalent in an Alternate Currency) (after disregarding moneys lent by the Issuer or its associates) or if the TDs are otherwise issued in

a manner that does not require disclosure to be made under Part 6D.2 of the Corporations Act 2001 of Australia; or

- (b) in the case of an Offshore Issue of TDs, the issue complies with all applicable laws.

Tenor: TDs will be accepted with a tenor of not less than 365 days and there will be no maximum tenor.

Deposit Price: TDs may be accepted at any price on a fully or partly paid basis, as specified in the relevant Pricing Supplement.

Purchase Price: As specified in the relevant Pricing Supplement, or as otherwise agreed between the parties.

Interest: TDs will be interest bearing or non-interest bearing. Interest (if any) may accrue at fixed or variable rates and may vary during the life of a Series.

Interest payment dates: Interest (if any) is payable on the date or dates and in the manner specified in the relevant Pricing Supplement.

Events of Default: The same Events of Default as for TLCs (see above) apply to TDs (as if references to TLCs and holders of TLCs were references to TDs and holders of TDs).

Early Redemption (Tax): If the Issuer, on the occasion of the next payment due in respect of any series of TDs, would be required to make payment of any Additional Amounts (as that term is defined in Condition 7.6 of the TD Terms and Conditions), then the Issuer may elect to redeem all of the TDs at their early redemption amount, as more fully described in Condition 5.3 of the TD Terms and Conditions.

Early Redemption at Option of Issuer or Holder: If specified in the relevant Pricing Supplement then the Issuer or, as the case may be, a TD Holder may redeem all (or if agreed, part) of the TDs at their early redemption amount, as more fully described in Conditions 5.4 and 5.5 of the TD Terms and Conditions.

Withholding tax: Unless otherwise specified in the Pricing Supplement, TDs will be issued in a manner which enables the Issuer to pay interest to TD Holders free of Australian interest withholding tax. Unless otherwise specified in the Pricing Supplement, all payments by the Issuer or the Guarantor (if applicable) in respect of the TD Holders will be made free and clear of and without holding or deduction for, on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of the Commonwealth of Australia or any political subdivision thereof or any authority therein or thereof subject to certain customary exceptions as provided under Condition 7.6 of the TD Terms and Conditions.

Clearing System: TDs may be transacted through the Clearing System specified in the relevant Pricing Supplement.

Listing: TDs will not normally be listed on any stock exchange.

Calculation Agent: A Calculation Agent may be named in the Pricing Supplement in respect of each Tranche of TDs. The Issuer may terminate the appointment of the Calculation Agent, appoint additional or other Calculation Agents or elect to have no Calculation Agent. Where no Calculation Agent is appointed, the calculation of interest and principal payments in respect of TDs will be made by the Issuer.

Form of Pricing Supplement

The Pricing Supplement that will be issued in respect of each Tranche will be substantially in the form set out below.

Series No.: []

Tranche No.: []

ING BANK (AUSTRALIA) LIMITED
(ABN 24 000 893 292)

AS\$2,000,000,000
Debt Issuance Program

Issue of
[Aggregate Principal Amount of Tranche] [Title of MTNs/TLCs/TDs]

The date of this Pricing Supplement is []

This Pricing Supplement (as referred to in the Information Memorandum dated 5 March 2004 in relation to the above Program) relates to the Tranche of MTNs/TLCs/TDs referred to above. It is supplementary to, and should be read in conjunction with the *[MTN Deed Poll/TLC Deed Poll/ TD Deed Poll]* dated 3 August 2001 made by the Issuer.

This Pricing Supplement does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation, and no action is being taken to permit an offering of the *[MTNs/TLCs/TDs]* or the distribution of this Pricing Supplement in any jurisdiction where such action is required.

The particulars to be specified in relation to the Tranche of *[MTNs/TLCs/TDs]* referred to above are as follows:

- | | | |
|----|---|--|
| 1 | Issuer: | ING Bank (Australia) Limited |
| 2 | Type of Issue: | [Non-Private Placement/Private Placement]
[Domestic/Offshore] |
| 3 | Relevant Dealer[s]: | [Name] |
| 4 | Lead Manager: | [Name(s)] |
| 5 | Registrar: | [Name and address] |
| 6 | Calculation Agent: | [Name and address] |
| 7 | Issuing and Paying Agent (Australia): | [Name and address] |
| 8 | Issuing and Paying Agent (Offshore): | [Name and address] |
| 9 | If to form a single Series with an existing Series, specify date on which all <i>[MTNs/TLCs/TDs]</i> of the Series become fungible, if not the Issue Date: | [Specify] |
| 10 | Aggregate Principal Amount of Tranche: | [Specify] |
| 11 | If interchangeable with existing Series: | [Specify] |
| 12 | [Issue] [Deposit] Date: | [Specify] |
| 13 | [Issue] [Deposit] Price: | [Specify] |

- 14 **Purchase Price:** [Specify]
- 15 **Denomination and currency:** [Specify amount and currency]
- 16 **Type of [MTNs/TLCs/TDs]:** [Fixed Rate
[MTNs/TLCs/TDs] /
Floating Rate Note/Zero Coupon
Note/Amortising/Other]
- 17 **If interest-bearing, specify which of Conditions 4.2 (fixed rate), 4.3 (floating rate) or 4.4 (other rates) is applicable, and then specify the matters required for the relevant Condition, namely:** []
- 18 **Condition 4.2 for Fixed Rate MTNs/TLCs/TDs:** Applicable [Yes/No]
- Fixed Coupon Amount:** []
- Interest Rate:** []
- Interest Commencement Date, if not Issue Date:** []
- Interest Payment Dates:** []
- Day Count Fraction:** [] (if none specified, the Day Count Fraction will be Actual/365 (Fixed) (as defined in the Terms and Conditions)).
- Initial Broken Amount:** []
- Final Broken Amount:** []
- 19 **Condition 4.3 for Floating Rate MTNs/TLCs/TDs:** Applicable [Yes/No]
- Interest Commencement Date, if not Issue Date:** []
- Interest Rate:** [Specify if ISDA Determination or Screen Rate Determination] (Condition 4.3(b)(i))
- Interest Payment Dates:** []
- Business Day Convention:** [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]
- [If Condition 4.3(b)(i) applies (ISDA Determination)]
- Floating Rate Option:** []
- Designated Maturity:** []
- Reset Date:** []
- Relevant Screen Page:** []

Relevant Time:	[]
Reference Rate:	[]
Reference Banks:	[If none are specified, the Reference Banks will be four major banks specified by the Calculation Agent in the inter-bank market that is most closely connected with the Reference Rate]
Relevant Financial Centre:	[If none is specified, the city most closely connected with the Reference Rate in the determination of the Calculation Agent]
Interest Determination Date:	[] [The following whether Condition 4.3(b)(i) or 4.3(b)(ii) applies]
Margin:	[] (state whether positive or negative)
Minimum/Maximum Interest Rate:	[]/[not applicable]
Day Count Fraction:	[]
Fallback Interest Rate:	[]
20 Condition 4.4 for other rates:	Applicable: [Yes/No] [specify full interest determination provisions, including Interest Commencement Date, rate or calculation basis for interest or actual amounts of interest payable, amount and dates for payment, minimum/maximum rates]
21 Accrual of interest:	Specify any change to Condition 4.5(d) regarding accrual of interest: []
22 Default Rate:	In the case of interest-bearing [MTNs/TLCs/TDs], specify rate of interest applying to overdue amounts: []
23 Overdue Rate:	Applicable: [Yes/No].
24 Amortisation Yield:	In the case of [Zero Coupon MTNs]/[Discounted TDs], specify the Amortisation Yield (Condition 4.6): []
25 Maturity Date:	[] [In the case of an amortising Note, insert the date on which the last instalment of principal is payable].
26 Maturity Redemption Amount:	[] [If Maturity Redemption Amount is not the outstanding principal amount of the [MTNs/TLCs/TDs] , insert amount or full calculation provisions.]
27 Early Redemption Amount (Call)	
Specify if Condition 5.4 is applicable:	Applicable [Yes/No]
Specify minimum notice period for the exercise of the call option:	[]
Specify maximum notice period for the	

- the exercise of the call option: []
- Specify any relevant conditions to exercise of option: []
- Specify whether redemption at Issuer's option is permitted in respect of some only of the [MTNs/TLCs/TDs] and, if so, any minimum aggregate principal amount and the means by which [MTNs/TLCs/TDs] will be selected for redemption: []
- Specify if [MTN/TLC/TDs] Holders are not to receive accrued interest on early redemption at their option: []
- 28 Early Redemption Amount (Put)
- Specify if Condition 5.5 is applicable: Applicable: [Yes/No]
- Specify minimum notice period for exercise of put option: []
- Specify any relevant conditions to exercise of option: []
- Specify if [MTN/TLC/TD] Holders are not to receive accrued interest on early redemption at Issuer's option: []
- 29 Early Redemption Amount (Tax)
- If Early Redemption Amount (Tax) is not the outstanding principal amount together with accrued interest (if any) thereon of the [MTNs/TLCs/TDs], insert amount or full calculation provisions: []
- Specify if [MTN/TLC/TD] Holders are not to receive accrued interest on early redemption for tax reasons: []
- 30 Early Redemption Amount (Default) : []
- If Early Redemption Amount (Default) is not the outstanding principal amount of the [MTNs/TLCs/TDs], insert amount or full calculation provisions: []
- Specify if [MTN/TLC/TD] Holders are not to receive accrued interest on early redemption on default: []
- 31 Redemption of [Zero Coupon MTNs]/ [Discounted TDs]: Specify any change to Condition 5.6.
- 32 Taxation: Specify the additional circumstances in which an exception to the gross up obligation are to apply pursuant to Condition 7.6.

- 33 **Public Offer Test:** [Compliant]/[Non-compliant]
- 34 **Other relevant terms and conditions:** Specify any Conditions to be altered, varied, deleted otherwise than as provided above and also any additional Conditions to be included.
- 35 **ISIN:** []
- 36 **Common Code:** []
- 37 **Common Depositary:** []
- 38 **Any Clearing System other than Euroclear/Clearstream, Luxembourg/Austraclear:** []
- 39 **U.S. selling restrictions:** []
- 40 **Other selling restrictions:** Specify any variation to the selling restrictions
- 41 **Listing:** []
- 42 **Events of Default:** Specify any additional (or modifications to) Events of Default
- 43 **Additional or alternate newspapers:** Specify any additional or alternate newspapers for the purposes of Condition 10.2(b).
- 44 **Competing paper:** If a non-private placement, specify any restrictions on issuing competing paper (up to 30 Business Days)/Not applicable
- 45 **Stabilisation Manager:** Specify if applicable
- 46 **Other amendments:** []

CONFIRMED

**For and on behalf of
ING Bank (Australia) Limited**

By:

Name.....

Position.....

Date:

Terms and Conditions of TLCs

The following are the Terms and Conditions of the TLCs which, as supplemented, modified or replaced in relation to any TLCs by the relevant Pricing Supplement, will be applicable to each Series of TLCs.

Each Tranche will be the subject of a Pricing Supplement. References in the Terms and Conditions to a Pricing Supplement are references to the Pricing Supplement applicable to the relevant Tranche of TLCs.

References in the Terms and Conditions to “TLCs” are, unless the contrary intention appears, to the TLCs of one Series only, not to all TLCs which may be issued under the Program. Terms used in the relevant Pricing Supplement will, unless the contrary intention appears, have the same meaning where used in the Terms and Conditions.

Each TLC Holder and any person claiming through or under a TLC Holder is deemed to have notice of and is bound by these Terms and Conditions, the TLC Deed Poll, the Supplemental Deed Poll, the Information Memorandum, the relevant Pricing Supplement, the Guarantee and the Agency and Registry Services Agreement. Copies of each of these documents (to the extent they relate to a Tranche of TLCs) are available for inspection by any TLC Holder of such Tranche at the offices of the Issuer and the Registrar at their respective addresses specified in the Information Memorandum.

1 Form, denomination and title

Constitution under TLC Deed Poll

- 1.1 The TLCs represent and evidence a cash advance made to the Issuer and are registered debt obligations of the Issuer constituted by, and owing under, the TLC Deed Poll and take the form of entries in the TLC Register. Each entry in the TLC Register constitutes a separate and individual acknowledgment to the relevant TLC Holder of the indebtedness of the Issuer to the relevant TLC Holder.

Independent obligations

- 1.2 The obligations of the Issuer in respect of each TLC constitute separate and independent obligations which the TLC Holder to whom those obligations are owed is entitled to enforce without having to join any other TLC Holder or any predecessor in title of a TLC Holder.

Currency

- 1.3 Subject to any applicable legal or regulatory requirements, such currencies as may be agreed between the Issuer and the relevant Dealer, including, without limitation, Australian Dollars, US Dollars, Pounds Sterling, Euro, Yen or any other freely transferable and freely convertible currency (each such currency other than Australian Dollars being an “**Alternative Currency**”). Payments in respect of TLCs may be made in, or limited to, any currency or currencies other than the currency in which the TLCs are denominated, all as set out in the relevant Pricing Supplement.

Denomination

- 1.4 Unless otherwise specified in the Pricing Supplement:
 - (a) TLCs are issued in the denomination of A\$100,000 (or an approximate equivalent in an Alternate Currency); and
 - (b) TLCs may only be issued if:

- (i) in the case of a Domestic Issue, the consideration payable to the Issuer is a minimum of A\$500,000 (or the equivalent in an Alternate Currency) (disregarding any moneys lent by the Issuer or its associates) or if the TLCs are otherwise issued in a manner that does not require disclosure to be made under Part 6D.2 of the Corporations Act 2001 of Australia; or
- (ii) in the case of an Offshore Issue, the issue complies with all applicable laws.

TLC Register conclusive

- 1.5 Entries in the TLC Register in relation to a TLC constitute conclusive evidence that the person so entered is the registered holder of the TLC subject to rectification for fraud or error. No TLC will be registered in the name of more than four persons. A TLC registered in the name of more than one person is held by those persons as joint tenants. TLCs will be registered by name only without reference to any trusteeship. The person registered in the TLC Register as a TLC Holder will be treated by the Issuer and the Registrar as absolute owner of that TLC and neither the Issuer nor the Registrar is, except as ordered by a court or as required by statute, obliged to take notice of any other claim to a TLC.

Holder absolutely entitled

- 1.6 Upon a person acquiring title to any TLC by virtue of becoming a TLC Holder in respect of that TLC, all rights and entitlements arising by virtue of the TLC Deed Poll in respect of that TLC vest absolutely in the TLC Holder, such that no person who has previously been the TLC Holder in respect of that TLC has or is entitled to assert against the Issuer or the Registrar or the TLC Holder for the time being and from time to time any rights, benefits or entitlements in respect of the TLC.

Location of TLC Register

- 1.7 The TLC Register will be established and maintained in New South Wales unless otherwise agreed with the Registrar.

Certificates

- 1.8 No certificate or other evidence of title will be issued to TLC Holders by or on behalf of the Issuer to evidence title to a TLC unless the Issuer determines that certificates should be made available or it is required to do so pursuant to any applicable law or regulation. TLCs which are held in a Clearing System will be registered in the name of a nominee, or common depository for that Clearing System.

Acknowledgement

- 1.9 Where a Clearing System (or a nominee, depository or common depository for more than one Clearing System) (each a “**relevant person**”) is recorded in a TLC Register as the TLC Holder, each person in whose account that TLC is recorded is deemed to acknowledge in favour of the Registrar and each relevant person that:
- (a) the Registrar’s decision to act as the Registrar of the TLC does not constitute a recommendation or endorsement by the Registrar or the relevant person in relation to the TLC but only indicates that such TLC is considered by the Registrar to be compatible with the performance by it of its obligations as Registrar under its agreement with the Issuer to act as Registrar of the TLC; and
 - (b) the TLC Holder does not rely on any fact, matter or circumstance contrary to Condition 1.9(a).

2 Transfers

Limit on transfer

- 2.1 TLCs may only be transferred in whole.

- 2.2 Unless otherwise specified in the Pricing Supplement, TLCs may only be transferred within Australia if the consideration payable at the time of transfer is a minimum amount of A\$500,000 (or the equivalent amount in an Alternate Currency) (disregarding any moneys lent by the transferor or its associates to the transferee) or the TLCs are otherwise transferred in a manner that does not require disclosure to be made under Part 6D.2 of Corporations Act 2001 of Australia.
- 2.3 TLCs may only be transferred to or from Australia:
- (a) unless otherwise specified in the Pricing Supplement, if the aggregate consideration payable at the time of the transfer is a minimum amount of A\$500,000 (or the equivalent amount in an Alternate Currency) (disregarding any moneys lent by the transferor or its associates to the transferee) or the TLCs are otherwise transferred in a manner that does not require disclosure to be made under Part 6D.2 of the Corporations Act 2001 of Australia; and
 - (b) if the transfer is in compliance with the laws of the jurisdiction in which the transfer takes place.
- 2.4 TLCs may only be transferred from Australia or between persons in a jurisdiction or jurisdictions other than Australia if the transfer is in compliance with the laws of the jurisdiction in which the transfer takes place.

Transfer procedures

- 2.5 Unless TLCs are lodged in a Clearing System, application for the transfer of TLCs must be made by the lodgment of a transfer form with the Registrar. Transfer forms are available from the Registrar. Each form must be accompanied by such evidence (if any) as the Registrar may require to prove the title of the transferor or the transferor's right to transfer the TLC and be signed by both the transferor and the transferee.

TLCs entered in a Clearing System will be transferable only in accordance with the rules and regulations of that Clearing System.

Registration of transfer

- 2.6 The transferor of a TLC is deemed to remain the holder of that TLC until the name of the transferee is entered in the TLC Register in respect of that TLC. Transfers will not be registered during the period from the Record Date until the calendar day after the relevant date for payment.

No charge on transfer

- 2.7 Transfers will be registered without charge provided taxes, duties or other governmental charges (if any) imposed in relation to the transfer have been paid.

Estates

- 2.8 A person becoming entitled to a TLC as a consequence of the death or bankruptcy of a TLC Holder or of a vesting order or a person administering the estate of a TLC Holder may, upon producing such evidence as to that entitlement or status as the Registrar considers sufficient, transfer the TLC or, if so entitled, become registered as the TLC Holder in respect of that TLC.

Unincorporated associations

- 2.9 A transfer to an unincorporated association is not permitted.

Transfer of unidentified TLCs

- 2.10 Where the transferor executes a transfer of less than all TLCs of the relevant Tranche or Series registered in its name, and the specific TLCs to be transferred are not identified, the Registrar may (subject to the limit on minimum holdings) register the transfer in respect of such of the TLCs of the relevant Tranche or Series registered in the name of the transferor as the Registrar thinks fit, provided

the aggregate principal amount of the TLCs registered as having been transferred equals the aggregate principal amount of the TLCs expressed to be transferred in the transfer.

Australian Stock Exchange Listing

- 2.11 TLCs which are listed on the Australian Stock Exchange will not be transferred through or registered on CHESS and will not be “CHESS approved securities”. In the event that an interface between the TLC Register maintained by the Registrar and CHESS is established the Transaction Documents may be amended to facilitate settlement on CHESS and so that the TLCs will become “CHESS approved securities”.

3 Status and guarantee

Status

- 3.1 TLCs are direct, unconditional and unsubordinated obligations of the Issuer and rank at least equally with all other unsecured and unsubordinated obligations of the Issuer except liabilities mandatorily preferred by law.

Guarantee

- 3.2 The TLCs are issued with the benefit of the Guarantee, pursuant to which the due and punctual payment of principal and interest on the Notes (as defined below) and all other amounts payable in relation to or in connection with the Notes (including any additional amounts stipulated in Condition 7.6) will be unconditionally and irrevocably guaranteed by the Guarantor. The obligations of the Guarantor under such a guarantee will be direct, unconditional, unsecured and unsubordinated obligations of the Guarantor and will rank at least *pari passu* with all other outstanding unsecured and unsubordinated obligations of the Guarantor, other than those preferred by mandatory provisions of law.

The Guarantee will take the form of a deed poll given in favour of holders of TLCs from time to time.

4 Interest

General

- 4.1 TLCs may bear interest at either a fixed rate or a floating rate. In relation to any Tranche of TLCs, the relevant Pricing Supplement may specify actual amounts of interest payable (“**Interest Amounts**”) rather than, or in addition to, a rate or rates at which interest accrues.

The Pricing Supplement in relation to each Tranche of TLCs will specify which of Conditions 4.2, 4.3 and 4.4 will be applicable to the TLCs. Condition 4.5 will be applicable to each Tranche of TLCs save to the extent of any inconsistency with the relevant Pricing Supplement.

Interest - fixed rate

- 4.2 Each TLC in relation to which this Condition 4.2 is specified in the relevant Pricing Supplement as being applicable (“**Fixed Rate TLCs**”) will bear interest on its Outstanding Principal Amount at the fixed coupon rate or the fixed rate or rates per annum specified in the relevant Pricing Supplement from the Issue Date of the TLCs. Interest will be payable in arrear on the Interest Payment Dates specified in the relevant Pricing Supplement.

Interest which is required to be calculated for a period of other than a full year will be calculated on such basis as is specified as the Day Count Fraction in the relevant Pricing Supplement.

The first payment of interest will be made on the Interest Payment Date next following the Interest Commencement Date and, if the first anniversary of the Interest Commencement Date is not an Interest Payment Date, will amount to the Initial Broken Amount (as defined in the Pricing Supplement).

If the Maturity Date is not an Interest Payment Date, interest from (and including) the preceding Interest Payment Date (or the Interest Commencement Date, as the case may be) to (but excluding) the Maturity Date will amount to the Final Broken Amount (as defined in the Pricing Supplement).

4.3 *Interest - floating rate*

(a) *Accrual of interest*

TLCs in relation to which this Condition 4.3 is specified in the relevant Pricing Supplement as being applicable (“**Floating Rate TLCs**”) will bear interest in respect of each Interest Period at the rate or rates per annum determined in accordance with this Condition 4.3.

Each Floating Rate TLC will bear interest on its Outstanding Principal Amount at the Interest Rate (as defined below) from the Interest Commencement Date. Interest will be payable in arrear on each Interest Payment Date. If any Interest Payment Date in respect of a Floating Rate TLC would otherwise fall on a day which is not a Business Day, such Interest Payment Date shall be determined in accordance with the Business Day Convention specified in the Pricing Supplement.

(b) *Interest Rate*

The Interest Rate payable in respect of Floating Rate TLCs shall be determined by the Calculation Agent on the basis of sub-paragraph (i) or (ii) below, as specified in the relevant Pricing Supplement.

(i) *ISDA Determination for Floating Rate TLCs*

Where “ISDA Determination” is specified in the applicable Pricing Supplement as the manner in which the Interest Rate is to be determined, the Interest Rate for each Interest Period is the relevant ISDA Rate (as defined below) plus or minus (as indicated in the applicable Pricing Supplement) the Margin.

For the purposes of this sub-paragraph (i), “**ISDA Rate**” for an Interest Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent for the TLCs under an interest rate swap transaction if the Calculation Agent for the TLCs were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the ISDA Definitions (as defined below) and under which:

- (A) the Floating Rate Option is as specified in the applicable Pricing Supplement;
- (B) the Designated Maturity is a period specified in the applicable Pricing Supplement; and
- (C) the relevant Reset Date is as specified in the applicable Pricing Supplement; and
- (D) the Period End Dates are each Interest Payment Date, the Spread is the Margin and the Floating Rate Day Count Fraction is the Day Count Fraction.

For the purposes of this sub-paragraph (i), “**Floating Rate**”, “**Calculation Agent**” (except references to “**Calculation Agent for the TLCs**”), “**Floating Rate Option**”, “**Designated Maturity**”, “**Reset Date**”, “**Period End Date**”, “**Spread**” and “**Floating Rate Day Count Fraction**” have the meanings given to those terms in the 2000 ISDA Definitions as TLCs published by the International Swaps and Derivatives Association, Inc. (“**ISDA Definitions**”).

(ii) *Screen Rate Determination for Floating Rate TLCs*

Where the “Screen Rate Determination” is specified in the applicable Pricing Supplement as the manner in which the Interest Rate is to be determined, the Interest Rate for each Interest Period will be, subject as provided below, either:

- (A) the offered quotation; or
- (B) the arithmetic mean (rounded in accordance with Condition 4.3(b)(v)) 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 as at 11.00 a.m. (Sydney time) or such other time as is specified in the Pricing Supplement (“**Relevant Time**”) on the Interest Determination Date in question plus or minus (as indicated in the applicable Pricing Supplement) the Margin (if any), all as determined by the Calculation 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 Calculation Agent for the purposes of determining the arithmetic mean (rounded as provided above) of such offered quotations.

- (aa) If sub-paragraph (A) applies and no offered quotation appears on the Relevant Screen Page at the Relevant Time on the Interest Determination Date or if sub-paragraph (B) applies and fewer than two offered quotations appear on the Relevant Screen Page at the Relevant Time on the Interest Determination Date, subject as provided below, the Interest Rate is the arithmetic mean of the Reference Rates that each of the Reference Banks is quoting to leading banks in the Relevant Financial Centre at the Relevant Time on the Interest Determination Date, as determined by the Calculation Agent;
- (bb) If sub-paragraph (aa) above applies and the Calculation Agent determines that fewer than two Reference Banks are making offered quotations for the Reference Rate in respect of the relevant currency, subject as provided below, the Interest Rate is the arithmetic mean of the rates per annum (expressed as a percentage) that the Calculation Agent determines to be the rates (being the nearest equivalent to the Reference Rate) in respect of deposits of approximately A\$100,000 (or the approximate equivalent in the relevant currency) that at least two out of five leading banks selected by the Calculation Agent in the Relevant Financial Centre are quoting at or about the Relevant Time on the date on which such banks would customarily quote such rates for a period commencing on the first day of the Interest Period to which the relevant Interest Determination Date relates for a period equivalent to the relevant Interest Period to leading banks carrying on business in the Relevant Financial Centre.

(iii) *Minimum and/or Maximum Interest Rate*

If the applicable Pricing Supplement specifies a Minimum Interest Rate for any Interest Period then, in the event that the Interest Rate in respect of such Interest Period determined in accordance with the other provisions of this Condition 4.3(b) is less than such Minimum Interest Rate, the Interest Rate for such Interest Period shall be such Minimum Interest Rate.

If the applicable Pricing Supplement specifies a Maximum Interest Rate for any Interest Period then, in the event that the Interest Rate in respect of such Interest Period determined in accordance with the other provisions of this Condition 4.3(b)

is greater than such Maximum Interest Rate, the Interest Rate for such Interest Period shall be such Maximum Interest Rate.

(iv) *Fallback Interest Rate*

Unless otherwise specified in the relevant Pricing Supplement, if, during the Interest Period, the Calculation Agent is unable to determine a rate (or, as the case may be, the arithmetic mean of rates) in accordance with the above provisions, the Interest Rate applicable to the TLCs during that Interest Period will be the Interest Rate applicable to the TLCs during the immediately preceding Interest Period (with adjustment for any change in the Margin, Maximum Interest Rate or Minimum Interest Rate).

(v) *Rounding*

For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified):

- (A) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up);
- (B) all figures shall be rounded to five significant figures (with halves being rounded up); and
- (C) all amounts that fall due and payable shall be rounded to the nearest cent (with halves being rounded up).

(c) *Calculation of interest amount payable*

The Calculation Agent will, as soon as practicable on or after determining the Interest Rate in relation to each Interest Period, calculate the amount of interest payable for the relevant Interest Period in respect of the Outstanding Principal Amount of each TLC. The amount of interest payable will be calculated by multiplying the product of the Interest Rate for such Interest Period and the Outstanding Principal Amount by the applicable Day Count Fraction and rounding the resultant figure to the nearest cent (with halves being rounded upwards).

Interest - other rates

4.4 TLCs in relation to which this Condition 4.4 is specified in the relevant Pricing Supplement as being applicable will bear interest at the rate or rates calculated on the basis specified in, and be payable in the amounts and in the manner determined in accordance with, the relevant Pricing Supplement.

4.5 *Interest - supplemental provisions*

(a) *Interest Payment Dates*

Interest on each TLC will be payable in arrear at such intervals and on such Interest Payment Dates as are specified in the relevant Pricing Supplement and on the Maturity Date.

(b) *Notification of Interest Rate, interest payable and other items*

The Calculation Agent will cause each Interest Rate, the amount of interest payable and each other amount, item or date, as the case may be, determined or calculated by it to be notified to the Issuer, the Registrar and any relevant Agent and to be notified to TLC Holders in accordance with Condition 10 as soon as practicable after such determination or calculation but in any event not later than the fourth day (other than a Saturday or Sunday) on which commercial banks are open for business in the Relevant Financial Centre thereafter. The Calculation Agent will be entitled to amend any such amount, item or date

(or to make appropriate alternative arrangements by way of adjustment) without prior notice in the event of the extension or abbreviation of any relevant Interest Period or calculation period and such amendment will be notified in accordance with the previous sentence.

(c) *Determination final*

The determination by the Calculation Agent of all amounts, rates and dates falling to be determined by it pursuant to these Conditions (including, without limitation, the Interest Rate for any Interest Period and the amount of interest payable for any Interest Period in respect of any TLC) is, in the absence of manifest error, final and binding on the Issuer, each TLC Holder, the Registrar, any Agent and the Calculation Agent.

(d) *Accrual of interest*

Interest accrues on the Outstanding Principal Amount of each TLC or as otherwise indicated in the relevant Pricing Supplement. Interest ceases to accrue as from the due date for redemption of a TLC unless the relevant payment is not made in which case interest will continue to accrue thereon (as well after as before any demand or judgment) at the rate then applicable to the Outstanding Principal Amount of the TLC or such other default rate (if any) as may be specified in the relevant Pricing Supplement until the date on which the relevant payment is made or, if earlier, the seventh day after the date on which any Agent receives the funds required to make such payment (provided that notice of such circumstance is given to the TLC Holders in accordance with Condition 10) except to the extent that there is failure in the subsequent payment thereof to the relevant TLC Holder.

5 Redemption and purchase

Redemption on maturity

- 5.1 Unless previously redeemed, or purchased and cancelled or unless such TLC is stated in the Pricing Supplement as having no fixed maturity date, each TLC shall be redeemed on maturity at its Maturity Redemption Amount.

Purchase of TLCs

- 5.2 The Issuer, the Guarantor or any of their respective Subsidiaries may at any time purchase TLCs in the open market or otherwise and at any price. All unmatured TLCs purchased in accordance with this condition may be held, resold or cancelled at the discretion of the Issuer, subject to compliance with all legal and regulatory requirements. For the purposes of the Meetings Provisions, in determining whether the provisions relating to quorum, meetings or voting procedures are complied with, any TLCs held in the name of the Issuer, the Guarantor or any of their respective Subsidiaries will be disregarded.

Redemption for taxation reasons

- 5.3 If, in respect of the TLCs of any Series, the Issuer, or the Guarantor on the occasion of the next payment due in respect of the TLCs, would be required to make payment of any Additional Amount (as defined in Condition 7.6), then the Issuer may give not more than 30 nor less than 15 days' notice to the relevant Registrar, the relevant Agent and the TLC Holders in accordance with Condition 10, and upon expiry of such notice shall redeem all (but not some only) of the TLCs at their early redemption amount applicable for tax redemptions ("**Early Redemption Amount (Tax)**") (which is their Outstanding Principal Amount or such other Early Redemption Amount (Tax) as is specified in the Pricing Supplement) together with (unless otherwise specified in the Pricing Supplement) accrued interest (if any) thereon.

Prior to publication of any such notice of redemption, the Issuer shall deliver to the Registrar a certificate signed by an authorised person of the Issuer showing that the conditions precedent to the right of the Issuer so to redeem have occurred and an opinion of legal advisers of recognised standing to the Issuer in its jurisdiction of incorporation to the effect that the Issuer would be required to pay Additional Amounts referred to in Condition 7.6 on the occasion of the next payment due in respect

of the TLCs of that Series.

Early redemption at the option of the Issuer

- 5.4 If this Condition 5.4 is specified in the relevant Pricing Supplement as being applicable then the Issuer, having given at least the minimum period (if any) (but not more than the maximum period (if any)) of notice specified in the relevant Pricing Supplement to TLC Holders in accordance with Condition 10 (which notice must comply with the following paragraph and shall be irrevocable) and subject to satisfaction of any relevant conditions specified in the relevant Pricing Supplement, may redeem all (but not, unless and to the extent that the relevant Pricing Supplement specifies otherwise, some only) of the TLCs on any Business Day (being TLCs (unless otherwise specified in the relevant Pricing Supplement), an Interest Payment Date) at their early redemption amount applicable for calls by the Issuer (“**Early Redemption Amount (Call)**”) (which is their Outstanding Principal Amount or such other Early Redemption Amount (Call) as is specified in, or determined in accordance with, the relevant Pricing Supplement) together with (unless otherwise specified in the Pricing Supplement) accrued interest (if any) thereon:

The notice referred to in the preceding paragraph shall specify:

- (a) the Series of TLCs subject to redemption;
- (b) subject to the Pricing Supplement specifying that a partial redemption is permissible, whether such Series is to be redeemed in whole or in part only and, if in part only, the aggregate principal amount of the TLCs of the relevant Series which are to be redeemed;
- (c) the due date for redemption;
- (d) the Early Redemption Amount (Call) at which such TLCs are to be redeemed; and
- (e) whether or not accrued interest is to be paid upon redemption and, if so, the amount thereof or the basis or method of calculation thereof, all as provided in the relevant Pricing Supplement.

In the case of a partial redemption of TLCs, the TLCs to be redeemed will be selected by the Registrar, and notice of the TLCs selected for redemption will be given in accordance with Condition 10 not less than 15 days prior to the date fixed for redemption.

Any notice given under this Condition 5.4 is irrevocable and obliges the Issuer to redeem the TLCs at the time and in the manner specified in the notice.

Early redemption at the option of TLC Holders

- 5.5 If this Condition 5.5 is specified in the relevant Pricing Supplement as being applicable and provided the relevant TLC Holders have given at least the minimum period (if any) (but not more than the maximum period (if any)) of notice specified in the relevant Pricing Supplement to the Issuer in accordance with Condition 10 (which notice must be in the form of the redemption notice mentioned in the paragraph below), then, at the option of the TLC Holder and provided that any conditions to the exercise of such option as are specified in the relevant Pricing Supplement have been satisfied, the Issuer will redeem the TLC on any day (being (unless otherwise specified in the relevant Pricing Supplement) an Interest Payment Date) at its early redemption amount applicable for puts (“**Early Redemption Amount (Put)**”) (which is its Outstanding Principal Amount or such other Early Redemption Amount (Put) as is specified in, or determined in accordance with, the relevant Pricing Supplement) together with (unless otherwise specified in the Pricing Supplement) accrued interest (if any) thereon.

To exercise such option, the TLC Holder must complete, sign and deliver to the specified offices of each of the Issuer and the Registrar not less than 45 days before the redemption date (or such other period as may be specified in the relevant Pricing Supplement), a redemption notice (in the form obtainable from the Registrar) together with such evidence as the Registrar may require to establish the rights of that TLC Holder to the relevant TLCs.

6 Events of Default

Events of Default

- 6.1 The occurrence of any one or more of the following events, whether or not within the control of the Issuer, shall constitute an “Event of Default”:
- (a) default is made for more than 30 days in the payment of interest or principal in respect of the TLCs; or
 - (b) the Issuer shall fail to perform or observe any of its obligations under the TLCs (other than its obligations for the payment of interest or principal in respect of the TLCs), or the Guarantor shall fail to perform or observe any of its obligations under the Guarantee or under the TLCs, and in either case such failure has continued for the period of 60 days next following the service on the Issuer or, as the case may be the Guarantor of notice requiring the same to be remedied; or
 - (c) the Issuer:
 - (i) 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 2001 of Australia; or
 - (ii) 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 2001 of Australia; or
 - (iii) begins negotiations or takes any proceedings or other step with a view to re-adjustment, re-scheduling 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 (iii) above for the purposes of a solvent reconstruction or amalgamation the terms of which have previously been approved in writing by a meeting of the TLC Holders; or
 - (d) 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 in writing by a meeting of the TLC Holders, or an administrator is appointed to the Issuer by a provisional liquidator of the Issuer under section 436B of the Corporations Act 2001 of Australia; or
 - (e) the Guarantor is declared bankrupt, or a declaration in respect of the Guarantor is made under Chapter 10 of the Act on the Supervision of the Credit System (*Wet toezicht kredietwezen 1992*) of the Netherlands; or
 - (f) an order is made or an effective resolution is passed for the winding up or liquidation of the Guarantor unless this is done in connection with a merger, consolidation or other form of combination of another company and such company assumes all obligations contracted by the Guarantor in connection with the TLCs; or
 - (g) the Issuer or, as the case may be, the Guarantor ceases to carry on substantially the whole of its business (except for the purposes of a solvent reconstruction or amalgamation the terms of which have previously been approved in writing by a meeting of the TLC Holders); or
 - (h) the Guarantee ceases to be, or is claimed by the Guarantor not to be, in full force and effect or the Guarantor fails to perform any of its obligations in respect of the Guarantee and (except where such failure is incapable of remedy, where no such notice is required) such

failure continues for the period of 60 days next following the service on the Guarantor of notice requiring the same to be remedied.

Consequences of an Event of Default

- 6.2 Subject to Condition 6.3, if any Event of Default occurs and is continuing in relation to the TLCs of any Series or any of them, then a TLC Holder in that Series may by written notice to the Issuer and the Guarantor (with a copy to each of the Registrar and the Program Managers) declare the TLC held by the TLC Holder to be forthwith due and payable whereupon the Early Termination Amount (together with all accrued interest (if any)) applicable to each TLC held by the TLC Holder shall be due and payable immediately or on such other date specified in the notice.

Rectification

- 6.3 A TLC Holder's right to declare TLCs due terminates if the situation giving cause to it has been cured before such right is exercised.

Notification

- 6.4 If an Event of Default occurs, the Issuer must promptly after becoming aware of it notify the Registrar and the Program Managers of the occurrence of the Event of Default (specifying details of it) and procure that the Registrar promptly notifies TLC Holders of the occurrence of the Event of Default by registered post to the address of the TLC Holder recorded in the TLC Register.

7 Payments

Record Date

- 7.1 Payments to TLC Holders will be made according to the particulars recorded in the TLC Register at 5.00pm (local time) on the relevant Record Date.

Joint holders

- 7.2 When a TLC is held jointly, payment will be made to the holders in their joint names unless requested otherwise.

Method of payments

- 7.3 Payments in respect of each TLC will be made by crediting on the Payment Date the amount then due to an account previously notified by the TLC Holder in respect of that TLC to the Issuer and the Registrar. If the TLC Holder has not notified the Issuer and the Registrar of such an account by close of business on the relevant Record Date or upon application by the TLC Holder to the Issuer and the Registrar no later than close of business on the relevant Record Date, payments in respect of the relevant TLC will be made by cheque, mailed on the Business Day immediately preceding the relevant Interest Payment Date in the case of payments of interest or on the due date for redemption or repayment, in the case of payments of principal, at the TLC Holder's risk to the TLC Holder (or to the first named of joint registered holders) of such TLC at the address appearing in the TLC Register as at the Record Date. Cheques to be despatched to the nominated address of a TLC Holder will in such cases be deemed to have been received by the TLC Holder on the relevant Payment Date and no further amount will be payable by the Issuer in respect of the relevant TLC as a result of payment not being received by the TLC Holder on the due date. A payment made by electronic transfer is for all purposes taken to be made when the Issuer or I&P Agent (Australia) gives an irrevocable instruction for the making of that payment by electronic transfer, being an instruction which would be reasonably expected to result in, in the ordinary course of banking business, in the relevant funds reaching the account of the TLC Holder on the same day as the day on which the instruction is given.

Business Days

- 7.4 (a) All payments must be made in accordance with the Applicable Business Day Convention.

- (b) If a payment is due under TLC on a day which is not a Business Day the date for payment will be adjusted according to the Applicable Business Day Convention.
- (c) If payment is to be made to an account on a Business Day on which banks are not open for general banking business in the city in which the account is located, the TLC Holder is not entitled to payment of such amount until the next Business Day on which banks in such city are open for general banking business and is not entitled to any additional interest or other payment in respect of any such delay.

Payment subject to fiscal laws

- 7.5 Payments (whether in respect of principal, redemption amounts, interest or otherwise) in respect of the TLCs are subject in all cases to applicable provisions of fiscal and other laws, regulations and directives.

Taxation: Additional Amounts

- 7.6 All payments (whether in respect of principal redemption amount, interest or otherwise) in respect of the TLCs by the Issuer and all payments under the Guarantee by the Guarantor will be made without set-off or counterclaim and free and clear of, and without deduction of or withholding on account of any Taxes now or hereafter imposed, levied, collected, withheld or assessed by the Commonwealth of Australia or, as the case may be, the Netherlands or any political subdivision therein or thereof unless such withholding or deduction is required by law. In that event the Issuer, or the Guarantor, as the case may be, will pay such additional amounts (“**Additional Amounts**”) as may be necessary in order that the net amount received by the TLC Holders after such withholding or deduction equals the respective amounts which would otherwise have been receivable in respect of the TLCs in the absence of such withholding or deduction, except that no Additional Amounts are payable in relation to any payments in respect of any TLC:

- (a) to, or to a third party on behalf of, a TLC Holder who is liable to such Taxes in respect of such TLC by reason of his having some connection with the Commonwealth of Australia (in the case of payments by the Issuer) or the Netherlands (in the case of payments by the Guarantor) or any political subdivision therein or thereof other than the mere holding of such TLC or receipt of payment (whether in respect of principal, redemption amount, interest or otherwise) in respect thereof;
- (b) to, or to a third party on behalf of, a TLC Holder who could lawfully avoid (but has not so avoided) such deduction or withholding by complying or procuring that any third party complies with any statutory requirements or by making or procuring that any third party makes a declaration of non-residence or similar cause for exemption to any tax authority in the place where payment under the TLC is made;
- (c) presented for payment more than 30 days after the Relevant Date except to the extent that a TLC 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 a Business Day;
- (d) to, or to a third party on behalf of an Australian resident TLC Holder, if that person has not supplied an appropriate tax file number or Australian Business Number (or details of the applicable exemption for these requirements) ; or
- (d) to, or to a third party on behalf of, a TLC Holder who is liable to any Tax in respect of the TLC by reason of the TLC Holder being an associate of the Issuer as defined in section 128F(9) of the Income Tax Assessment Act 1936 of Australia (“**Tax Act**”).

The Issuer or any person making payments on behalf of the Issuer may deduct tax-at-source on interest payments to a TLC Holder at the rate required by the Tax Act unless the Registrar receives written notice of the TLC Holder’s tax file number or Australian Business Number or evidence of any exemption the TLC Holder may have from the need to advise the Registrar of its tax file number or Australian Business Number. The tax file number or Australian Business Number or appropriate

evidence (as the case may be) must be received by the Registrar not less than five Business Days prior to the relevant Interest Payment Date.

Currency indemnity

7.7 The Issuer waives any right it has in any jurisdiction to pay an amount other than in the currency in which it is due. However, if a TLC Holder receives an amount in a currency other than that in which it is due:

- (a) it may convert the amount received into the due currency (even though it may be necessary to convert through a third currency to do so) on the day and at such rates (including spot rate, same day value rate or value tomorrow rate) as it reasonably considers appropriate taking into account any costs of conversion; and
- (b) the Issuer satisfies its obligation to pay in the due currency only to the extent of the amount of the due currency obtained from the conversion.

8 Further issues

The Issuer may from time to time, without the consent of any TLC Holder, issue further TLCs having the same terms and conditions as the TLCs of any Series in all respects (or in all respects except for the first payment of interest, if any, on them and/or their denomination) so as to form a single Series with the TLCs of that Series.

9 Time limit for claims

A claim against the Issuer for a payment under a TLC is void unless such claim is made within 10 years (in the case of principal and redemption amounts) and 5 years (in the case of interest and other amounts) from the Relevant Date for payment.

10 Notices

To the Issuer, the Program Managers, the Registrar and the Agent

10.1 A notice or other communication in connection with a TLC to the Issuer, the Program Managers, a Registrar or an Agent must be in writing and may be given by prepaid post or delivery to the address of the addressee or by facsimile to the facsimile number of the addressee specified:

- (a) in the Information Memorandum; or
- (b) as otherwise agreed between those parties from time to time and notified to the TLC Holders.

To TLC Holders

10.2 A notice or other communication in connection with a TLC to the TLC Holders must be in writing. Any such notice or other communication may be given by any of the following means as the Issuer may decide:

- (a) an advertisement published in The Australian Financial Review or any other newspaper or newspapers circulating in Australia generally; or
- (b) if an additional or alternate newspaper is specified in the Pricing Supplement, that newspaper; or
- (c) prepaid post (airmail if posted to or from a place outside Australia) or delivery or by facsimile to the address of facsimile address, as the case may be, of each TLC Holder or any relevant TLC Holder as shown in the TLC Register at the close of business three Business Days prior to the dispatch of the relevant notice or communication; or

- (d) a notice posted on an electronic source approved by the Program Managers and generally accepted for notices of that type (such as Bloomberg or Reuters).

Effective on receipt

- 10.3 Unless a later time is specified in it a notice, approval, consent or other communication takes effect from the time it is received under Condition 10.4, except that if it is received under Condition 10.4 after 5.00pm in the place of receipt or on a non-business day in that place, it is to be taken to be received at 9.00am on the next succeeding business day in that place.

Proof of receipt

- 10.4 Subject to Condition 10.3, proof of posting of a letter, dispatch of a facsimile, publication of a notice, or of posting a notice on an electronic source is proof of receipt:
 - (a) in the case of a letter, on the third (seventh, if outside Australia) day after posting; and
 - (b) in the case of a facsimile, on receipt by the sender of a successful transmission report;
 - (c) in the case of publication, on the date of such publication; and
 - (d) in the case of an electronic source, on the date posted on such electronic source.

11 Meetings of TLC Holders

Meetings of TLC Holders may be convened in accordance with the Meeting Provisions. Any such meeting may consider any matters affecting the interests of TLC Holders, including, without limitation, the variation of the terms of the TLCs by the Issuer and the granting of approvals, consents and waivers, and the declaration of an Event of Default.

12 Amendments

To cure ambiguities

- 12.1 The Terms and Conditions, Pricing Supplement and the Agency and Registry Services Agreement may be amended by the Issuer (after consultation with the Program Managers) without the consent of any TLC Holder for the purposes of curing any ambiguity, or correcting or supplementing any defective or inconsistent provisions therein or in any other manner which the Issuer (after consultation with the Program Managers) and Registrar deem necessary or desirable and which does not materially adversely affect the interests of the TLC Holders and, in each such case such amendment does not, in the opinion of the Issuer, materially adversely affect the interests of the TLC Holders.

Approval by TLC Holders

- 12.2 The Terms and Conditions, Pricing Supplement and the Agency and Registry Services Agreement may otherwise be varied by the Issuer with the approval of the TLC Holders by Extraordinary Resolution. No other variation to the Terms and Conditions has effect in relation to the TLC Holders who hold TLCs at the date of any amending deed, unless they otherwise agree in writing. A variation will take effect in relation to all subsequent TLC Holders. A variation which affects only a particular Series or Tranche of TLCs may be approved solely by the TLC Holders of such Series or Tranche.

No other amendments

- 12.3 Except as described in Conditions 12.1 and 12.2, no amendment to the Terms and Conditions, Pricing Supplement and the Agency and Registry Services Agreement may be made without the prior written consent and approval of the Issuer.

13 Registrar and Agent

Role of the Registrar and Agent

- 13.1 In acting under the Agency and Registry Services Agreement in connection with the TLCs, the Registrar and the relevant Agent act solely as agent of the Issuer and does not assume any obligations towards or relationship of agency or trust for or with any of the TLC Holders save insofar as that any funds received by the Registrar and the relevant Agent in accordance with the Agency and Registry Services Agreement or any Issue and Paying Agency Agreement shall, pending their application in accordance with the Registry Services Agreement or any Issue and Paying Agency Agreement, be held by it in a segregated account which shall be held on trust for the persons entitled thereto.

Change of Registrar and Agent

- 13.2 The Issuer reserves the right at any time to terminate the appointment of the Registrar and any Agent in accordance with the Agency and Registry Services Agreement or any Issue and Paying Agency Agreement and to appoint a successor or additional registrars, provided, however, that the Issuer must at all times maintain the appointment of a registrar with its specified office in Australia. Notice of any such termination of appointment will be given to the TLC Holders in accordance with Condition 10.

Appointment of replacement Registrar or Agent

- 13.3 If a then current Registrar or Agent ceases to be Registrar or Agent, the Issuer must ensure that a replacement Registrar or Agent as appropriate is appointed with effect from the relevant date.

14 Calculation Agent

The Calculation Agent and its initial specified offices are as set out in the relevant Pricing Supplement for the TLCs issued by the Issuer. The Issuer reserves the right at any time to terminate the appointment of the Calculation Agent or to appoint additional or other Calculation Agents, provided that it will ensure that at all times for so long as any TLCs are outstanding the Calculation Agent acts in respect of TLCs for which these Conditions require a Calculation Agent to make calculations. The Issuer may elect to have no Calculation Agent. Where no Calculation Agent is appointed the calculation of interest and principal payments in respect of TLCs will be made by the Issuer.

15 Governing law and jurisdiction

Governing law

- 15.1 The TLCs are governed by the law in force in the State of New South Wales.

Jurisdiction

- 15.2 The Issuer irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of the State of New South Wales and courts of appeal from them.

16 Interpretation

Definitions

- 16.1 These meanings apply in these terms and conditions unless the contrary intention appears:

Agency and Registry Services Agreement means each agreement entered into between the Issuer and a Registrar and any replacement of it and includes, for the avoidance of doubt, the agreement entitled “Registry Services Agreement” dated on or about the date of the TLC Deed Poll between the Issuer and Computershare Investor Services Pty Limited (ABN 48 078 279 277) and any replacement

of it.¹

Agent means either or both of the I&P Agent (Australia) and the I&P Agent (Offshore).

Alternate Currency means a currency (other than Australian Dollars) which is specified in the Pricing Supplement.

Applicable Business Day Convention means the Business Day Convention specified in the Pricing Supplement as applicable to any date in respect of the TLC or, if none is specified, the Applicable Business Day Convention for such purpose is the Following Business Day Convention. Different Business Day Conventions may apply, or be specified in relation to, the Interest Payment Dates and any other date or dates in respect of any TLCs.

Australian Dollars and **A\$** mean the lawful currency of Australia.

Business Day means:

- (a) if a TLC is to be issued or a payment in respect of a TLC made, a day (other than a Saturday or Sunday or public holiday):
 - (i) on which commercial banks are open for general banking business in Sydney, Melbourne and such other place(s) (if any) specified in the relevant Pricing Supplement;
 - (ii) on which commercial banks settle payments, in the case of Australian dollars, in Sydney and Melbourne, or, in the case of any other currency, in the principal financial city in the country of that currency; and
 - (iii) on which the relevant Clearing System (if any) for that TLC is operating; and
- (b) otherwise, a day (other than a Saturday or Sunday or public holiday) on which commercial banks are open for general banking business in Sydney and Melbourne.

Business Day Convention means a convention for adjusting any date if it would otherwise fall on a day that is not a Business Day and the following Business Day Conventions, where specified in the Pricing Supplement in relation to any date applicable to any TLC, have the following meanings:

- (a) **Floating Rate Convention** means that the date is postponed to the next following day which is a Business Day unless that day falls in the next calendar month, in which event:
 - (A) such date is brought forward to the first preceding day that is a Business Day; and
 - (B) each subsequent Interest Payment Date is the last Business Day in the calendar month which is the specified number of months (or other period specified as the Interest Period in the applicable Pricing Supplement) after the calendar month in which the preceding applicable Interest Payment Date occurred;
- (b) **Following Business Day Convention** means that the date is postponed to the first following day that is a Business Day;
- (c) **Modified Following Business Day Convention** or **Modified Business Day Convention** means that the date is postponed to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date is the first preceding day that is a Business Day; and
- (d) **Preceding Business Day Convention** means that the date is brought forward to the first

¹ The Registry Services Agreement with Computershare Investor Services Pty Limited has been replaced by an “Agency and Registry Services Agreement” dated 7 November 2003 between the Issuer and Austraclear Services Limited (ABN 28 003 284 419).

preceding day that is a Business Day.

Calculation Agent means, in respect of a Tranche, the person (if any) specified as such in the relevant Pricing Supplement. The Calculation Agent must be the same for all TLCs in a Series.

Clearing System means:

- (a) the Euroclear system operated by Euroclear Bank S.A/N.V;
- (b) Clearstream, Luxembourg; or
- (c) any other clearing system specified in the relevant Pricing Supplement.

Clearstream, Luxembourg means Clearstream Banking, société anonyme.

Condition means the correspondingly numbered condition in these Terms and Conditions.

Conditions means the terms and conditions set out in this schedule, as supplemented, modified or replaced in respect of a Tranche or Series of TLCs by the Pricing Supplement applicable to that Tranche or Series.

Day Count Fraction means, in respect of the calculation of an amount for any period of time (“**Calculation Period**”), the day count fraction specified in the Pricing Supplement and:

- (a) if **Actual/365** or **Actual/Actual** is so specified, means the actual number of days in the Calculation Period divided by 365 or, if any portion of the Calculation Period falls in a leap year, the sum of:
 - (i) the actual number of days in the portion of the Calculation Period falling in a leap year divided by 366; and
 - (ii) the actual number of days in the portion of the Calculation Period falling in a non-leap year divided by 365;
- (b) if **Actual/365 (fixed)** is so specified, the actual number of days in the Calculation Period divided by 365;
- (c) if **Actual/360** is specified, means the actual number of days in the Calculation Period divided by 360;
- (d) if **30E/360** or **Eurobond Basis** is specified, means the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months, without regard to the date of the first day or last day of the Calculation Period unless, in the case of the final Calculation Period, the date of final maturity is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month); and
- (e) if **Australian Bond Basis** is specified, one divided by the number of Interest Payment Dates in a year.

Denomination means the notional face value of a TLC as specified in the relevant Pricing Supplement.

Domestic Issue means an issue of TLCs which is specified as such in a Pricing Supplement, being an issue which is offered (and in respect of which offers are received) primarily in the Australian market.

Early Termination Amount means in relation to a TLC, the Outstanding Principal Amount.

Event of Default has the meaning given to it in Condition 6.

Extraordinary Resolution has the same meaning as in the Meetings Provisions.

Final Broken Amount has the meaning given to it in the Pricing Supplement.

Guarantee means the guarantee deed poll dated 3 August 2001 given by the Guarantor in favour of the TLC Holders.

Guarantor means ING Bank N.V.

Information Memorandum means, in relation to TLCs, the then latest information memorandum (and any supplement to it) prepared on behalf of, and approved in writing by, the Issuer in connection with the issue of (amongst other things) TLCs, all documents incorporated by reference in it and such other information approved in writing by the Issuer from time to time.

Initial Broken Amount has the meaning given to it in the Pricing Supplement.

Interest Commencement Date means the Issue Date or such other date as may be specified as such in the Pricing Supplement.

Interest Determination Date has the meaning specified as such in the Pricing Supplement.

Interest Payment Date means the date or dates specified as such in, or determined in accordance with the provisions of, the Pricing Supplement and adjusted, if necessary, in accordance with the Applicable Business Day Convention.

Interest Period means each successive period beginning on and including an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date provided that the first Interest Period commences on and includes the Interest Commencement Date and the final Interest Period ends on but excludes the Maturity Date.

Interest Rate means the rate or rates (expressed as a percentage per annum) or amount or amounts (expressed as a price per unit of relevant currency) of interest payable in respect of the TLCs specified in, or calculated or determined in accordance with the provisions of, the Pricing Supplement and in the case of floating rate TLCs, the rate determined in accordance with Condition 4.3.

I&P Agent (Australia) means the Registrar as issuing and paying agent and each other person appointed by the Issuer, with the consent of the Program Managers and the Registrar, to perform issuing and paying agency functions with respect to each Series or Tranche of TLCs initially lodged and held through or predominantly through the Austraclear system.

I&P Agent (Offshore) means each person appointed from time to time by the Issuer, with the consent of the Program Managers, to perform agency functions (outside Australia) under an Issue and Paying Agency Agreement in respect of an Offshore Issue, details of which are specified in the relevant Pricing Supplement or in the Information Memorandum.

Issue and Paying Agency Agreement means each agreement entered into between the Issuer and an I&P Agent (Offshore) and any replacement of it and includes, for the avoidance of doubt, the agreement entitled "Issue and Paying Agency Agreement (Offshore)" dated on or about the date of the TLC Deed Poll between the Issuer and the I&P Agent (Offshore) and any replacement of it.

Issue Date means the day on which any TLC is or is to be issued as specified in or determined in accordance with the provisions of the Pricing Supplement.

Margin means the margin specified in, or determined in accordance with the provisions of, the Pricing Supplement.

Maturity Date means the date for redemption of a TLC or, in the case of an amortising TLC, the date on which the last instalment of principal is payable, in each case, as specified in the Pricing Supplement.

Maturity Redemption Amount means in relation to a TLC, the Outstanding Principal Amount or such other redemption amount as may be specified in, or calculated or determined in accordance with the provisions of, the Pricing Supplement.

Maximum Interest Rate means the Maximum Interest Rate specified in, or calculated or determined in accordance with the provisions of, the Pricing Supplement.

Meetings Provisions means the provisions for the convening of meetings of, and passing of resolutions by, TLC Holders set out in schedule 2 of the TLC Deed Poll.

Minimum Interest Rate means the Minimum Interest Rate specified in, or calculated or determined in accordance with the provisions of, the Pricing Supplement.

MTN means a medium term debt obligation of the Issuer constituted by, and owing under a deed poll to be executed by the Issuer, the details of which are recorded in, and evidenced by, inscription in a register of MTNs under the Agency and Registry Services Agreement.

Note means a TD, a TLC or an MTN, as the case may be and **Notes** means each of them.

Offshore Issue means an issue of TLCs which is specified as such in a Pricing Supplement, being an issue which is offered (and in respect of which offers are received) primarily in a market outside Australia.

Ordinary Resolution has the same meaning as in the Meetings Provisions.

Outstanding means on any day all TLCs issued, less those TLCs:

- (a) which have been redeemed or satisfied in full by the Issuer in accordance with these Conditions; or
- (b) for the payment of which funds equal to their aggregate Outstanding Principal Amount are on deposit with the Registrar and I & P Agent (Australia) on terms which prohibit the return of the deposit or the use of the deposit for any purpose other than the payment of those TLCs or in respect of which the Registrar and I & P Agent (Australia) holds an irrevocable direction to apply funds in repayment of TLCs to be redeemed on that day; or
- (c) in respect of which a TLC Holder is unable to make a claim as a result of the operation of Condition 9.

Outstanding Principal Amount means in respect of any TLC which is Outstanding at any time, the Denomination of the TLC less the aggregate of any part of the principal amount of that TLC that has been paid or otherwise satisfied by the Issuer and for such purposes:

- (a) the premium of a TLC to be redeemed at a premium is to be taken to be added to the principal amount;
- (b) the principal amount of a partly paid TLC is to be taken to equal its outstanding principal amount;
- (c) if the TLC is repayable in instalments, the Outstanding Principal Amount at any time is to be taken to be Denomination of the TLC less the aggregate of each instalment repaid as at that time, to the extent that the instalment relates to a payment of principal; and
- (e) if an amount is required to be determined in Australian Dollars, the Australian Dollar equivalent of a TLC denominated in an Alternate Currency is to be determined on the basis of the spot rate of exchange for the sale of Australian Dollars against the purchase of the relevant Alternate Currency in the Sydney foreign exchange market quoted by any leading bank selected by the Issuer on the relevant calculation date. The calculation date is, at the discretion of the Issuer, either the date of the relevant Pricing Supplement for such TLCs or the preceding day on which commercial banks and foreign exchange markets are open for

business in Sydney or such other date as may be agreed between the Issuer and the Program Managers.

Payment Date means, in respect of a TLC, an Interest Payment Date, the Maturity Date or other relevant payment date (including an early payment date).

Pricing Supplement means the Pricing Supplement prepared and issued in relation to each Tranche of TLCs which has been confirmed in writing by the Issuer.

Program means the Issuer's uncommitted revolving debt issuance Program for the issuance of TLCs and other debt instruments as described in the Information Memorandum.

Program Managers means each of ING Bank N.V. and Westpac Banking Corporation (ABN 33 007 457 141) in their respective capacities as joint administration managers of the Program, or such other person appointed by the Issuer from time to time and who have consented to act as Program Managers.

Purchase Price in respect of a TLC, means the purchase price so specified in the relevant Pricing Supplement.

Record Date means, in the case of payments of interest or principal, the close of business in the place where the TLC Register is maintained on the eighth Business Day before the relevant date for payment or such other time and date that may be specified in the relevant Pricing Supplement.

Reference Banks means the institutions specified as such in the Pricing Supplement or, if none, four major banks selected by the Calculation Agent in the inter-bank market that is most closely connected with the Reference Rate.

Reference Rate means, in relation to a TLC, the rate so specified in the relevant Pricing Supplement.

Registrar means Austraclear Services Limited (ABN 28 003 284 419)² or such other person appointed by the Issuer pursuant to the Agency and Registry Services Agreement to establish and maintain the TLC Register for such TLCs on the Issuer's behalf from time to time.

Relevant Date means the date on which a payment in respect of the TLCs first becomes due, except that if the full amount payable has not been received by the Registrar on or before the due date, it means the date on which, the full amount having been so received, notice to that effect is given to the TLC Holders in accordance with Condition 10.

Relevant Financial Centre means the city specified as such in the Pricing Supplement or, if none, the city most closely connected with the Reference Rate in the determination of the Calculation Agent.

Relevant Screen Page has the meaning specified as such in the Pricing Supplement.

Resolution means an Extraordinary Resolution or Ordinary Resolution, as the context requires.

Series means a Tranche or Tranches of TLCs which have identical terms, except that:

- (a) the Issue Date and the amount of the first payment of interest may be different in respect of different Tranches of a Series; and
- (b) a Series may comprise TLCs in more than one denomination.

Subscription Agreement means an agreement between the Issuer and one or more dealers for the issue by the Issuer and the subscription by those dealers of any TLCs.

² The TLC Deed Poll refers to Computershare Investor Services Pty Limited as Registrar. Austraclear Services Limited (ABN 28 003 284 419) has replaced Computershare Investor Services Pty Limited .

Subsidiary of an entity means a subsidiary within the meaning of section 46 of the Corporations Act 2001 of Australia.

Taxes means taxes, levies, imposts, deductions, charges, withholdings and duties imposed by any authority (including, without limitation, stamp and transaction duties), (together with any related interest, penalties, fines and expenses in connection with them).

TD means a transferable deposit debt obligation of the Issuer constituted by, and owing under a deed poll to be executed by the Issuer, the details of which are recorded in, and evidenced by, inscription in a register of TDs under the Agency and Registry Services Agreement.

TLC means a transferable loan certificate of the Issuer constituted by, and owing under, the TLC Deed Poll to a TLC Holder, the details of which are recorded in, and evidenced by, inscription in a TLC Register.

TLC Deed Poll means a deed poll in relation to TLCs executed by the Issuer to which these terms and conditions are a schedule, as may be amended or supplemented from time to time.

TLC Holder in respect of a Series, means the person whose name is for the time being entered in a TLC Register as the holder of a TLC or, where a TLC is held jointly by two or more persons, the persons whose names appear in the TLC Register as the joint holders of that TLC and (for the avoidance of doubt) when a TLC is entered into a Clearing System, includes the operator of that system or a nominee for a common depository for any one or more Clearing Systems (such operator or nominee for a common depository acting in such capacity as is specified in the rules and regulations of the relevant Clearing System or Systems).

TLC Register in relation to a Series of TLCs means a register, including any branch register, of TLC Holders established and maintained by or on behalf of the Issuer in which is entered the names and addresses of TLC Holders, the amount of TLCs held by each TLC Holder and the Tranche, Series and date of issue and transfer of those TLCs, and any other particulars which the Issuer sees fit.

Tranche means a tranche of TLCs specified as such in the relevant Pricing Supplement issued on the same Issue Date and the terms of which are identical in all respects (except that a Tranche may comprise TLCs in more than one Denomination).

Transaction Documents means each of the TLC Deed Poll each TLC, these terms and conditions, each Subscription Agreement, the Guarantee, each Pricing Supplement, the Agency and Registry Services Agreement, any Issue and Paying Agency Agreement and any other instrument specified as such in a Pricing Supplement.

Interpretation

16.2 In these terms and conditions unless the contrary intention appears:

- (a) a reference to these terms and conditions is a reference to these terms and conditions as modified, supplemented or replaced by the Pricing Supplement;
- (b) law means common law, principles of equity, and laws made by parliament (and laws made by parliament include State, Territory and Commonwealth laws and regulations and other instruments under them, and consolidations, amendments, re-enactments or replacements of any of them);
- (c) the singular includes the plural and vice versa;
- (d) the word “person” includes an individual, a firm, a body corporate, an unincorporated association and an authority;
- (e) a particular person includes a reference to the person’s executors, administrators, successors, substitutes (including, persons taking by novation) and assigns;

- (f) anything (including, without limitation, any amount) is a reference to the whole and each part of it;
- (g) a group of persons is a reference to any two or more of them jointly and to each of them individually;
- (h) a reference to an accounting term is a reference to that term as it is used in accounting standards under the Corporations Act 2001 of Australia, or, if not inconsistent with those standards, in accounting principles and practices generally accepted in Australia; and
- (i) a reference to time is a reference to Sydney time.

Headings

- 16.3 Headings (including those in brackets at the beginning of paragraphs) are inserted for convenience and do not affect the interpretation of these terms and conditions.

Terms and Conditions of MTNs

The following are the Terms and Conditions of the MTNs which, as supplemented, modified or replaced in relation to any MTNs by the relevant Pricing Supplement, will be applicable to each Series of MTNs.

Each Tranche will be the subject of a Pricing Supplement. References in the Terms and Conditions to a Pricing Supplement are references to the Pricing Supplement applicable to the relevant Tranche of MTNs.

References in the Terms and Conditions to “MTNs” are, unless the contrary intention appears, to the MTNs of one Series only, not to all MTNs which may be issued under the Program. Terms used in the relevant Pricing Supplement will, unless the contrary intention appears, have the same meaning where used in the Terms and Conditions.

Each MTN Holder and any person claiming through or under an MTN Holder is deemed to have notice of and is bound by these Terms and Conditions, the MTN Deed Poll, the Supplemental Deed Poll, the Information Memorandum, the relevant Pricing Supplement, the Guarantee and the Agency and Registry Services Agreement. Copies of each of these documents (to the extent they relate to a Tranche of MTNs) are available for inspection by any MTN Holder of such Tranche at the offices of the Issuer and the Registrar at their respective addresses specified in the Information Memorandum.

1 Form, denomination and title

Constitution under MTN Deed Poll

- 1.1 The MTNs are registered debt obligations of the Issuer constituted by, and owing under, the MTN Deed Poll and take the form of entries in the MTN Register. Each entry in the MTN Register constitutes a separate and individual acknowledgment to the relevant MTN Holder of the indebtedness of the Issuer to the relevant MTN Holder.

Independent obligations

- 1.2 The obligations of the Issuer in respect of each MTN constitute separate and independent obligations which the MTN Holder to whom those obligations are owed is entitled to enforce without having to join any other MTN Holder or any predecessor in title of an MTN Holder.

Currency

- 1.3 Subject to any applicable legal or regulatory requirements, such currencies as may be agreed between the Issuer and the relevant Dealer, including, without limitation, Australian Dollars, US Dollars, Pounds Sterling, Euro, Yen or any other freely transferable and freely convertible currency (each such currency other than Australian Dollars being an “**Alternative Currency**”). Payments in respect of MTNs may be made in, or limited to, any currency or currencies other than the currency in which the MTNs are denominated, all as set out in the relevant Pricing Supplement.

Denomination

- 1.4 Unless otherwise specified in the Pricing Supplement:
- (a) MTNs are issued in the denomination of A\$100,000 (or an approximate equivalent in an Alternate Currency); and
 - (b) MTNs may only be issued if:

- (i) in the case of a Domestic Issue, the consideration payable to the Issuer is a minimum of A\$500,000 (or the equivalent in an Alternate Currency) (disregarding any moneys lent by the Issuer or its associates) or if the MTNs are otherwise issued in a manner that does not require disclosure to be made under Part 6D.2 of the Corporations Act 2001 of Australia; or
- (ii) in the case of an Offshore Issue, the issue complies with all applicable laws.

MTN Register conclusive

- 1.5 Entries in the MTN Register in relation to an MTN constitute conclusive evidence that the person so entered is the registered holder of the MTN subject to rectification for fraud or error. No MTN will be registered in the name of more than four persons. An MTN registered in the name of more than one person is held by those persons as joint tenants. MTNs will be registered by name only without reference to any trusteeship. The person registered in the MTN Register as an MTN Holder will be treated by the Issuer and the Registrar as absolute owner of that MTN and neither the Issuer nor the Registrar is, except as ordered by a court or as required by statute, obliged to take notice of any other claim to an MTN.

Holder absolutely entitled

- 1.6 Upon a person acquiring title to any MTN by virtue of becoming an MTN Holder in respect of that MTN, all rights and entitlements arising by virtue of the MTN Deed Poll in respect of that MTN vest absolutely in the MTN Holder, such that no person who has previously been the MTN Holder in respect of that MTN has or is entitled to assert against the Issuer or the Registrar or the MTN Holder for the time being and from time to time any rights, benefits or entitlements in respect of the MTN.

Location of MTN Register

- 1.7 The MTN Register will be established and maintained in New South Wales unless otherwise agreed with the Registrar.

Certificates

- 1.8 No certificate or other evidence of title will be issued to MTN Holders by or on behalf of the Issuer to evidence title to an MTN unless the Issuer determines that certificates should be made available or it is required to do so pursuant to any applicable law or regulation. MTNs which are held in a Clearing System will be registered in the name of a nominee, depository or common depository for that Clearing System.

Acknowledgement

- 1.9 Where a Clearing System (or a nominee, depository or common depository for more than one Clearing System) (each a “**relevant person**”) is recorded in an MTN Register as the MTN Holder, each person in whose account that MTN is recorded is deemed to acknowledge in favour of the Registrar and each relevant person that:
- (a) the Registrar’s decision to act as the Registrar of the MTN does not constitute a recommendation or endorsement by the Registrar or the relevant person in relation to the MTN but only indicates that such MTN is considered by the Registrar to be compatible with the performance by it of its obligations as Registrar under its agreement with the Issuer to act as Registrar of the MTN; and
 - (b) the MTN Holder does not rely on any fact, matter or circumstance contrary to Condition 1.9(a).

2 Transfers

Limit on transfer

- 2.1 MTNs may only be transferred in whole.
- 2.2 Unless otherwise specified in the Pricing Supplement, MTNs may only be transferred within Australia if the consideration payable at the time of transfer is a minimum amount of A\$500,000 (or the equivalent amount in an Alternate Currency) (disregarding any moneys lent by the transferor or its associates to the transferee) or the MTNs are otherwise transferred in a manner that does not require disclosure to be made under Part 6D.2 of the Corporations Act 2001 of Australia.
- 2.3 MTNs may only be transferred to or from Australia:
- (a) unless otherwise specified in the Pricing Supplement, if the aggregate consideration payable at the time of the transfer is a minimum amount of A\$500,000 (or the equivalent amount in an Alternate Currency) (disregarding any moneys lent by the transferor or its associates to the transferee) or the MTNs are otherwise transferred in a manner that does not require disclosure to be made under Part 6D.2 of the Corporations Act 2001 of Australia; and
 - (b) if the transfer is in compliance with the laws of the jurisdiction in which the transfer takes place.
- 2.4 MTNs may only be transferred from Australia or between persons in a jurisdiction or jurisdictions other than Australia if the transfer is in compliance with the laws of the jurisdiction in which the transfer takes place.

Transfer procedures

- 2.5 Unless MTNs are lodged in a Clearing System, application for the transfer of MTNs must be made by the lodgment of a transfer form with the Registrar. Transfer forms are available from the Registrar. Each form must be accompanied by such evidence (if any) as the Registrar may require to prove the title of the transferor or the transferor's right to transfer the MTN and be signed by both the transferor and the transferee.

MTNs entered in a Clearing System will be transferable only in accordance with the rules and regulations of that Clearing System.

Registration of transfer

- 2.6 The transferor of an MTN is deemed to remain the holder of that MTN until the name of the transferee is entered in the MTN Register in respect of that MTN. Transfers will not be registered during the period from the Record Date until the calendar day after the relevant date for payment.

No charge on transfer

- 2.7 Transfers will be registered without charge provided taxes, duties or other governmental charges (if any) imposed in relation to the transfer have been paid.

Estates

- 2.8 A person becoming entitled to an MTN as a consequence of the death or bankruptcy of an MTN Holder or of a vesting order or a person administering the estate of an MTN Holder may, upon producing such evidence as to that entitlement or status as the Registrar considers sufficient, transfer the MTN or, if so entitled, become registered as the MTN Holder in respect of that MTN.

Unincorporated associations

- 2.9 A transfer to an unincorporated association is not permitted.

Transfer of unidentified MTNs

- 2.10 Where the transferor executes a transfer of less than all MTNs of the relevant Tranche or Series registered in its name, and the specific MTNs to be transferred are not identified, the Registrar may

(subject to the limit on minimum holdings) register the transfer in respect of such of the MTNs of the relevant Tranche or Series registered in the name of the transferor as the Registrar thinks fit, provided the aggregate principal amount of the MTNs registered as having been transferred equals the aggregate principal amount of the MTNs expressed to be transferred in the transfer.

Australian Stock Exchange Listing

- 2.11 MTNs which are listed on the Australian Stock Exchange will not be transferred through or registered on CHESS and will not be “CHESS approved securities”. In the event that an interface between the MTN Register maintained by the Registrar and CHESS is established the Transaction Documents may be amended to facilitate settlement on CHESS and so that the MTNs will become “CHESS approved securities”.

3 Status and guarantee

Status

- 3.1 MTNs are direct, unconditional, unsecured and unsubordinated obligations of the Issuer and rank at least equally with all other unsecured and unsubordinated obligations of the Issuer except liabilities mandatorily preferred by law.

Guarantee

- 3.2 The MTNs are issued with the benefit of the Guarantee pursuant to which the due and punctual payment of principal and interest on the Notes (as defined below) and all other amounts payable in relation to or in connection with the Notes (including any additional amounts stipulated in Condition 7.6) will be unconditionally and irrevocably guaranteed by the Guarantor. The obligations of the Guarantor under such a guarantee will be direct, unconditional, unsecured and unsubordinated obligations of the Guarantor and will rank at least *pari passu* with all other outstanding unsecured and unsubordinated obligations of the Guarantor, other than those preferred by mandatory provisions of law.

The Guarantee will take the form of a deed poll given in favour of holders of MTNs from time to time.

4 Interest

General

- 4.1 MTNs may be either interest-bearing or non interest-bearing, as specified in the relevant Pricing Supplement. Interest-bearing MTNs may bear interest at either a fixed rate or a floating rate. In relation to any Tranche of MTNs, the relevant Pricing Supplement may specify actual amounts of interest payable (“**Interest Amounts**”) rather than, or in addition to, a rate or rates at which interest accrues.

The Pricing Supplement in relation to each Tranche of interest-bearing MTNs will specify which of Conditions 4.2, 4.3 and 4.4 will be applicable to the MTNs. Condition 4.5 will be applicable to each Tranche of interest-bearing MTNs save to the extent of any inconsistency with the relevant Pricing Supplement.

Interest - fixed rate

- 4.2 Each MTN in relation to which this Condition 4.2 is specified in the relevant Pricing Supplement as being applicable (“**Fixed Rate MTNs**”) will bear interest on its Outstanding Principal Amount at the fixed coupon rate or the fixed rate or rates per annum specified in the relevant Pricing Supplement from the Issue Date of the MTNs. Interest will be payable in arrear on the Interest Payment Dates specified in the relevant Pricing Supplement.

Interest which is required to be calculated for a period of other than a full year will be calculated on such basis as is specified as the Day Count Fraction in the relevant Pricing Supplement.

The first payment of interest will be made on the Interest Payment Date next following the Interest Commencement Date and, if the first anniversary of the Interest Commencement Date is not an Interest Payment Date, will amount to the Initial Broken Amount (as defined in the Pricing Supplement).

If the Maturity Date is not an Interest Payment Date, interest from (and including) the preceding Interest Payment Date (or the Interest Commencement Date, as the case may be) to (but excluding) the Maturity Date will amount to the Final Broken Amount (as defined in the Pricing Supplement).

4.3 *Interest - floating rate*

(a) *Accrual of interest*

MTNs in relation to which this Condition 4.3 is specified in the relevant Pricing Supplement as being applicable (“**Floating Rate MTNs**”) will bear interest in respect of each Interest Period at the rate or rates per annum determined in accordance with this Condition 4.3.

Each Floating Rate MTN will bear interest on its Outstanding Principal Amount at the Interest Rate (as defined below) from the Interest Commencement Date. Interest will be payable in arrear on each Interest Payment Date. If any Interest Payment Date in respect of a Floating Rate MTN would otherwise fall on a day which is not a Business Day, such Interest Payment Date shall be determined in accordance with the Business Day Convention specified in the Pricing Supplement.

(b) *Interest Rate*

The Interest Rate payable in respect of Floating Rate MTNs shall be determined by the Calculation Agent on the basis of sub-paragraph (i) or (ii) below, as specified in the relevant Pricing Supplement.

(i) *ISDA Determination for Floating Rate MTNs*

Where “ISDA Determination” is specified in the applicable Pricing Supplement as the manner in which the Interest Rate is to be determined, the Interest Rate for each Interest Period is the relevant ISDA Rate (as defined below) plus or minus (as indicated in the applicable Pricing Supplement) the Margin.

For the purposes of this sub-paragraph (i), “**ISDA Rate**” for an Interest Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent for the MTNs under an interest rate swap transaction if the Calculation Agent for the MTNs were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the ISDA Definitions (as defined below) and under which:

- (A) the Floating Rate Option is as specified in the applicable Pricing Supplement;
- (B) the Designated Maturity is a period specified in the applicable Pricing Supplement; and
- (C) the relevant Reset Date is as specified in the applicable Pricing Supplement; and
- (D) the Period End Dates are each Interest Payment Date, the Spread is the Margin and the Floating Rate Day Count Fraction is the Day Count Fraction.

For the purposes of this sub-paragraph (i), “**Floating Rate**”, “**Calculation Agent**” (except references to “**Calculation Agent for the MTNs**”), “**Floating Rate Option**”, “**Designated Maturity**”, “**Reset Date**”, “**Period End Date**”, “**Spread**”

and “**Floating Rate Day Count Fraction**” have the meanings given to those terms in the 2000 ISDA Definitions as published by the International Swaps and Derivatives Association, Inc. (“**ISDA Definitions**”).

(ii) *Screen Rate Determination for Floating Rate MTNs*

Where the “Screen Rate Determination” is specified in the applicable Pricing Supplement as the manner in which the Interest Rate is to be determined, the Interest Rate for each Interest Period will be, subject as provided below, either:

- (A) the offered quotation; or
- (B) the arithmetic mean (rounded in accordance with Condition 4.3(b)(v)) 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 as at 11.00 a.m. (Sydney time) or such other time as is specified in the Pricing Supplement (“**Relevant Time**”) on the Interest Determination Date in question plus or minus (as indicated in the applicable Pricing Supplement) the Margin (if any), all as determined by the Calculation 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 Calculation Agent for the purposes of determining the arithmetic mean (rounded as provided above) of such offered quotations.

- (aa) If sub-paragraph (A) applies and no offered quotation appears on the Relevant Screen Page at the Relevant Time on the Interest Determination Date or if sub-paragraph (B) applies and fewer than two offered quotations appear on the Relevant Screen Page at the Relevant Time on the Interest Determination Date, subject as provided below, the Interest Rate is the arithmetic mean of the Reference Rates that each of the Reference Banks is quoting to leading banks in the Relevant Financial Centre at the Relevant Time on the Interest Determination Date, as determined by the Calculation Agent;
- (bb) If sub-paragraph (aa) above applies and the Calculation Agent determines that fewer than two Reference Banks are making offered quotations for the Reference Rate in respect of the relevant currency, subject as provided below, the Interest Rate is the arithmetic mean of the rates per annum (expressed as a percentage) that the Calculation Agent determines to be the rates (being the nearest equivalent to the Reference Rate) in respect of deposits of approximately A\$100,000 (or the approximate equivalent in the relevant currency) that at least two out of five leading banks selected by the Calculation Agent in the Relevant Financial Centre are quoting at or about the Relevant Time on the date on which such banks would customarily quote such rates for a period commencing on the first day of the Interest Period to which the relevant Interest Determination Date relates for a period equivalent to the relevant Interest Period to leading banks carrying on business in the Relevant Financial Centre.

(iii) *Minimum and/or Maximum Interest Rate*

If the applicable Pricing Supplement specifies a Minimum Interest Rate for any Interest Period then, in the event that the Interest Rate in respect of such Interest Period determined in accordance with the other provisions of this Condition 4.3(b) is less than such Minimum Interest Rate, the Interest Rate for such Interest Period shall be such Minimum Interest Rate.

If the applicable Pricing Supplement specifies a Maximum Interest Rate for any Interest Period then, in the event that the Interest Rate in respect of such Interest Period determined in accordance with the other provisions of this Condition 4.3(b) is greater than such Maximum Interest Rate, the Interest Rate for such Interest Period shall be such Maximum Interest Rate.

(iv) *Fallback Interest Rate*

Unless otherwise specified in the relevant Pricing Supplement, if, during the Interest Period, the Calculation Agent is unable to determine a rate (or, as the case may be, the arithmetic mean of rates) in accordance with the above provisions, the Interest Rate applicable to the MTNs during that Interest Period will be the Interest Rate applicable to the MTNs during the immediately preceding Interest Period (with adjustment for any change in the Margin, Maximum Interest Rate or Minimum Interest Rate).

(v) *Rounding*

For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified):

- (A) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up);
- (B) all figures shall be rounded to five significant figures (with halves being rounded up); and
- (C) all amounts that fall due and payable shall be rounded to the nearest cent (with halves being rounded up).

(c) *Calculation of interest amount payable*

The Calculation Agent will, as soon as practicable on or after determining the Interest Rate in relation to each Interest Period, calculate the amount of interest payable for the relevant Interest Period in respect of the Outstanding Principal Amount of each MTN. The amount of interest payable will be calculated by multiplying the product of the Interest Rate for such Interest Period and the Outstanding Principal Amount by the applicable Day Count Fraction and rounding the resultant figure to the nearest cent (with halves being rounded upwards).

Interest - other rates

- 4.4 MTNs in relation to which this Condition 4.4 is specified in the relevant Pricing Supplement as being applicable will bear interest at the rate or rates calculated on the basis specified in, and be payable in the amounts and in the manner determined in accordance with, the relevant Pricing Supplement.

4.5 *Interest - supplemental provisions*

(a) *Interest Payment Dates*

Interest on each MTN will be payable in arrear at such intervals and on such Interest Payment Dates as are specified in the relevant Pricing Supplement and on the Maturity Date.

(b) *Notification of Interest Rate, interest payable and other items*

The Calculation Agent will cause each Interest Rate, the amount of interest payable and each other amount, item or date, as the case may be, determined or calculated by it to be notified to the Issuer, the Registrar and any relevant Agent and to be notified to MTN Holders in accordance with Condition 10 as soon as practicable after such determination or

calculation but in any event not later than the fourth day (other than a Saturday or Sunday) on which commercial banks are open for business in the Relevant Financial Centre thereafter. The Calculation Agent will be entitled to amend any such amount, item or date (or to make appropriate alternative arrangements by way of adjustment) without prior notice in the event of the extension or abbreviation of any relevant Interest Period or calculation period and such amendment will be notified in accordance with the previous sentence.

(c) *Determination final*

The determination by the Calculation Agent of all amounts, rates and dates falling to be determined by it pursuant to these Conditions (including, without limitation, the Interest Rate for any Interest Period and the amount of interest payable for any Interest Period in respect of any MTN) is, in the absence of manifest error, final and binding on the Issuer, each MTN Holder, the Registrar, any Agent and the Calculation Agent.

(d) *Accrual of interest*

Interest accrues on the Outstanding Principal Amount of each MTN or as otherwise indicated in the relevant Pricing Supplement. Interest ceases to accrue as from the due date for redemption of an MTN unless the relevant payment is not made in which case interest will continue to accrue thereon (as well after as before any demand or judgment) at the rate then applicable to the Outstanding Principal Amount of the MTN or such other default rate (if any) as may be specified in the relevant Pricing Supplement until the date on which the relevant payment is made or, if earlier, the seventh day after the date on which any Agent receives the funds required to make such payment (provided that notice of such circumstance is given to the MTN Holders in accordance with Condition 10) except to the extent that there is failure in the subsequent payment thereof to the relevant MTN Holder.

Zero Coupon MTNs

- 4.6 If the amount due and payable in respect of a non-interest bearing MTN (“**Zero Coupon MTN**”) on the redemption date is not paid when due, the Interest Rate for any such overdue principal is a rate per annum (expressed as a percentage) equal to the Amortisation Yield specified in the relevant Pricing Supplement.

5 **Redemption and purchase**

Redemption on maturity

- 5.1 Unless previously redeemed, or purchased and cancelled or unless such MTN is stated in the Pricing Supplement as having no fixed maturity date, each MTN shall be redeemed on maturity at its Maturity Redemption Amount.

Purchase of MTNs

- 5.2 The Issuer, the Guarantor or any of their respective Subsidiaries may at any time purchase MTNs in the open market or otherwise and at any price. All unmatured MTNs purchased in accordance with this condition may be held, resold or cancelled at the discretion of the Issuer, subject to compliance with all legal and regulatory requirements. For the purposes of the Meetings Provisions, in determining whether the provisions relating to quorum, meetings or voting procedures are complied with, any TLCs held in the name of the Issuer, the Guarantor or any of their respective Subsidiaries will be disregarded.

Redemption for taxation reasons

- 5.3 If, in respect of the MTNs of any Series, the Issuer or the Guarantor, on the occasion of the next payment due in respect of the MTNs, would be required to make payment of any Additional Amount (as defined in Condition 7.6), then the Issuer may give not more than 30 nor less than 15 days’ notice to the relevant Registrar, the relevant Agent and the MTN Holders in accordance with Condition 10, and upon expiry of such notice shall redeem all (but not some only) of the MTNs at their early

redemption amount applicable for tax redemptions (“**Early Redemption Amount (Tax)**”) (which is their Outstanding Principal Amount or such other Early Redemption Amount (Tax) as is specified in the Pricing Supplement) together with (unless otherwise specified in the Pricing Supplement) accrued interest (if any) thereon.

Prior to publication of any such notice of redemption, the Issuer shall deliver to the Registrar a certificate signed by an authorised person of the Issuer showing that the conditions precedent to the right of the Issuer so to redeem have occurred and an opinion of legal advisers of recognised standing to the Issuer in its jurisdiction of incorporation to the effect that the Issuer would be required to pay Additional Amounts referred to in Condition 7.6 on the occasion of the next payment due in respect of the MTNs of that Series.

Early redemption at the option of the Issuer

- 5.4 If this Condition 5.4 is specified in the relevant Pricing Supplement as being applicable then the Issuer, having given at least the minimum period (if any) (but not more than the maximum period (if any)) of notice specified in the relevant Pricing Supplement to MTN Holders in accordance with Condition 10 (which notice must comply with the following paragraph and shall be irrevocable) and subject to satisfaction of any relevant conditions specified in the relevant Pricing Supplement, may redeem all (but not, unless and to the extent that the relevant Pricing Supplement specifies otherwise, some only) of the MTNs on any Business Day (being, in the case of interest bearing MTNs (unless otherwise specified in the relevant Pricing Supplement), an Interest Payment Date) at their early redemption amount applicable for calls by the Issuer (“**Early Redemption Amount (Call)**”) (which is their Outstanding Principal Amount or such other Early Redemption Amount (Call) as is specified in, or determined in accordance with, the relevant Pricing Supplement) together with (unless otherwise specified in the Pricing Supplement) accrued interest (if any) thereon:

The notice referred to in the preceding paragraph shall specify:

- (a) the Series of MTNs subject to redemption;
- (b) subject to the Pricing Supplement specifying that a partial redemption is permissible, whether such Series is to be redeemed in whole or in part only and, if in part only, the aggregate principal amount of the MTNs of the relevant Series which are to be redeemed;
- (c) the due date for redemption;
- (d) the Early Redemption Amount (Call) at which such MTNs are to be redeemed; and
- (e) whether or not accrued interest is to be paid upon redemption and, if so, the amount thereof or the basis or method of calculation thereof, all as provided in the relevant Pricing Supplement.

In the case of a partial redemption of MTNs, the MTNs to be redeemed will be selected by the Registrar, and notice of the MTNs selected for redemption will be given in accordance with Condition 10 not less than 15 days prior to the date fixed for redemption.

Any notice given under this Condition 5.4 is irrevocable and obliges the Issuer to redeem the MTNs at the time and in the manner specified in the notice.

Early redemption at the option of MTN Holders

- 5.5 If this Condition 5.5 is specified in the relevant Pricing Supplement as being applicable and provided the relevant MTN Holders have given at least the minimum period (if any) (but not more than the maximum period (if any)) of notice specified in the relevant Pricing Supplement to the Issuer in accordance with Condition 10 (which notice must be in the form of the redemption notice mentioned in the paragraph below), then, at the option of the MTN Holder and provided that any conditions to the exercise of such option as are specified in the relevant Pricing Supplement have been satisfied, the Issuer will redeem the MTN on any day (being, in the case of an interest bearing MTN (unless otherwise specified in the relevant Pricing Supplement) an Interest Payment Date) at its early

redemption amount applicable for puts (“**Early Redemption Amount (Put)**”) (which is its Outstanding Principal Amount or such other Early Redemption Amount (Put) as is specified in, or determined in accordance with, the relevant Pricing Supplement) together with (unless otherwise specified in the Pricing Supplement) accrued interest (if any) thereon.

To exercise such option, the MTN Holder must complete, sign and deliver to the specified offices of each of the Issuer and the Registrar not less than 45 days before the redemption date (or such other period as may be specified in the relevant Pricing Supplement), a redemption notice (in the form obtainable from the Registrar) together with such evidence as the Registrar may require to establish the rights of that MTN Holder to the relevant MTNs.

Zero Coupon MTNs

- 5.6 In the case of a Zero Coupon MTN (unless otherwise specified in the Pricing Supplement), the Early Termination Amount is the Amortised Face Amount or such other amount specified in the Pricing Supplement.

6 Events of Default

Events of Default

- 6.1 The occurrence of any one or more of the following events, whether or not within the control of the Issuer, shall constitute an “Event of Default”:

- (a) default is made for more than 30 days in the payment of interest or principal in respect of the MTNs; or
- (b) the Issuer shall fail to perform or observe any of its obligations under the MTNs (other than its obligations for the payment of interest or principal in respect of the MTNs), or the Guarantor shall fail to perform or observe any of its obligations under the Guarantee or under the MTNs, and in either case such failure has continued for the period of 60 days next following the service on the Issuer or, as the case may be, the Guarantor of notice requiring the same to be remedied; or
- (c) the Issuer:
 - (i) 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 2001 of Australia; or
 - (ii) 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 2001 of Australia; or
 - (iii) begins negotiations or takes any proceedings or other step with a view to re-adjustment, re-scheduling 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 (iii) above for the purposes of a solvent reconstruction or amalgamation the terms of which have previously been approved in writing by a meeting of the MTN Holders; or

- (d) 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 in writing by a meeting of the MTN Holders, or an administrator is appointed to the Issuer by a provisional liquidator of the Issuer under section 436B of the Corporations Act 2001 of Australia; or

- (e) the Guarantor is declared bankrupt, or a declaration in respect of the Guarantor is made under Chapter 10 of the Act on the Supervision of the Credit System (*Wet toezicht kredietwezen 1992*) of the Netherlands; or
- (f) an order is made or an effective resolution is passed for the winding up or liquidation of the Guarantor unless this is done in connection with a merger, consolidation or other form of combination of another company and such company assumes all obligations contracted by the Guarantor in connection with the MTNs; or
- (g) the Issuer or, as the case may be, the Guarantor ceases to carry on substantially the whole of its business (except for the purposes of a solvent reconstruction or amalgamation the terms of which have previously been approved in writing by a meeting of the MTN Holders); or
- (h) the Guarantee ceases to be, or is claimed by the Guarantor not to be, in full force and effect or the Guarantor fails to perform any of its obligations in respect of the Guarantee and (except where such failure is incapable of remedy, where no such notice is required) such failure continues for the period of 60 days next following the service on the Guarantor of notice requiring the same to be remedied.

Consequences of an Event of Default

- 6.2 Subject to Condition 6.3, if any Event of Default occurs and is continuing in relation to the MTNs of any Series or any of them, then an MTN Holder in that Series may by written notice to the Issuer and the Guarantor (with a copy to each of the Registrar and the Program Managers) declare the MTN held by the MTN Holder to be forthwith due and payable whereupon the Early Termination Amount (together with all accrued interest (if any)) applicable to each MTN held by the MTN Holder shall be due and payable immediately or on such other date specified in the notice.

Rectification

- 6.3 An MTN Holder's right to declare MTNs due terminates if the situation giving cause to it has been cured before such right is exercised.

Notification

- 6.4 If an Event of Default occurs, the Issuer must promptly after becoming aware of it notify the Registrar and the Program Managers of the occurrence of the Event of Default (specifying details of it) and procure that the Registrar promptly notifies MTN Holders of the occurrence of the Event of Default by registered post to the address of the MTN Holder recorded in the MTN Register.

7 Payments

Record Date

- 7.1 Payments to MTN Holders will be made according to the particulars recorded in the MTN Register at 5.00pm (local time) on the relevant Record Date.

Joint holders

- 7.2 When an MTN is held jointly, payment will be made to the holders in their joint names unless requested otherwise.

Method of payments

- 7.3 Payments in respect of each MTN will be made:
- (a) if the MTNs are in a Clearing System, by crediting on the relevant Payment Date the amount then due to the account of the MTN Holder in accordance with the Regulations of the relevant Clearing System; or

- (b) if the MTNs are not in a Clearing System, by crediting on the Payment Date the amount then due to an account previously notified by the MTN Holder in respect of that MTN to the Issuer and the Registrar. If the MTN Holder has not notified the Issuer and the Registrar of such an account by close of business on the relevant Record Date or upon application by the MTN Holder to the Issuer and the Registrar no later than close of business on the relevant Record Date, payments in respect of the relevant MTN will be made by cheque, mailed on the Business Day immediately preceding the relevant Interest Payment Date in the case of payments of interest or on the due date for redemption or repayment, in the case of payments of principal, at the MTN Holder's risk to the MTN Holder (or to the first named of joint registered holders) of such MTN at the address appearing in the MTN Register as at the Record Date. Cheques to be despatched to the nominated address of an MTN Holder will in such cases be deemed to have been received by the MTN Holder on the relevant Payment Date and no further amount will be payable by the Issuer in respect of the relevant MTN as a result of payment not being received by the MTN Holder on the due date. A payment made by electronic transfer is for all purposes taken to be made when the Issuer or I&P Agent (Australia) gives an irrevocable instruction for the making of that payment by electronic transfer, being an instruction which would be reasonably expected to result in, in the ordinary course of banking business, in the relevant funds reaching the account of the MTN Holder on the same day as the day on which the instruction is given.

Business Days

7.4

- (a) All payments must be made in accordance with the Applicable Business Day Convention.
- (b) If a payment is due under an MTN on a day which is not a Business Day the date for payment will be adjusted according to the Applicable Business Day Convention.
- (c) If payment is to be made to an account on a Business Day on which banks are not open for general banking business in the city in which the account is located, the MTN Holder is not entitled to payment of such amount until the next Business Day on which banks in such city are open for general banking business and is not entitled to any additional interest or other payment in respect of any such delay.

Payment subject to fiscal laws

7.5 Payments (whether in respect of principal, redemption amounts, interest or otherwise) in respect of the MTNs are subject in all cases to applicable provisions of fiscal and other laws, regulations and directives.

Taxation: Additional Amounts

7.6 All payments (whether in respect of principal redemption amount, interest or otherwise) in respect of the MTNs by the Issuer and all payments under the Guarantee by the Guarantor will be made without set-off or counterclaim and free and clear of, and without deduction of or withholding on account of any Taxes now or hereafter imposed, levied, collected, withheld or assessed by the Commonwealth of Australia or, as the case may be, the Netherlands or any political subdivision therein or thereof unless such withholding or deduction is required by law. In that event the Issuer, or the Guarantor as the case may be, will pay such additional amounts ("**Additional Amounts**") as may be necessary in order that the net amount received by the MTN Holders after such withholding or deduction equals the respective amounts which would otherwise have been receivable in respect of the MTNs in the absence of such withholding or deduction, except that no Additional Amounts are payable in relation to any payments in respect of any MTN:

- (a) to, or to a third party on behalf of, an MTN Holder who is liable to such Taxes in respect of such MTN by reason of his having some connection with the Commonwealth of Australia (in the case of payments by the Issuer) or the Netherlands (in the case of payments by the Guarantor) or any political subdivision therein or thereof other than the mere holding of such MTN or receipt of payment (whether in respect of principal, redemption amount, interest or otherwise) in respect thereof;

- (b) to, or to a third party on behalf of, an MTN Holder who could lawfully avoid (but has not so avoided) such deduction or withholding by complying or procuring that any third party complies with any statutory requirements or by making or procuring that any third party makes a declaration of non-residence or similar cause for exemption to any tax authority in the place where payment under the MTN is made;
- (c) presented for payment more than 30 days after the Relevant Date except to the extent that an MTN 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 a Business Day;
- (d) to, or to a third party on behalf of an Australian resident MTN Holder, if that person has not supplied an appropriate tax file number or Australian Business Number (or details of the applicable exemption for these requirements); or
- (e) to, or to a third party on behalf of, an MTN Holder who is liable to any Tax in respect of the MTN by reason of the MTN Holder being an associate of the Issuer as defined in section 128F(9) of the Income Tax Assessment Act 1936 of Australia (“**Tax Act**”).

The Issuer or any person making payments on behalf of the Issuer may deduct tax-at-source on interest payments to an MTN Holder at the rate required by the Tax Act unless the Registrar receives written notice of the MTN Holder’s tax file number or Australian Business Number or evidence of any exemption the MTN Holder may have from the need to advise the Registrar of its tax file number or Australian Business Number. The tax file number or Australian Business Number or appropriate evidence (as the case may be) must be received by the Registrar not less than five Business Days prior to the relevant Interest Payment Date.

Currency indemnity

7.7 The Issuer waives any right it has in any jurisdiction to pay an amount other than in the currency in which it is due. However, if an MTN Holder receives an amount in a currency other than that in which it is due:

- (a) it may convert the amount received into the due currency (even though it may be necessary to convert through a third currency to do so) on the day and at such rates (including spot rate, same day value rate or value tomorrow rate) as it reasonably considers appropriate taking into account any costs of conversion; and
- (b) the Issuer satisfies its obligation to pay in the due currency only to the extent of the amount of the due currency obtained from the conversion.

8 Further issues

The Issuer may from time to time, without the consent of any MTN Holder, issue further MTNs having the same terms and conditions as the MTNs of any Series in all respects (or in all respects except for the first payment of interest, if any, on them and/or their denomination) so as to form a single Series with the MTNs of that Series.

9 Time limit for claims

A claim against the Issuer for a payment under an MTN is void unless such claim is made within 10 years (in the case of principal and redemption amounts) and 5 years (in the case of interest and other amounts) from the Relevant Date for payment.

10 Notices

To the Issuer, the Program Managers, the Registrar and the Agent

10.1 A notice or other communication in connection with an MTN to the Issuer, the Program Managers, a Registrar or an Agent must be in writing and may be given by prepaid post or delivery to the address

of the addressee or by facsimile to the facsimile number of the addressee specified:

- (a) in the Information Memorandum; or
- (b) as otherwise agreed between those parties from time to time and notified to the MTN Holders.

To MTN Holders

10.2 A notice or other communication in connection with an MTN to the MTN Holders must be in writing. Any such notice or other communication may be given by any of the following means as the Issuer may decide:

- (a) an advertisement published in The Australian Financial Review or any other newspaper or newspapers circulating in Australia generally; or
- (b) if an additional or alternate newspaper is specified in the Pricing Supplement, that newspaper; or
- (c) prepaid post (airmail if posted to or from a place outside Australia) or delivery or by facsimile to the address of facsimile address, as the case may be, of each MTN Holder or any relevant MTN Holder as shown in the MTN Register at the close of business three Business Days prior to the dispatch of the relevant notice or communication; or
- (d) a notice posted on an electronic source approved by the Program Managers and generally accepted for notices of that type (such as Bloomberg or Reuters).

Effective on receipt

10.3 Unless a later time is specified in it a notice, approval, consent or other communication takes effect from the time it is received under Condition 10.4, except that if it is received under Condition 10.4 after 5.00pm in the place of receipt or on a non-business day in that place, it is to be taken to be received at 9.00am on the next succeeding business day in that place.

Proof of receipt

10.4 Subject to Condition 10.3, proof of posting of a letter, dispatch of a facsimile, publication of a notice, or of posting a notice on an electronic source is proof of receipt:

- (a) in the case of a letter, on the third (seventh, if outside Australia) day after posting; and
- (b) in the case of a facsimile, on receipt by the sender of a successful transmission report;
- (c) in the case of publication, on the date of such publication; and
- (d) in the case of an electronic source, on the date posted on such electronic source.

11 Meetings of MTN Holders

Meetings of MTN Holders may be convened in accordance with the Meeting Provisions. Any such meeting may consider any matters affecting the interests of MTN Holders, including, without limitation, the variation of the terms of the MTNs by the Issuer and the granting of approvals, consents and waivers, and the declaration of an Event of Default.

12 Amendments

To cure ambiguities

12.1 The Terms and Conditions, Pricing Supplement and the Agency and Registry Services Agreement may be amended by the Issuer (after consultation with the Program Managers), without the consent

of any MTN Holder for the purposes of curing any ambiguity, or correcting or supplementing any defective or inconsistent provisions therein or in any other manner which the Issuer (after consultation with the Program Managers) and Registrar deem necessary or desirable and which does not materially adversely affect the interests of the MTN Holders and, in each such case such amendment does not, in the opinion of the Issuer materially, adversely affect the interests of the MTN Holders.

Approval by MTN Holders

- 12.2 The Terms and Conditions, Pricing Supplement and, the Agency and Registry Services Agreement may otherwise be varied by the Issuer with the approval of the MTN Holders by Extraordinary Resolution. No other variation to the Terms and Conditions has effect in relation to the MTN Holders who hold MTNs at the date of any amending deed, unless they otherwise agree in writing. A variation will take effect in relation to all subsequent MTN Holders. A variation which affects only a particular Series or Tranche of MTNs may be approved solely by the MTN Holders of such Series or Tranche.

No other amendments

- 12.3 Except as described in Conditions 12.1 and 12.2, no amendment to the Terms and Conditions, Pricing Supplement and the Agency and Registry Services Agreement may be made without the prior written consent and approval of the Issuer.

13 Registrar and Agent

Role of the Registrar and Agent

- 13.1 In acting under the Agency and Registry Services Agreement or any Issue and Paying Agency Agreement in connection with the MTNs, the Registrar and the relevant Agent act solely as agent of the Issuer and does not assume any obligations towards or relationship of agency or trust for or with any of the MTN Holders save insofar as that any funds received by the Registrar and the relevant Agent in accordance with the Agency and Registry Services Agreement or any Issue and Paying Agency Agreement shall, pending their application in accordance with the Agency and Registry Services Agreement or any Issue and Paying Agency Agreement, be held by it in a segregated account which shall be held on trust for the persons entitled thereto.

Change of Registrar and Agent

- 13.2 The Issuer reserves the right at any time to terminate the appointment of the Registrar and any Agent in accordance with the Agency and Registry Services Agreement or any Issue and Paying Agency Agreement and to appoint a successor or additional registrars, provided, however, that the Issuer must at all times maintain the appointment of a registrar with its specified office in Australia. Notice of any such termination of appointment will be given to the MTN Holders in accordance with Condition 10.

Appointment of replacement Registrar or Agent

- 13.3 If a then current Registrar or Agent ceases to be Registrar or Agent, the Issuer must ensure that a replacement Registrar or Agent (as appropriate) is appointed with effect from the relevant date.

14 Calculation Agent

The Calculation Agent and its initial specified offices are as set out in the relevant Pricing Supplement for the MTNs issued by the Issuer. The Issuer reserves the right at any time to terminate the appointment of the Calculation Agent or to appoint additional or other Calculation Agents, provided that it will ensure that at all times for so long as any MTNs are outstanding the Calculation Agent acts in respect of MTNs for which these Conditions require a Calculation Agent to make calculations. The Issuer may elect to have no Calculation Agent. Where no Calculation Agent is appointed the calculation of interest and principal payments in respect of MTNs will be made by the Issuer.

15 Governing law and jurisdiction

Governing law

15.1 The MTNs are governed by the law in force in the State of New South Wales.

Jurisdiction

15.2 The Issuer irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of the State of New South Wales and courts of appeal from them.

16 Interpretation

Definitions

16.1 These meanings apply in these terms and conditions unless the contrary intention appears:

Agency and Registry Services Agreement means each agreement entered into between the Issuer and a Registrar and any replacement of it and includes, for the avoidance of doubt, the agreement entitled “Agency and Registry Services Agreement” dated on or about the date of the MTN Deed Poll between the Issuer and Computershare Investor Services Pty Limited (ABN 48 078 279 277) and any replacement of it.³

Agent means either or both of the I&P Agent (Australia) and the I&P Agent (Offshore).

Alternate Currency means a currency (other than Australian Dollars) which is specified in the Pricing Supplement.

Amortisation Yield means the amortisation yield specified in the Pricing Supplement.

Amortised Face Amount means, in relation to an MTN, an amount equal to the sum of:

- (a) the Purchase Price specified in the Pricing Supplement; and
- (b) the product of the Amortisation Yield specified in the Pricing Supplement (compounded annually) being applied to the Purchase Price (as specified in the Pricing Supplement) from (and including) the Issue Date specified in the Pricing Supplement to (but excluding) the date fixed for redemption or (as the case may be) the date upon which the MTN becomes due and repayable.

Where such calculation is to be made for a period which is not a whole number of years, the calculation in respect of the period of less than a full year shall be made on the basis of the Day Count Fraction specified in the Pricing Supplement.

Applicable Business Day Convention means the Business Day Convention specified in the Pricing Supplement as applicable to any date in respect of the MTN or, if none is specified, the Applicable Business Day Convention for such purpose is the Following Business Day Convention. Different Business Day Conventions may apply, or be specified in relation to, the Interest Payment Dates and any other date or dates in respect of any MTNs.

Austraclear means Austraclear Limited (ABN 94 002 060 773).

Austraclear System means the system operated by Austraclear for holding securities and electronic recording and settling of transactions in those securities between members of that system.

³ The Registry Services Agreement with Computershare Investor Services Pty Limited has been replaced by an “Agency and Registry Services Agreement” dated 7 November 2003 between the Issuer and Austraclear Services Limited (ABN 28 003 284 419).

Australian Dollars and AS mean the lawful currency of Australia.

Business Day means:

- (a) if an MTN is to be issued or a payment in respect of an MTN made, a day (other than a Saturday or Sunday or public holiday):
 - (i) on which commercial banks are open for general banking business in Sydney, Melbourne and such other place(s) (if any) specified in the relevant Pricing Supplement;
 - (ii) on which commercial banks settle payments, in the case of Australian dollars, in Sydney and Melbourne, or, in the case of any other currency, in the principal financial city in the country of that currency; and
 - (iii) on which the relevant Clearing System (if any) for that MTN is operating; and
- (b) otherwise, a day (other than a Saturday or Sunday or public holiday) on which commercial banks are open for general banking business in Sydney and Melbourne.

Business Day Convention means a convention for adjusting any date if it would otherwise fall on a day that is not a Business Day and the following Business Day Conventions, where specified in the Pricing Supplement in relation to any date applicable to any MTN, have the following meanings:

- (a) **Floating Rate Convention** means that the date is postponed to the next following day which is a Business Day unless that day falls in the next calendar month, in which event:
 - (A) such date is brought forward to the first preceding day that is a Business Day; and
 - (B) each subsequent Interest Payment Date is the last Business Day in the calendar month which is the specified number of months (or other period specified as the Interest Period in the applicable Pricing Supplement) after the calendar month in which the preceding applicable Interest Payment Date occurred;
- (b) **Following Business Day Convention** means that the date is postponed to the first following day that is a Business Day;
- (c) **Modified Following Business Day Convention** or **Modified Business Day Convention** means that the date is postponed to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date is the first preceding day that is a Business Day; and
- (d) **Preceding Business Day Convention** means that the date is brought forward to the first preceding day that is a Business Day.

Calculation Agent means, in respect of a Tranche, the person (if any) specified as such in the relevant Pricing Supplement. The Calculation Agent must be the same for all MTNs in a Series.

CHESS means the Clearing House Electronic Subregister System operated by the Australian Stock Exchange.

Clearing System means:

- (a) the Austraclear System;
- (b) the Euroclear system operated by Euroclear Bank S.A/N.V;
- (c) Clearstream, Luxembourg; or
- (d) any other clearing system specified in the relevant Pricing Supplement.

Clearstream, Luxembourg means Clearstream Banking, société anonyme.

Condition means the correspondingly numbered condition in these Terms and Conditions.

Conditions means the terms and conditions set out in this schedule, as supplemented, modified or replaced in respect of a Tranche or Series of MTNs by the Pricing Supplement applicable to that Tranche or Series.

Day Count Fraction means, in respect of the calculation of an amount for any period of time (“**Calculation Period**”), the day count fraction specified in the Pricing Supplement and:

- (a) if **Actual/365** or **Actual/Actual** is so specified, means the actual number of days in the Calculation Period divided by 365 or, if any portion of the Calculation Period falls in a leap year, the sum of:
 - (i) the actual number of days in the portion of the Calculation Period falling in a leap year divided by 366; and
 - (ii) the actual number of days in the portion of the Calculation Period falling in a non-leap year divided by 365;
- (b) if **Actual/365 (fixed)** is so specified, the actual number of days in the Calculation Period divided by 365;
- (c) if **Actual/360** is specified, means the actual number of days in the Calculation Period divided by 360;
- (d) if **30E/360** or **Eurobond Basis** is specified, means the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months, without regard to the date of the first day or last day of the Calculation Period unless, in the case of the final Calculation Period, the date of final maturity is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month); and
- (e) if **Australian Bond Basis** is specified, one divided by the number of Interest Payment Dates in a year.

Denomination means the notional face value of an MTN as specified in the relevant Pricing Supplement.

Domestic Issue means an issue of MTNs which is specified as such in a Pricing Supplement, being an issue which is offered (and in respect of which offers are received) primarily in the Australian market.

Early Termination Amount means in relation to an MTN, the Outstanding Principal Amount or, if the MTN is non-interest bearing, the Amortised Face Amount or such other redemption amount as may be specified in, or determined in accordance with the provisions of, the Pricing Supplement.

Event of Default has the meaning given to it in Condition 6.

Extraordinary Resolution has the same meaning as in the Meetings Provisions.

Final Broken Amount has the meaning given to it in the Pricing Supplement.

Guarantee means the guarantee deed poll dated 3 August 2001 given by the Guarantor in favour of the MTN Holders.

Guarantor means ING Bank N.V.

Information Memorandum means, in relation to MTNs, the then latest information memorandum

(and any supplement to it) prepared on behalf of, and approved in writing by, the Issuer in connection with the issue of (amongst other things) MTNs, all documents incorporated by reference in it and such other information approved in writing by the Issuer from time to time.

Initial Broken Amount has the meaning given to it in the Pricing Supplement.

Interest Commencement Date means the Issue Date or such other date as may be specified as such in the Pricing Supplement.

Interest Determination Date has the meaning specified as such in the Pricing Supplement.

Interest Payment Date means the date or dates specified as such in, or determined in accordance with the provisions of, the Pricing Supplement and adjusted, if necessary, in accordance with the Applicable Business Day Convention.

Interest Period means each successive period beginning on and including an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date provided that the first Interest Period commences on and includes the Interest Commencement Date and the final Interest Period ends on but excludes the Maturity Date.

Interest Rate means the rate or rates (expressed as a percentage per annum) or amount or amounts (expressed as a price per unit of relevant currency) of interest payable in respect of the MTNs specified in, or calculated or determined in accordance with the provisions of, the Pricing Supplement and in the case of floating rate MTNs, the rate determined in accordance with Condition 4.3.

I&P Agent (Australia) means the Registrar as issuing and paying agent and each other person appointed by the Issuer, with the consent of the Program Managers and the Registrar, to perform issuing and paying agency functions with respect to each Series or Tranche of MTNs initially lodged and held through or predominantly through the Austraclear system.

I&P Agent (Offshore) means each person appointed from time to time by the Issuer, with the consent of the Program Managers, to perform agency functions (outside Australia) under an Issue and Paying Agency Agreement in respect of an Offshore Issue, details of which are specified in the relevant Pricing Supplement or in the Information Memorandum.

Issue and Paying Agency Agreement means each agreement entered into between the Issuer and an I&P Agent (Offshore) and any replacement of it and includes, for the avoidance of doubt, the agreement entitled "Issue and Paying Agency Agreement (Offshore)" dated on or about the date of the MTN Deed Poll between the Issuer and the I&P Agent (Offshore) and any replacement of it.

Issue Date means the day on which any MTN is or is to be issued as specified in or determined in accordance with the provisions of the Pricing Supplement.

Margin means the margin specified in, or determined in accordance with the provisions of, the Pricing Supplement.

Maturity Date means the date for redemption of an MTN or, in the case of an amortising MTN, the date on which the last instalment of principal is payable, in each case, as specified in the Pricing Supplement.

Maturity Redemption Amount means in relation to an MTN, the Outstanding Principal Amount or such other redemption amount as may be specified in, or calculated or determined in accordance with the provisions of, the Pricing Supplement.

Maximum Interest Rate means the Maximum Interest Rate specified in, or calculated or determined in accordance with the provisions of, the Pricing Supplement.

Meetings Provisions means the provisions for the convening of meetings of, and passing of resolutions by, MTN Holders set out in schedule 2 of the MTN Deed Poll.

Minimum Interest Rate means the Minimum Interest Rate specified in, or calculated or determined in accordance with the provisions of, the Pricing Supplement.

MTN means a medium term debt obligation of the Issuer constituted by, and owing under, the MTN Deed Poll to an MTN Holder, the details of which are recorded in, and evidenced by, inscription in an MTN Register.

MTN Deed Poll means the deed poll in relation to MTNs executed by the Issuer to which these terms and conditions are a schedule, as may be amended or supplemented from time to time.

MTN Holder in respect of a Series, means the person whose name is for the time being entered in an MTN Register as the holder of an MTN or, where an MTN is held jointly by two or more persons, the persons whose names appear in the MTN Register as the joint holders of that MTN and (for the avoidance of doubt) when an MTN is entered into a Clearing System, includes the operator of that system or a nominee for a common depository for any one or more Clearing Systems (such operator or nominee for a common depository acting in such capacity as is specified in the rules and regulations of the relevant Clearing System or Systems).

MTN Register in relation to a Series of MTNs means a register, including any branch register, of MTN Holders established and maintained by or on behalf of the Issuer in which is entered the names and addresses of MTN Holders, the amount of MTNs held by each MTN Holder and the Tranche, Series and date of issue and transfer of those MTNs, and any other particulars which the Issuer sees fit.

Note means a TD, a TLC or an MTN, as the case may be and **Notes** means each of them.

Offshore Issue means an issue of MTNs which is specified as such in a Pricing Supplement, being an issue which is offered (and in respect of which offers are received) primarily in a market outside Australia.

Ordinary Resolution has the same meaning as in the Meetings Provisions.

Outstanding means on any day all MTNs issued, less those MTNs:

- (a) which have been redeemed or satisfied in full by the Issuer in accordance with these Conditions; or
- (b) for the payment of which funds equal to their aggregate Outstanding Principal Amount are on deposit with the Registrar and I&P Agent (Australia) on terms which prohibit the return of the deposit or the use of the deposit for any purpose other than the payment of those MTNs or in respect of which the Registrar and I&P Agent (Australia) holds an irrevocable direction to apply funds in repayment of MTNs to be redeemed on that day; or
- (c) in respect of which an MTN Holder is unable to make a claim as a result of the operation of Condition 9.

Outstanding Principal Amount means in respect of any MTN which is Outstanding at any time, the Denomination of the MTN less the aggregate of any part of the principal amount of that MTN that has been paid or otherwise satisfied by the Issuer and for such purposes:

- (a) the premium of an MTN to be redeemed at a premium is to be taken to be added to the principal amount;
- (b) the principal amount of an MTN issued at a discount is to be taken as at any time to equal its Denomination or, if provided for in its terms and conditions, its Amortised Face Amount at that time;
- (c) the principal amount of a partly paid MTN is to be taken to equal its outstanding principal amount;

- (d) if an MTN is repayable in instalments, the Outstanding Principal Amount at any time is to be taken to be Denomination of the MTN less the aggregate of each instalment repaid as at that time, to the extent that the instalment relates to a payment of principal; and
- (e) if an amount is required to be determined in Australian Dollars, the Australian Dollar equivalent of an MTN denominated in an Alternate Currency is to be determined on the basis of the spot rate of exchange for the sale of Australian Dollars against the purchase of the relevant Alternate Currency in the Sydney foreign exchange market quoted by any leading bank selected by the Issuer on the relevant calculation date. The calculation date is, at the discretion of the Issuer, either the date of the relevant Pricing Supplement for such MTNs or the preceding day on which commercial banks and foreign exchange markets are open for business in Sydney or such other date as may be agreed between the Issuer and the Program Managers.

Payment Date means, in respect of an MTN, an Interest Payment Date, the Maturity Date or other relevant payment date (including an early payment date).

Pricing Supplement means the Pricing Supplement prepared and issued in relation to each Tranche of MTNs which has been confirmed in writing by the Issuer.

Program means the Issuer's uncommitted revolving debt issuance Program for the issuance of MTNs and other debt instruments as described in the Information Memorandum.

Program Managers means each of ING Bank N.V. and Westpac Banking Corporation (ABN 33 007 457 141) in their respective capacities as joint administration managers of the Program, or such other person appointed by the Issuer from time to time and who have consented to act as Program Managers.

Purchase Price in respect of an MTN, means the purchase price so specified in the relevant Pricing Supplement.

Record Date means, in the case of payments of interest or principal, the close of business in the place where the MTN Register is maintained on the eighth Business Day before the relevant date for payment or such other time and date that may be specified in the relevant Pricing Supplement.

Reference Banks means the institutions specified as such in the Pricing Supplement or, if none, four major banks selected by the Calculation Agent in the inter-bank market that is most closely connected with the Reference Rate.

Reference Rate means, in relation to an MTN, the rate so specified in the relevant Pricing Supplement.

Registrar means Austraclear Services Limited (ABN 28 003 284 419)⁴ or such other person appointed by the Issuer pursuant to the Agency and Registry Services Agreement to establish and maintain the MTN Register for such MTNs on the Issuer's behalf from time to time.

Regulations means, in the case of a Clearing System, the regulations established by the relevant Clearing System (as amended or replaced from time to time) to govern the use of the relevant Clearing System.

Relevant Date means the date on which a payment in respect of the MTNs first becomes due, except that if the full amount payable has not been received by the Registrar on or before the due date, it means the date on which, the full amount having been so received, notice to that effect is given to the MTN Holders in accordance with Condition 10.

Relevant Financial Centre means the city specified as such in the Pricing Supplement or, if none, the city most closely connected with the Reference Rate in the determination of the Calculation

⁴ The MTN Deed Poll refers to Computershare Investor Services Pty Limited as Registrar. Austraclear Services Limited (ABN 28 003 284 419) has replaced Computershare Investor Services Pty Limited.

Agent.

Relevant Screen Page has the meaning specified as such in the Pricing Supplement.

Resolution means an Extraordinary Resolution or Ordinary Resolution, as the context requires.

Series means a Tranche or Tranches of MTNs which have identical terms, except that:

- (a) the Issue Date and the amount of the first payment of interest may be different in respect of different Tranches of a Series; and
- (b) a Series may comprise MTNs in more than one denomination.

Subscription Agreement means an agreement between the Issuer and one or more dealers for the issue by the Issuer and the subscription by those dealers of any MTNs.

Subsidiary of an entity means a subsidiary within the meaning of section 46 of the Corporations Act 2001 of Australia.

Taxes means taxes, levies, imposts, deductions, charges, withholdings and duties imposed by any authority (including, without limitation, stamp and transaction duties), (together with any related interest, penalties, fines and expenses in connection with them).

TD means a transferable deposit debt obligation of the Issuer constituted by, and owing under a deed poll to be executed by the Issuer, the details of which are recorded in, and evidenced by, inscription in a register of TDs under the Agency and Registry Services Agreement.

TLC means a transferable loan certificate of the Issuer constituted by, and owing under a deed poll to be executed by the Issuer, the details of which are recorded in, and evidenced by, inscription in a register.

Tranche means a tranche of MTNs specified as such in the relevant Pricing Supplement issued on the same Issue Date and the terms of which are identical in all respects (except that a Tranche may comprise MTNs in more than one Denomination).

Transaction Documents means each of the MTN Deed Poll, each MTN, these terms and conditions, each Subscription Agreement, the Guarantee, each Pricing Supplement, the Agency and Registry Services Agreement, any Issue and Paying Agency Agreement and any other instrument specified as such in a Pricing Supplement.

Interpretation

16.2 In these terms and conditions unless the contrary intention appears:

- (a) a reference to these terms and conditions is a reference to these terms and conditions as modified, supplemented or replaced by the Pricing Supplement;
- (b) law means common law, principles of equity, and laws made by parliament (and laws made by parliament include State, Territory and Commonwealth laws and regulations and other instruments under them, and consolidations, amendments, re-enactments or replacements of any of them);
- (c) the singular includes the plural and vice versa;
- (d) the word “person” includes an individual, a firm, a body corporate, an unincorporated association and an authority;
- (e) a particular person includes a reference to the person’s executors, administrators, successors, substitutes (including, persons taking by novation) and assigns;

- (f) anything (including, without limitation, any amount) is a reference to the whole and each part of it;
- (g) a group of persons is a reference to any two or more of them jointly and to each of them individually;
- (h) a reference to an accounting term is a reference to that term as it is used in accounting standards under the Corporations Act 2001 of Australia, or, if not inconsistent with those standards, in accounting principles and practices generally accepted in Australia; and
- (i) a reference to time is a reference to Sydney time.

Headings

- 16.3 Headings (including those in brackets at the beginning of paragraphs) are inserted for convenience and do not affect the interpretation of these terms and conditions.

Terms and Conditions of TDs

The following are the Terms and Conditions of the TDs which, as supplemented, modified or replaced in relation to any TDs by the relevant Pricing Supplement, will be applicable to each Series of TDs.

Each Tranche will be the subject of a Pricing Supplement. References in the Terms and Conditions to a Pricing Supplement are references to the Pricing Supplement applicable to the relevant Tranche of TDs.

References in the Terms and Conditions to “TDs” are, unless the contrary intention appears, to the TDs of one Series only, not to all TDs which may be issued under the Program. Terms used in the relevant Pricing Supplement will, unless the contrary intention appears, have the same meaning where used in the Terms and Conditions.

Each TD Holder and any person claiming through or under a TD Holder is deemed to have notice of and is bound by these Terms and Conditions, the TD Deed Poll, the Supplemental Deed Poll, the Information Memorandum, the relevant Pricing Supplement, the Guarantee and the Agency and Registry Services Agreement. Copies of each of these documents (to the extent they relate to a Tranche of TDs) are available for inspection by any TD Holder of such Tranche at the offices of the Issuer and the Registrar at their respective addresses specified in the Information Memorandum.

1 Form, denomination and title

Constitution under TD Deed Poll

- 1.1 The TDs are deposits registered with and debt obligations of the Issuer constituted by, and owing under, the TD Deed Poll and take the form of entries in the TD Register. Each entry in the TD Register constitutes a separate and individual acknowledgment to the relevant TD Holder of the indebtedness of the Issuer to the relevant TD Holder.

Independent obligations

- 1.2 The obligations of the Issuer in respect of each TD constitute separate and independent obligations which the TD Holder to whom those obligations are owed is entitled to enforce without having to join any other TD Holder or any predecessor in title of TD Holder.

Currency

- 1.3 Subject to any applicable legal or regulatory requirements, such currencies as may be agreed between the Issuer and the relevant Dealer, including, without limitation, Australian Dollars, US Dollars, Pounds Sterling, Euro, Yen or any other freely transferable and freely convertible currency (each such currency other than Australian Dollars being an “**Alternative Currency**”). Payments in respect of TDs may be made in, or limited to, any currency or currencies other than the currency in which the TDs are denominated, all as set out in the relevant Pricing Supplement.

Denomination

- 1.4 Unless otherwise specified in the Pricing Supplement:
- (a) TDs are issued in the denomination of A\$100,000 (or an approximate equivalent in an Alternate Currency); and
 - (b) TDs may only be issued if:

- (i) in the case of a Domestic Issue, the consideration payable to the Issuer is a minimum of A\$500,000 (or the equivalent in an Alternate Currency) (disregarding any moneys lent by the Issuer or its associates) or if the TDs are otherwise issued in a manner that does not require disclosure to be made under Part 6D.2 of the Corporations Act 2001 of Australia; or
- (ii) in the case of an Offshore Issue, the issue complies with all applicable laws.

TD Register conclusive

- 1.5 Entries in the TD Register in relation to a TD constitute conclusive evidence that the person so entered is the registered holder of the TD subject to rectification for fraud or error. No TD will be registered in the name of more than four persons. A TD registered in the name of more than one person is held by those persons as joint tenants. TDs will be registered by name only without reference to any trusteeship. The person registered in the TD Register as a TD Holder will be treated by the Issuer and the Registrar as absolute owner of that TD and neither the Issuer nor the Registrar is, except as ordered by a court or as required by statute, obliged to take notice of any other claim to a TD.

Holder absolutely entitled

- 1.6 Upon a person acquiring title to any TD by virtue of becoming a TD Holder in respect of that TD, all rights and entitlements arising by virtue of the TD Deed Poll in respect of that TD vest absolutely in the TD Holder, such that no person who has previously been the TD Holder in respect of that TD has or is entitled to assert against the Issuer or the Registrar or the TD Holder for the time being and from time to time any rights, benefits or entitlements in respect of the TD.

Location of TD Register

- 1.7 The TD Register will be established and maintained in New South Wales unless otherwise agreed with the Registrar.

Certificates

- 1.8 No certificate or other evidence of title will be issued to TD Holders by or on behalf of the Issuer to evidence title to a TD unless the Issuer determines that certificates should be made available or it is required to do so pursuant to any applicable law or regulation. TDs which are held in a Clearing System will be registered in the name of a nominee, or common depository for that Clearing System.

Acknowledgement

- 1.9 Where a Clearing System (or a nominee, depository or common depository for more than one Clearing System) (each a “**relevant person**”) is recorded in a TD Register as the TD Holder, each person in whose account that TD is recorded is deemed to acknowledge in favour of the Registrar and each relevant person that:
- (a) the Registrar’s decision to act as the Registrar of the TD does not constitute a recommendation or endorsement by the Registrar or the relevant person in relation to the TD but only indicates that such TD is considered by the Registrar to be compatible with the performance by it of its obligations as Registrar under its agreement with the Issuer to act as Registrar of the TD; and
 - (b) the TD Holder does not rely on any fact, matter or circumstance contrary to Condition 1.9(a).

2 Transfers

Limit on transfer

- 2.1 TDs may only be transferred in whole.

- 2.2 Unless otherwise specified in the Pricing Supplement, TDs may only be transferred within Australia if the consideration payable at the time of transfer is a minimum amount of A\$500,000 (or the equivalent amount in an Alternate Currency) (disregarding any moneys lent by the transferor or its associates to the transferee) or the TDs are otherwise transferred in a manner that does not require disclosure to be made under Part 6D.2 of the Corporations Act 2001 of Australia.
- 2.3 TDs may only be transferred to or from Australia if:
- (a) unless otherwise specified in the Pricing Supplement, if the aggregate consideration payable at the time of the transfer is a minimum amount of A\$500,000 (or the equivalent amount in an Alternate Currency) (disregarding any moneys lent by the transferor or its associates to the transferee) or the TDs are otherwise transferred in a manner that does not require disclosure to be made under Part 6D.2 of the Corporations Act 2001 of Australia; and
 - (b) if the transfer is in compliance with the laws of the jurisdiction in which the transfer takes place.
- 2.4 TDs may only be transferred from Australia or between persons in a jurisdiction or jurisdictions other than Australia if the transfer is in compliance with the laws of the jurisdiction in which the transfer takes place.

Transfer procedures

- 2.5 Unless TDs are lodged in a Clearing System, application for the transfer of TDs must be made by the lodgment of a transfer form with the Registrar. Transfer forms are available from the Registrar. Each form must be accompanied by such evidence (if any) as the Registrar may require to prove the title of the transferor or the transferor's right to transfer the TD and be signed by both the transferor and the transferee.

TDs entered in a Clearing System will be transferable only in accordance with the rules and regulations of that Clearing System.

Registration of transfer

- 2.6 The transferor of a TD is deemed to remain the holder of that TD until the name of the transferee is entered in the TD Register in respect of that TD. Transfers will not be registered during the period from the Record Date until the calendar day after the relevant date for payment.

No charge on transfer

- 2.7 Transfers will be registered without charge provided taxes, duties or other governmental charges (if any) imposed in relation to the transfer have been paid.

Estates

- 2.8 A person becoming entitled to a TD as a consequence of the death or bankruptcy of a TD Holder or of a vesting order or a person administering the estate of a TD Holder may, upon producing such evidence as to that entitlement or status as the Registrar considers sufficient, transfer the TD or, if so entitled, become registered as the TD Holder in respect of that TD.

Unincorporated associations

- 2.9 A transfer to an unincorporated association is not permitted.

Transfer of unidentified TDs

- 2.10 Where the transferor executes a transfer of less than all TDs of the relevant Tranche or Series registered in its name, and the specific TDs to be transferred are not identified, the Registrar may (subject to the limit on minimum holdings) register the transfer in respect of such of the TDs of the relevant Tranche or Series registered in the name of the transferor as the Registrar thinks fit, provided

the aggregate principal amount of the TDs registered as having been transferred equals the aggregate principal amount of the TDs expressed to be transferred in the transfer.

Australian Stock Exchange Listing

- 2.12 TDs which are listed on the Australian Stock Exchange will not be transferred through or registered on CHESS and will not be “CHESS approved securities”. In the event that an interface between the TD Register maintained by the Registrar and CHESS is established the Transaction Documents may be amended to facilitate settlement on CHESS and so that the TDs will become “CHESS approved securities”.

3 Status and guarantee

Status

- 3.1 TDs are direct, unconditional, unsecured and unsubordinated obligations of the Issuer and rank at least equally with all other unsecured and unsubordinated obligations of the Issuer except liabilities mandatorily preferred by law.

Section 13A of the Banking Act 1959 of Australia provides that the assets of an authorised deposit-taking institution (“ADI”), which includes banks, in Australia would, in the event of the ADI becoming unable to meet its obligations or suspending payment, be available to meet that ADI’s deposit liabilities in Australia in priority to all other liabilities of that ADI. Under Section 16 of the Banking Act 1959, debts due to the Australian Prudential Regulation Authority shall in a winding-up of an ADI have, subject to Section 13A of the Banking Act 1959, priority over all other unsecured debts of that ADI. Further, under Section 86 of the Reserve Bank Act 1959 of Australia, debts due by a bank to the Reserve Bank of Australia shall in a winding-up of that bank have, subject to Section 13A of the Banking Act 1959, priority over all other debts, other than debts due to the Commonwealth of Australia.

The Issuer does not make any representation as to whether the TDs or any of them, would constitute deposit liabilities in Australia under such statutory provisions.

Guarantee

- 3.2 The TDs are issued with the benefit of the Guarantee pursuant to which the due and punctual payment of principal and interest on the Notes (as defined below) and all other amounts payable in relation to or in connection with the Notes (including any additional amounts stipulated in Condition 7.6) will be unconditionally and irrevocably guaranteed by the Guarantor. The obligations of the Guarantor under such a guarantee will be direct, unconditional, unsecured and unsubordinated obligations of the Guarantor and will rank at least *pari passu* with all other outstanding unsecured and unsubordinated obligations of the Guarantor, other than those preferred by mandatory provisions of law.

The Guarantee will take the form of a deed poll given in favour of holders of TDs from time to time.

4 Interest

General

- 4.1 TDs may be either interest-bearing or non interest-bearing, as specified in the relevant Pricing Supplement. Interest-bearing TDs may bear interest at either a fixed rate or a floating rate. In relation to any Tranche of TDs, the relevant Pricing Supplement may specify actual amounts of interest payable (“**Interest Amounts**”) rather than, or in addition to, a rate or rates at which interest accrues.

The Pricing Supplement in relation to each Tranche of interest-bearing TDs will specify which of Conditions 4.2, 4.3 and 4.4 will be applicable to the TDs. Condition 4.5 will be applicable to each Tranche of interest-bearing TDs save to the extent of any inconsistency with the relevant Pricing Supplement.

Interest - fixed rate

- 4.2 Each TD in relation to which this Condition 4.2 is specified in the relevant Pricing Supplement as being applicable (“**Fixed Rate TDs**”) will bear interest on its Outstanding Principal Amount at the fixed coupon rate or the fixed rate or rates per annum specified in the relevant Pricing Supplement from the Deposit Date of the TDs. Interest will be payable in arrear on the Interest Payment Dates specified in the relevant Pricing Supplement.

Interest which is required to be calculated for a period of other than a full year will be calculated on such basis as is specified as the Day Count Fraction in the relevant Pricing Supplement.

The first payment of interest will be made on the Interest Payment Date next following the Interest Commencement Date and, if the first anniversary of the Interest Commencement Date is not an Interest Payment Date, will amount to the Initial Broken Amount (as defined in the Pricing Supplement).

If the Maturity Date is not an Interest Payment Date, interest from (and including) the preceding Interest Payment Date (or the Interest Commencement Date, as the case may be) to (but excluding) the Maturity Date will amount to the Final Broken Amount (as defined in the Pricing Supplement).

4.3 *Interest - floating rate*

(a) *Accrual of interest*

TDs in relation to which this Condition 4.3 is specified in the relevant Pricing Supplement as being applicable (“**Floating Rate TDs**”) will bear interest in respect of each Interest Period at the rate or rates per annum determined in accordance with this Condition 4.3.

Each Floating Rate TD will bear interest on its Outstanding Principal Amount at the Interest Rate (as defined below) from the Interest Commencement Date. Interest will be payable in arrear on each Interest Payment Date. If any Interest Payment Date in respect of a Floating Rate TD would otherwise fall on a day which is not a Business Day, such Interest Payment Date shall be determined in accordance with the Business Day Convention specified in the Pricing Supplement.

(b) *Interest Rate*

The Interest Rate payable in respect of Floating Rate TDs shall be determined by the Calculation Agent on the basis of sub-paragraph (i) or (ii) below, as specified in the relevant Pricing Supplement.

(i) *ISDA Determination for Floating Rate TDs*

Where “ISDA Determination” is specified in the applicable Pricing Supplement as the manner in which the Interest Rate is to be determined, the Interest Rate for each Interest Period is the relevant ISDA Rate (as defined below) plus or minus (as indicated in the applicable Pricing Supplement) the Margin.

For the purposes of this sub-paragraph (i), “**ISDA Rate**” for an Interest Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent for the TDs under an interest rate swap transaction if the Calculation Agent for the TDs were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the ISDA Definitions (as defined below) and under which:

- (A) the Floating Rate Option is as specified in the applicable Pricing Supplement;
- (B) the Designated Maturity is a period specified in the applicable Pricing Supplement; and

- (C) the relevant Reset Date is as specified in the applicable Pricing Supplement; and
- (D) the Period End Dates are each Interest Payment Date, the Spread is the Margin and the Floating Rate Day Count Fraction is the Day Count Fraction.

For the purposes of this sub-paragraph (i), “**Floating Rate**”, “**Calculation Agent**” (except references to “**Calculation Agent for the TDs**”), “**Floating Rate Option**”, “**Designated Maturity**”, “**Reset Date**”, “**Period End Date**”, “**Spread**” and “**Floating Rate Day Count Fraction**” have the meanings given to those terms in the 2000 ISDA Definitions as published by the International Swaps and Derivatives Association, Inc. (“**ISDA Definitions**”).

(ii) *Screen Rate Determination for Floating Rate TDs*

Where the “Screen Rate Determination” is specified in the applicable Pricing Supplement as the manner in which the Interest Rate is to be determined, the Interest Rate for each Interest Period will be, subject as provided below, either:

- (A) the offered quotation; or
- (B) the arithmetic mean (rounded in accordance with Condition 4.3(b)(v)) 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 as at 11.00 a.m. (Sydney time) or such other time as is specified in the Pricing Supplement (“**Relevant Time**”) on the Interest Determination Date in question plus or minus (as indicated in the applicable Pricing Supplement) the Margin (if any), all as determined by the Calculation 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 Calculation Agent for the purposes of determining the arithmetic mean (rounded as provided above) of such offered quotations.

- (aa) If sub-paragraph (A) applies and no offered quotation appears on the Relevant Screen Page at the Relevant Time on the Interest Determination Date or if sub-paragraph (B) applies and fewer than two offered quotations appear on the Relevant Screen Page at the Relevant Time on the Interest Determination Date, subject as provided below, the Interest Rate is the arithmetic mean of the Reference Rates that each of the Reference Banks is quoting to leading banks in the Relevant Financial Centre at the Relevant Time on the Interest Determination Date, as determined by the Calculation Agent;
- (bb) If sub-paragraph (aa) above applies and the Calculation Agent determines that fewer than two Reference Banks are making offered quotations for the Reference Rate in respect of the relevant currency, subject as provided below, the Interest Rate is the arithmetic mean of the rates per annum (expressed as a percentage) that the Calculation Agent determines to be the rates (being the nearest equivalent to the Reference Rate) in respect of deposits of approximately A\$100,000 (or the approximate equivalent in the relevant currency) that at least two out of five leading banks selected by the Calculation Agent in the Relevant Financial Centre are quoting at or about the Relevant Time on the date on which such banks would customarily quote such rates for a period commencing on the first day of the Interest Period to which the relevant Interest Determination Date relates for a period equivalent to the relevant Interest

Period to leading banks carrying on business in the Relevant Financial Centre.

(iii) *Minimum and/or Maximum Interest Rate*

If the applicable Pricing Supplement specifies a Minimum Interest Rate for any Interest Period then, in the event that the Interest Rate in respect of such Interest Period determined in accordance with the other provisions of this Condition 4.3(b) is less than such Minimum Interest Rate, the Interest Rate for such Interest Period shall be such Minimum Interest Rate.

If the applicable Pricing Supplement specifies a Maximum Interest Rate for any Interest Period then, in the event that the Interest Rate in respect of such Interest Period determined in accordance with the other provisions of this Condition 4.3(b) is greater than such Maximum Interest Rate, the Interest Rate for such Interest Period shall be such Maximum Interest Rate.

(iv) *Fallback Interest Rate*

Unless otherwise specified in the relevant Pricing Supplement, if, during the Interest Period, the Calculation Agent is unable to determine a rate (or, as the case may be, the arithmetic mean of rates) in accordance with the above provisions, the Interest Rate applicable to the TDs during that Interest Period will be the Interest Rate applicable to the TDs during the immediately preceding Interest Period (with adjustment for any change in the Margin, Maximum Interest Rate or Minimum Interest Rate).

(v) *Rounding*

For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified):

- (A) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up);
- (B) all figures shall be rounded to five significant figures (with halves being rounded up); and
- (C) all amounts that fall due and payable shall be rounded to the nearest cent (with halves being rounded up).

(c) *Calculation of interest amount payable*

The Calculation Agent will, as soon as practicable on or after determining the Interest Rate in relation to each Interest Period, calculate the amount of interest payable for the relevant Interest Period in respect of the Outstanding Principal Amount of each TD. The amount of interest payable will be calculated by multiplying the product of the Interest Rate for such Interest Period and the Outstanding Principal Amount by the applicable Day Count Fraction and rounding the resultant figure to the nearest cent (with halves being rounded upwards).

Interest - other rates

- 4.4 TDs in relation to which this Condition 4.4 is specified in the relevant Pricing Supplement as being applicable will bear interest at the rate or rates calculated on the basis specified in, and be payable in the amounts and in the manner determined in accordance with, the relevant Pricing Supplement.

4.5 *Interest - supplemental provisions*

(a) *Interest Payment Dates*

Interest on each TD will be payable in arrear at such intervals and on such Interest Payment Dates as are specified in the relevant Pricing Supplement and on the Maturity Date.

(b) *Notification of Interest Rate, interest payable and other items*

The Calculation Agent will cause each Interest Rate, the amount of interest payable and each other amount, item or date, as the case may be, determined or calculated by it to be notified to the Issuer, the Registrar and any relevant Agent and to be notified to TD Holders in accordance with Condition 10 as soon as practicable after such determination or calculation but in any event not later than the fourth day (other than a Saturday or Sunday) on which commercial banks are open for business in the Relevant Financial Centre thereafter. The Calculation Agent will be entitled to amend any such amount, item or date (or to make appropriate alternative arrangements by way of adjustment) without prior notice in the event of the extension or abbreviation of any relevant Interest Period or calculation period and such amendment will be notified in accordance with the previous sentence.

(c) *Determination final*

The determination by the Calculation Agent of all amounts, rates and dates falling to be determined by it pursuant to these Conditions (including, without limitation, the Interest Rate for any Interest Period and the amount of interest payable for any Interest Period in respect of any TD) is, in the absence of manifest error, final and binding on the Issuer, each TD Holder, the Registrar, any Agent and the Calculation Agent.

(d) *Accrual of interest*

Interest accrues on the Outstanding Principal Amount of each TD or as otherwise indicated in the relevant Pricing Supplement. Interest ceases to accrue as from the due date for redemption of a TD unless the relevant payment is not made in which case interest will continue to accrue thereon (as well after as before any demand or judgment) at the rate then applicable to the Outstanding Principal Amount of the TD or such other default rate (if any) as may be specified in the relevant Pricing Supplement until the date on which the relevant payment is made or, if earlier, the seventh day after the date on which any Agent receives the funds required to make such payment (provided that notice of such circumstance is given to the TD Holders in accordance with Condition 10) except to the extent that there is failure in the subsequent payment thereof to the relevant TD Holder.

Discounted TDs

- 4.6 If the amount due and payable in respect of a non-interest bearing TD (“**Discounted TD**”) on the redemption date is not paid when due, the Interest Rate for any such overdue principal is a rate per annum (expressed as a percentage) equal to the Amortisation Yield specified in the relevant Pricing Supplement.

5 **Redemption and purchase**

Redemption on maturity

- 5.1 Unless previously redeemed, or purchased and cancelled or unless such TD is stated in the Pricing Supplement as having no fixed maturity date, each TD shall be redeemed on maturity at its Maturity Redemption Amount.

Purchase of TDs

- 5.2 The Issuer, the Guarantor or any of their respective Subsidiaries may at any time purchase TDs in the open market or otherwise and at any price. All unmaturing TDs purchased in accordance with this

condition may be held, resold or cancelled at the discretion of the Issuer, subject to compliance with all legal and regulatory requirements. For the purposes of the Meetings Provisions, in determining whether the provisions relating to quorum, meetings or voting procedures are complied with, any TLCs held in the name of the Issuer, the Guarantor or any of their respective Subsidiaries will be disregarded.

Redemption for taxation reasons

- 5.3 If, in respect of the TDs of any Series, the Issuer or the Guarantor, on the occasion of the next payment due in respect of the TDs, would be required to make payment of any Additional Amount (as defined in Condition 7.6), then the Issuer may give not more than 30 nor less than 15 days' notice to the relevant Registrar, the relevant Agent and the TD Holders in accordance with Condition 10, and upon expiry of such notice shall redeem all (but not some only) of the TDs at their early redemption amount applicable for tax redemptions ("**Early Redemption Amount (Tax)**") (which is their Outstanding Principal Amount or such other Early Redemption Amount (Tax) as is specified in the Pricing Supplement) together with (unless otherwise specified in the Pricing Supplement) accrued interest (if any) thereon.

Prior to publication of any such notice of redemption, the Issuer shall deliver to the Registrar a certificate signed by an authorised person of the Issuer showing that the conditions precedent to the right of the Issuer so to redeem have occurred and an opinion of legal advisers of recognised standing to the Issuer in its jurisdiction of incorporation to the effect that the Issuer would be required to pay Additional Amounts referred to in Condition 7.6 on the occasion of the next payment due in respect of the TDs of that Series.

Early redemption at the option of the Issuer

- 5.4 If this Condition 5.4 is specified in the relevant Pricing Supplement as being applicable then the Issuer, having given at least the minimum period (if any) (but not more than the maximum period (if any)) of notice specified in the relevant Pricing Supplement to TD Holders in accordance with Condition 10 (which notice must comply with the following paragraph and shall be irrevocable) and subject to satisfaction of any relevant conditions specified in the relevant Pricing Supplement, may redeem all (but not, unless and to the extent that the relevant Pricing Supplement specifies otherwise, some only) of the TDs on any Business Day (being, in the case of interest bearing TDs (unless otherwise specified in the relevant Pricing Supplement), an Interest Payment Date) at their early redemption amount applicable for calls by the Issuer ("**Early Redemption Amount (Call)**") (which is their Outstanding Principal Amount or such other Early Redemption Amount (Call) as is specified in, or determined in accordance with, the relevant Pricing Supplement) together with (unless otherwise specified in the Pricing Supplement) accrued interest (if any) thereon:

The notice referred to in the preceding paragraph shall specify:

- (a) the Series of TDs subject to redemption;
- (b) subject to the Pricing Supplement specifying that a partial redemption is permissible, whether such Series is to be redeemed in whole or in part only and, if in part only, the aggregate principal amount of the TDs of the relevant Series which are to be redeemed;
- (c) the due date for redemption;
- (d) the Early Redemption Amount (Call) at which such TDs are to be redeemed; and
- (e) whether or not accrued interest is to be paid upon redemption and, if so, the amount thereof or the basis or method of calculation thereof, all as provided in the relevant Pricing Supplement.

In the case of a partial redemption of TDs, the TDs to be redeemed will be selected by the Registrar, and notice of the TDs selected for redemption will be given in accordance with Condition 10 not less than 15 days prior to the date fixed for redemption.

Any notice given under this Condition 5.4 is irrevocable and obliges the Issuer to redeem the TDs at the time and in the manner specified in the notice.

Early redemption at the option of TD Holders

- 5.5 If this Condition 5.5 is specified in the relevant Pricing Supplement as being applicable and provided the relevant TD Holders have given at least the minimum period (if any) (but not more than the maximum period (if any)) of notice specified in the relevant Pricing Supplement to the Issuer in accordance with Condition 10 (which notice must be in the form of the redemption notice mentioned in the paragraph below), then, at the option of the TD Holder and provided that any conditions to the exercise of such option as are specified in the relevant Pricing Supplement have been satisfied, the Issuer will redeem the TD on any day (being, in the case of an interest bearing TD (unless otherwise specified in the relevant Pricing Supplement) an Interest Payment Date) at its early redemption amount applicable for puts (“**Early Redemption Amount (Put)**”) (which is its Outstanding Principal Amount or such other Early Redemption Amount (Put) as is specified in, or determined in accordance with, the relevant Pricing Supplement) together with (unless otherwise specified in the Pricing Supplement) accrued interest (if any) thereon.

To exercise such option, the TD Holder must complete, sign and deliver to the specified offices of each of the Issuer and the Registrar not less than 45 days before the redemption date (or such other period as may be specified in the relevant Pricing Supplement), a redemption notice (in the form obtainable from the Registrar) together with such evidence as the Registrar may require to establish the rights of that TD Holder to the relevant TDs.

Discount TDs

- 5.6 In the case of a Zero Coupon TD (unless otherwise specified in the Pricing Supplement), the Early Termination Amount is the Amortised Face Amount or such other amount specified in the Pricing Supplement.

6 Events of Default

Events of Default

- 6.1 The occurrence of an one or more of the following events, whether or not within the control of the Issuer, shall constitute an "Event of Default":
- (a) default is made for more than 30 days in the payment of interest or principal in respect of the TDs; or
 - (b) the Issuer shall fail to perform or observe any of its obligations under the TDs (other than its obligations for the payment of interest or principal in respect of the TDs), or the Guarantor shall fail to perform or observe any of its obligations under the Guarantee or under the TDs, and in either case such failure has continued for the period of 60 days next following the service on the Issuer or, as the case may be the Guarantor of notice requiring the same to be remedied; or
 - (c) the Issuer:
 - (i) 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 2001 of Australia in force in Australia; or
 - (ii) 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 2001 of Australia in force in Australia; or
 - (iii) begins negotiations or takes any proceedings or other step with a view to re-adjustment, re-scheduling 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 (iii) above for the purposes of a solvent reconstruction or amalgamation the terms of which have previously been approved in writing by a meeting of the TD Holders; or

- (d) 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 in writing by a meeting of the TD Holders, or an administrator is appointed to the Issuer by a provisional liquidator of the Issuer under section 436B of the Corporations Act 2001 of Australia; or
- (e) the Guarantor is declared bankrupt, or a declaration in respect of the Guarantor is made under Chapter 10 of the Act on the Supervision of the Credit System (*Wet toezicht kredietwezen 1992*) of the Netherlands; or
- (f) an order is made or an effective resolution is passed for the winding up or liquidation of the Guarantor unless this is done in connection with a merger, consolidation or other form of combination of another company and such company assumes all obligations contracted by the Guarantor in connection with the TDs; or
- (g) the Issuer or, as the case may be, the Guarantor ceases to carry on substantially the whole of its business (except for the purposes of a solvent reconstruction or amalgamation the terms of which have previously been approved in writing by a meeting of the TD Holders); or
- (h) the Guarantee ceases to be, or is claimed by the Guarantor not to be, in full force and effect or the Guarantor fails to perform any of its obligations in respect of the Guarantee and (except where such failure is incapable of remedy, where no such notice is required) such failure continues for the period of 60 days next following the service on the Guarantor of notice requiring the same to be remedied.

Consequences of an Event of Default

- 6.2 Subject to Condition 6.3, if any Event of Default occurs and continues unremedied in relation to the TDs of any Series or any of them, then a TD Holder in that Series may by written notice to the Issuer and the Guarantor (with a copy to each of the Registrar and the Program Managers) declare the TD held by the TD Holder of forthwith due and payable whereupon the Early Termination Amount (together with all accrued interest (if any)) applicable to each TD held by the TD Holder shall be due and payable immediately or on such other date specified in the notice.

Rectification

- 6.3 A TD Holder's right to declare TDs due terminates if the situation giving cause to it has been cured before such right is exercised.

Notification

- 6.4 If an Event of Default occurs, the Issuer must promptly after becoming aware of it notify the Registrar and the Program Managers of the occurrence of the Event of Default (specifying details of it) and procure that the Registrar promptly notifies TD Holders of the occurrence of the Event of Default by registered post to the address of the TD Holder recorded in the TD Register.

7 Payments

Record Date

- 7.1 Payments to TD Holders will be made according to the particulars recorded in the TD Register at 5.00pm (local time) on the relevant Record Date.

Joint holders

- 7.2 When a TD is held jointly, payment will be made to the holders in their joint names unless requested otherwise.

Method of payments

- 7.3 Payments in respect of each TD will be made:
- (a) if the TDs are in a Clearing System, by crediting on the relevant Payment Date the amount then due to the account of the TD Holder in accordance with the Regulations of the relevant Clearing System; or
 - (b) if the TDs are not in a Clearing System, by crediting on the Payment Date the amount then due to an account previously notified by the TD Holder in respect of that TD to the Issuer and the Registrar. If the TD Holder has not notified the Issuer and the Registrar of such an account by close of business on the relevant Record Date or upon application by the TD Holder to the Issuer and the Registrar no later than close of business on the relevant Record Date, payments in respect of the relevant TD will be made by cheque, mailed on the Business Day immediately preceding the relevant Interest Payment Date in the case of payments of interest or on the due date for redemption or repayment, in the case of payments of principal, at the TD Holder's risk to the TD Holder (or to the first named of joint registered holders) of such TD at the address appearing in the TD Register as at the Record Date. Cheques to be despatched to the nominated address of a TD Holder will in such cases be deemed to have been received by the TD Holder on the relevant Payment Date and no further amount will be payable by the Issuer in respect of the relevant TD as a result of payment not being received by the TD Holder on the due date. A payment made by electronic transfer is for all purposes taken to be made when the Issuer or I&P Agent (Australia) gives an irrevocable instruction for the making of that payment by electronic transfer, being an instruction which would be reasonably expected to result in, in the ordinary course of banking business, in the relevant funds reaching the account of the TD Holder on the same day as the day on which the instruction is given.

Business Days

- 7.4
- (a) All payments must be made in accordance with the Applicable Business Day Convention.
 - (b) If a payment is due under a TD on a day which is not a Business Day the date for payment will be adjusted according to the Applicable Business Day Convention.
 - (c) If payment is to be made to an account on a Business Day on which banks are not open for general banking business in the city in which the account is located, the TD Holder is not entitled to payment of such amount until the next Business Day on which banks in such city are open for general banking business and is not entitled to any additional interest or other payment in respect of any such delay.

Payment subject to fiscal laws

- 7.5 Payments (whether in respect of principal, redemption amounts, interest or otherwise) in respect of the TDs are subject in all cases to applicable provisions of fiscal and other laws, regulations and directives.

Taxation: Additional Amounts

- 7.6 All payments (whether in respect of principal redemption amount, interest or otherwise) in respect of the TDs by the Issuer and all payments under the Guarantee by the Guarantor will be made without set-off or counterclaim and free and clear of, and without deduction of or withholding on account of any Taxes now or hereafter imposed, levied, collected, withheld or assessed by the Commonwealth of Australia or, as the case may be, the Netherlands or any political subdivision therein or thereof

unless such withholding or deduction is required by law. In that event the Issuer, or the Guarantor, as the case may be, will pay such additional amounts (“**Additional Amounts**”) as may be necessary in order that the net amount received by the TD Holders after such withholding or deduction equals the respective amounts which would otherwise have been receivable in respect of the TDs in the absence of such withholding or deduction, except that no Additional Amounts are payable in relation to any payments in respect of any TD (in the case of payments by the Issuer or the Netherlands (in the case of payments by the Guarantor):

- (a) to, or to a third party on behalf of, a TD Holder who is liable to such Taxes in respect of such TD by reason of his having some connection with the Commonwealth of Australia (in the case of payments by the Issuer) or the Netherlands (in the case of payments by the Guarantor) or any political subdivision therein or thereof other than the mere holding of such TD or receipt of payment (whether in respect of principal, redemption amount, interest or otherwise) in respect thereof;
- (b) to, or to a third party on behalf of, a TD Holder who could lawfully avoid (but has not so avoided) such deduction or withholding by complying or procuring that any third party complies with any statutory requirements or by making or procuring that any third party makes a declaration of non-residence or similar cause for exemption to any tax authority in the place where payment under the TD is made;
- (c) presented for payment more than 30 days after the Relevant Date except to the extent that a TD 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 a Business Day;
- (d) to, or to a third party on behalf of an Australian resident TD Holder, if that person has not supplied an appropriate tax file number or Australian Business Number (or details of the applicable exemption for these requirements); or
- (e) to, or to a third party on behalf of, a TD Holder who is liable to any Tax in respect of the TD by reason of the TD Holder being an associate of the Issuer as defined in section 128F(9) of the Income Tax Assessment Act 1936 of Australia (“**Tax Act**”).

The Issuer or any person making payments on behalf of the Issuer may deduct tax-at-source on interest payments to a TD Holder at the rate required by the Tax Act unless the Registrar receives written notice of the TD Holder’s tax file number or Australian Business Number or evidence of any exemption the TD Holder may have from the need to advise the Registrar of its tax file number or Australian Business Number. The tax file number or Australian Business Number or appropriate evidence (as the case may be) must be received by the Registrar not less than five Business Days prior to the relevant Interest Payment Date.

Currency indemnity

- 7.7 The Issuer waives any right it has in any jurisdiction to pay an amount other than in the currency in which it is due. However, if a TD Holder receives an amount in a currency other than that in which it is due:
- (a) it may convert the amount received into the due currency (even though it may be necessary to convert through a third currency to do so) on the day and at such rates (including spot rate, same day value rate or value tomorrow rate) as it reasonably considers appropriate taking into account any costs of conversion; and
 - (b) the Issuer satisfies its obligation to pay in the due currency only to the extent of the amount of the due currency obtained from the conversion.

8 Further issues

The Issuer may from time to time, without the consent of any TD Holder, issue further TDs having the same terms and conditions as the TDs of any Series in all respects (or in all respects except for the first payment of

interest, if any, on them and/or their denomination) so as to form a single Series with the TDs of that Series.

9 Time limit for claims

A claim against the Issuer for a payment under a TD is void unless such claim is made within 10 years (in the case of principal and redemption amounts) and 5 years (in the case of interest and other amounts) from the Relevant Date for payment.

10 Notices

To the Issuer, the Program Managers, the Registrar and the Agent

10.1 A notice or other communication in connection with a TD to the Issuer, the Program Managers, a Registrar or an Agent must be in writing and may be given by prepaid post or delivery to the address of the addressee or by facsimile to the facsimile number of the addressee specified:

- (a) in the Information Memorandum; or
- (b) as otherwise agreed between those parties from time to time and notified to the TD Holders.

To TD Holders

10.2 A notice or other communication in connection with a TD to the TD Holders must be in writing. Any such notice or other communication may be given by any of the following means as the Issuer may decide:

- (a) an advertisement published in The Australian Financial Review or any other newspaper or newspapers circulating in Australia generally; or
- (b) if an additional or alternate newspaper is specified in the Pricing Supplement, that newspaper; or
- (c) prepaid post (airmail if posted to or from a place outside Australia) or delivery or by facsimile to the address of facsimile address, as the case may be, of each TD Holder or any relevant TD Holder as shown in the TD Register at the close of business three Business Days prior to the dispatch of the relevant notice or communication; or
- (d) a notice posted on an electronic source approved by the Program Managers and generally accepted for notices of that type (such as Bloomberg or Reuters).

Effective on receipt

10.3 Unless a later time is specified in it a notice, approval, consent or other communication takes effect from the time it is received under Condition 10.4, except that if it is received under Condition 10.4 after 5.00pm in the place of receipt or on a non-business day in that place, it is to be taken to be received at 9.00am on the next succeeding business day in that place.

Proof of receipt

10.4 Subject to Condition 10.3, proof of posting of a letter, dispatch of a facsimile, publication of a notice, or of posting a notice on an electronic source is proof of receipt:

- (a) in the case of a letter, on the third (seventh, if outside Australia) day after posting; and
- (b) in the case of a facsimile, on receipt by the sender of a successful transmission report;
- (c) in the case of publication, on the date of such publication; and
- (d) in the case of an electronic source, on the date posted on such electronic source.

11 Meetings of TD Holders

Meetings of TD Holders may be convened in accordance with the Meeting Provisions. Any such meeting may consider any matters affecting the interests of TD Holders, including, without limitation, the variation of the terms of the TDs by the Issuer and the granting of approvals, consents and waivers, and the declaration of an Event of Default.

12 Amendments

To cure ambiguities

- 12.1 The Terms and Conditions, Pricing Supplement and the Agency and Registry Services Agreement may be amended by the Issuer (after consultation with the Program Managers), without the consent of any TD Holder for the purposes of curing any ambiguity, or correcting or supplementing any defective or inconsistent provisions therein or in any other manner which the Issuer (after consultation with the Program Managers) and Registrar deem necessary or desirable and which does not materially adversely affect the interests of the TD Holders and, in each such case such amendment does not, in the opinion of the Issuer, materially adversely affect the interests of the TD Holders.

Approval by TD Holders

- 12.2 The Terms and Conditions, Pricing Supplement and the Agency and Registry Services Agreement may otherwise be varied by the Issuer with the approval of the TD Holders by Extraordinary Resolution. No other variation to the Terms and Conditions has effect in relation to the TD Holders who hold TDs at the date of any amending deed, unless they otherwise agree in writing. A variation will take effect in relation to all subsequent TD Holders. A variation which affects only a particular Series or Tranche of TDs may be approved solely by the TD Holders of such Series or Tranche.

No other amendments

- 12.3 Except as described in Conditions 12.1 and 12.2, no amendment to the Terms and Conditions, Pricing Supplement and the Agency and Registry Services Agreement may be made without the prior written consent and approval of the Issuer.

13 Registrar and Agent

Role of the Registrar and Agent

- 13.1 In acting under the Agency and Registry Services Agreement or any Issue and Paying Agency Agreement in connection with the TDs, the Registrar and the relevant Agent act solely as agent of the Issuer and does not assume any obligations towards or relationship of agency or trust for or with any of the TD Holders save insofar as that any funds received by the Registrar and the relevant Agent in accordance with the Agency and Registry Services Agreement or any Issue and Paying Agency Agreement shall, pending their application in accordance with the Agency and Registry Services Agreement or any Issue and Paying Agency Agreement, be held by it in a segregated account which shall be held on trust for the persons entitled thereto.

Change of Registrar and Agent

- 13.2 The Issuer reserves the right at any time to terminate the appointment of the Registrar and any Agent in accordance with the relevant Agency and Registry Services Agreement or any Issue and Paying Agency Agreement and to appoint a successor or additional registrars, provided, however, that the Issuer must at all times maintain the appointment of a registrar with its specified office in Australia. Notice of any such termination of appointment will be given to the TD Holders in accordance with Condition 10.

Appointment of replacement Registrar or Agent

- 13.3 If a then current Registrar or Agent ceases to be Registrar or the Agent the Issuer must ensure that a

replacement Registrar or Agent (as appropriate) is appointed with effect from the relevant date.

14 Calculation Agent

The Calculation Agent and its initial specified offices are as set out in the relevant Pricing Supplement for the TDs issued by the Issuer. The Issuer reserves the right at any time to terminate the appointment of the Calculation Agent or to appoint additional or other Calculation Agents, provided that it will ensure that at all times for so long as any TDs are outstanding the Calculation Agent acts in respect of TDs for which these Conditions require a Calculation Agent to make calculations. The Issuer may elect to have no Calculation Agent. Where no Calculation Agent is appointed the calculation of interest and principal payments in respect of TDs will be made by the Issuer.

15 Governing law and jurisdiction

Governing law

15.1 The TDs are governed by the law in force in the State of New South Wales.

Jurisdiction

15.2 The Issuer irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of the State of New South Wales and courts of appeal from them.

16 Interpretation

Definitions

16.1 These meanings apply in these terms and conditions unless the contrary intention appears:

Agency and Registry Services Agreement means each agreement entered into between the Issuer and a Registrar and any replacement of it and includes, for the avoidance of doubt, the agreement entitled “Agency and Registry Services Agreement” dated on or about the date of the TD Deed Poll between the Issuer and Computershare Investor Services Pty Limited (ABN 48 078 279 277) and any replacement of it.⁵

Agent means either or both of the I&P Agent (Australia) and the I&P Agent (Offshore).

Alternate Currency means a currency (other than Australian Dollars) which is specified in the Pricing Supplement.

Amortisation Yield means the amortisation yield specified in the Pricing Supplement.

Amortised Face Amount means, in relation to a TD, an amount equal to the sum of:

- (a) the Purchase Price specified in the Pricing Supplement; and
- (b) the product of the Amortisation Yield specified in the Pricing Supplement (compounded annually) being applied to the Purchase Price (as specified in the Pricing Supplement) from (and including) the Deposit Date specified in the Pricing Supplement to (but excluding) the date fixed for redemption or (as the case may be) the date upon which the TD becomes due and repayable.

Where such calculation is to be made for a period which is not a whole number of years, the calculation in respect of the period of less than a full year shall be made on the basis of the Day Count Fraction specified in the Pricing Supplement.

⁵ The Registry Services Agreement with Computershare Investor Services Pty Limited has been replaced by an “Agency and Registry Services Agreement” dated 7 November 2003 between the Issuer and Austraclear Services Limited (ABN 28 003 284 419).

Applicable Business Day Convention means the Business Day Convention specified in the Pricing Supplement as applicable to any date in respect of the TD or, if none is specified, the Applicable Business Day Convention for such purpose is the Following Business Day Convention. Different Business Day Conventions may apply, or be specified in relation to, the Interest Payment Dates and any other date or dates in respect of any TDs.

Austraclear means Austraclear Limited (ABN 94 002 060 773).

Austraclear System means the system operated by Austraclear for holding securities and electronic recording and settling of transactions in those securities between members of that system.

Australian Dollars and **A\$** mean the lawful currency of Australia.

Business Day means:

- (a) if a TD is to be issued or a payment in respect of a TD made, a day (other than a Saturday or Sunday or public holiday):
 - (i) on which commercial banks are open for general banking business in Sydney, Melbourne and such other place(s) (if any) specified in the relevant Pricing Supplement;
 - (ii) on which commercial banks settle payments, in the case of Australian dollars, in Sydney and Melbourne, or, in the case of any other currency, in the principal financial city in the country of that currency; and
 - (iii) on which the relevant Clearing System (if any) for that TD is operating; and
- (b) otherwise, a day (other than a Saturday or Sunday or public holiday) on which commercial banks are open for general banking business in Sydney and Melbourne.

Business Day Convention means a convention for adjusting any date if it would otherwise fall on a day that is not a Business Day and the following Business Day Conventions, where specified in the Pricing Supplement in relation to any date applicable to any TD, have the following meanings:

- (a) **Floating Rate Convention** means that the date is postponed to the next following day which is a Business Day unless that day falls in the next calendar month, in which event:
 - (A) such date is brought forward to the first preceding day that is a Business Day; and
 - (B) each subsequent Interest Payment Date is the last Business Day in the calendar month which is the specified number of months (or other period specified as the Interest Period in the applicable Pricing Supplement) after the calendar month in which the preceding applicable Interest Payment Date occurred;
- (b) **Following Business Day Convention** means that the date is postponed to the first following day that is a Business Day;
- (c) **Modified Following Business Day Convention** or **Modified Business Day Convention** means that the date is postponed to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date is the first preceding day that is a Business Day; and
- (d) **Preceding Business Day Convention** means that the date is brought forward to the first preceding day that is a Business Day.

Calculation Agent means, in respect of a Tranche, the person (if any) specified as such in the relevant Pricing Supplement. The Calculation Agent must be the same for all TDs in a Series.

CHESS means the Clearing House Electronic Subregister System operated by the Australian Stock

Exchange.

Clearing System means:

- (a) the Austraclear System;
- (b) the Euroclear system operated by Euroclear Bank S.A/N.V.;
- (c) Clearstream, Luxembourg; or
- (d) any other clearing system specified in the relevant Pricing Supplement.

Clearstream, Luxembourg means Clearstream Banking, société anonyme.

Condition means the correspondingly numbered condition in these Terms and Conditions.

Conditions means the terms and conditions set out in this schedule, as supplemented, modified or replaced in respect of a Tranche or Series of TDs by the Pricing Supplement applicable to that Tranche or Series.

Day Count Fraction means, in respect of the calculation of an amount for any period of time (“**Calculation Period**”), the day count fraction specified in the Pricing Supplement and:

- (a) if **Actual/365** or **Actual/Actual** is so specified, means the actual number of days in the Calculation Period divided by 365 or, if any portion of the Calculation Period falls in a leap year, the sum of:
 - (i) the actual number of days in the portion of the Calculation Period falling in a leap year divided by 366; and
 - (ii) the actual number of days in the portion of the Calculation Period falling in a non-leap year divided by 365;
- (b) if **Actual/365 (fixed)** is so specified, the actual number of days in the Calculation Period divided by 365;
- (c) if **Actual/360** is specified, means the actual number of days in the Calculation Period divided by 360;
- (d) if **30E/360** or **Eurobond Basis** is specified, means the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months, without regard to the date of the first day or last day of the Calculation Period unless, in the case of the final Calculation Period, the date of final maturity is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month); and
- (e) if **Australian Bond Basis** is specified, one divided by the number of Interest Payment Dates in a year.

Denomination means the notional face value of a TD as specified in the relevant Pricing Supplement.

Deposit Date means the day on which any TD is or is to be deposited as specified in or determined in accordance with the provisions of the Pricing Supplement.

Domestic Issue means an issue of TDs which is specified as such in a Pricing Supplement, being an issue which is offered (and in respect of which offers are received) primarily in the Australian market.

Early Termination Amount means in relation to a TD, the Outstanding Principal Amount or, if the

TD is non-interest bearing, the Amortised Face Amount or such other redemption amount as may be specified in, or determined in accordance with the provisions of, the Pricing Supplement.

Event of Default has the meaning given to it in Condition 6.

Extraordinary Resolution has the same meaning as in the Meetings Provisions.

Final Broken Amount has the meaning given to it in the Pricing Supplement.

Guarantee means the guarantee deed poll dated 3 August 2001 given by the Guarantor in favour of the TD Holders.

Guarantor means ING Bank N.V.

Information Memorandum means, in relation to TDs, the then latest information memorandum (and any supplement to it) prepared on behalf of, and approved in writing by, the Issuer in connection with the issue of (amongst other things) TDs, all documents incorporated by reference in it and such other information approved in writing by the Issuer from time to time.

Initial Broken Amount has the meaning given to it in the Pricing Supplement.

Interest Commencement Date means the Deposit Date or such other date as may be specified as such in the Pricing Supplement.

Interest Determination Date has the meaning specified as such in the Pricing Supplement.

Interest Payment Date means the date or dates specified as such in, or determined in accordance with the provisions of, the Pricing Supplement and adjusted, if necessary, in accordance with the Applicable Business Day Convention.

Interest Period means each successive period beginning on and including an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date provided that the first Interest Period commences on and includes the Interest Commencement Date and the final Interest Period ends on but excludes the Maturity Date.

Interest Rate means the rate or rates (expressed as a percentage per annum) or amount or amounts (expressed as a price per unit of relevant currency) of interest payable in respect of the TDs specified in, or calculated or determined in accordance with the provisions of, the Pricing Supplement and in the case of floating rate TDs, the rate determined in accordance with Condition 4.3.

I&P Agent (Australia) means the Registrar as issuing and paying agent and each other person appointed by the Issuer, with the consent of the Program Managers and the Registrar, to perform issuing and paying agency functions with respect to each Series or Tranche of TDs initially lodged and held through or predominantly through the Austraclear system.

I&P Agent (Offshore) means each person appointed from time to time by the Issuer, with the consent of the Program Managers, to perform agency functions (outside Australia) under an Issue and Paying Agency Agreement in respect of an Offshore Issue, details of which are specified in the relevant Pricing Supplement or in the Information Memorandum.

Issue and Paying Agency Agreement means each agreement entered into between the Issuer and an I&P Agent (Offshore) and any replacement of it and includes, for the avoidance of doubt, the agreement entitled "Issue and Paying Agency Agreement (Offshore)" dated on or about the date of the TD Deed Poll between the Issuer and the I&P Agent (Offshore) and any replacement of it.

Margin means the margin specified in, or determined in accordance with the provisions of, the Pricing Supplement.

Maturity Date means the date for redemption of a TD or, in the case of an amortising TD, the date on which the last instalment of principal is payable, in each case, as specified in the Pricing

Supplement.

Maturity Redemption Amount means in relation to a TD, the Outstanding Principal Amount or such other redemption amount as may be specified in, or calculated or determined in accordance with the provisions of, the Pricing Supplement.

Maximum Interest Rate means the Maximum Interest Rate specified in, or calculated or determined in accordance with the provisions of, the Pricing Supplement.

Meetings Provisions means the provisions for the convening of meetings of, and passing of resolutions by, TD Holders set out in schedule 2 of the TD Deed Poll.

Minimum Interest Rate means the Minimum Interest Rate specified in, or calculated or determined in accordance with the provisions of, the Pricing Supplement.

MTN means a medium term debt obligation of the Issuer constituted by, and owing under, a deed poll to be executed by the Issuer, the details of which are recorded in, and evidenced by, inscription in a register of MTNs under the Agency and Registry Services Agreement.

Note means a TD, a TLC or an MTN, as the case may be and **Notes** means each of them.

Offshore Issue means an issue of TDs which is specified as such in a Pricing Supplement, being an issue which is offered (and in respect of which offers are received) primarily in a market outside Australia.

Ordinary Resolution has the same meaning as in the Meetings Provisions.

Outstanding means on any day all TDs issued, less those TDs:

- (a) which have been redeemed or satisfied in full by the Issuer in accordance with these Conditions; or
- (b) for the payment of which funds equal to their aggregate Outstanding Principal Amount are on deposit with the Registrar and I&P Agent (Australia) on terms which prohibit the return of the deposit or the use of the deposit for any purpose other than the payment of those TDs or in respect of which the Registrar and I&P Agent (Australia) holds an irrevocable direction to apply funds in repayment of TDs to be redeemed on that day; or
- (c) in respect of which a TD Holder is unable to make a claim as a result of the operation of Condition 9.

Outstanding Principal Amount means in respect of any TD which is Outstanding at any time, the Denomination of the TD less the aggregate of any part of the principal amount of that TD that has been paid or otherwise satisfied by the Issuer and for such purposes:

- (a) the premium of a TD to be redeemed at a premium is to be taken to be added to the principal amount;
- (b) the principal amount of a TD issued at a discount is to be taken as at any time to equal its Denomination or, if provided for in its terms and conditions, its Amortised Face Amount at that time;
- (c) the principal amount of a partly paid TD is to be taken to equal its outstanding principal amount;
- (d) if a TD is repayable in instalments, the Outstanding Principal Amount at any time is to be taken to be Denomination of the TD less the aggregate of each instalment repaid as at that time, to the extent that the instalment relates to a payment of principal; and
- (e) if an amount is required to be determined in Australian Dollars, the Australian Dollar

equivalent of a TD denominated in an Alternate Currency is to be determined on the basis of the spot rate of exchange for the sale of Australian Dollars against the purchase of the relevant Alternate Currency in the Sydney foreign exchange market quoted by any leading bank selected by the Issuer on the relevant calculation date. The calculation date is, at the discretion of the Issuer, either the date of the relevant Pricing Supplement for such TDs or the preceding day on which commercial banks and foreign exchange markets are open for business in Sydney or such other date as may be agreed between the Issuer and the Program Managers.

Payment Date means, in respect of a TD, an Interest Payment Date, the Maturity Date or other relevant payment date (including an early payment date).

Pricing Supplement means the Pricing Supplement prepared and issued in relation to each Tranche of TDs which has been confirmed in writing by the Issuer.

Program means the Issuer's uncommitted revolving debt issuance Program for the issuance of TDs and other debt instruments as described in the Information Memorandum.

Program Managers means each of ING Bank N.V. and Westpac Banking Corporation (ABN 33 007 457 141) in their respective capacities as joint administration managers of the Program, or such other person appointed by the Issuer from time to time and who have consented to act as Program Managers.

Purchase Price in respect of a TD, means the purchase price so specified in the relevant Pricing Supplement.

Record Date means, in the case of payments of interest or principal, the close of business in the place where the TD Register is maintained on the eighth Business Day before the relevant date for payment or such other time and date that may be specified in the relevant Pricing Supplement.

Reference Banks means the institutions specified as such in the Pricing Supplement or, if none, four major banks selected by the Calculation Agent in the inter-bank market that is most closely connected with the Reference Rate.

Reference Rate means, in relation to a TD, the rate so specified in the relevant Pricing Supplement.

Registrar means Austraclear Services Limited (ABN 28 003 284 419) ⁶ or such other person appointed by the Issuer pursuant to the Agency and Registry Services Agreement to establish and maintain the TD Register for such TDs on the Issuer's behalf from time to time.

Regulations means, in the case of a Clearing System, the regulations established by the relevant Clearing System (as amended or replaced from time to time) to govern the use of the relevant Clearing System.

Relevant Date means the date on which a payment in respect of the TDs first becomes due, except that if the full amount payable has not been received by the Registrar on or before the due date, it means the date on which, the full amount having been so received, notice to that effect is given to the TD Holders in accordance with Condition 10.

Relevant Financial Centre means the city specified as such in the Pricing Supplement or, if none, the city most closely connected with the Reference Rate in the determination of the Calculation Agent.

Relevant Screen Page has the meaning specified as such in the Pricing Supplement.

Resolution means an Extraordinary Resolution or Ordinary Resolution, as the context requires.

⁶ The TD Deed Poll refers to Computershare Investor Services Pty Limited as Registrar. Austraclear Services Limited (ABN 28 003 284 419) has replaced Computershare Investor Services Pty Limited.

Series means a Tranche or Tranches of TDs which have identical terms, except that:

- (a) the Deposit Date and the amount of the first payment of interest may be different in respect of different Tranches of a Series; and
- (b) a Series may comprise TDs in more than one denomination.

Subscription Agreement means an agreement between the Issuer and one or more dealers for the issue by the Issuer and the subscription by those dealers of any TDs.

Subsidiary of an entity means a subsidiary within the meaning of section 46 of the Corporations Act 2001 of Australia.

Taxes means taxes, levies, imposts, deductions, charges, withholdings and duties imposed by any authority (including, without limitation, stamp and transaction duties), (together with any related interest, penalties, fines and expenses in connection with them).

TD means a transferable deposit debt obligation of the Issuer constituted by, and owing under the TD Deed Poll to a TD Holder, the details of which are recorded in, and evidenced by inscription in, the TD Register.

TD Deed Poll means the deed poll in relation to TDs executed by the Issuer in New South Wales on or about the date of this deed poll and to which these terms and conditions are a schedule, as may be amended or supplemented from time to time.

TD Holder in respect of a Series, means the person whose name is for the time being entered in the TD Register as a holder of a TD or, where a TD is held jointly by two or more persons, the persons whose names appear in the TD Register as the joint holders of that TD and (for the avoidance of doubt) when a TD is entered into the Austraclear System, includes Austraclear acting on behalf of a member of the Austraclear System.

TD Register in relation to a Series of TDs, means a register, including any branch register, of TD Holders established and maintained by or on behalf of the Issuer in which is entered the names and addresses of TD Holders, the amount of TDs held by each TD Holder and the date of issue and transfer of those TDs, and any other particulars which the Issuer sees fit.

Tranche means a tranche of TDs specified as such in the relevant Pricing Supplement issued on the same Deposit Date and the terms of which are identical in all respects (except that a Tranche may comprise TDs in more than one Denomination).

Transaction Documents means each of the TD Deed Poll, each TD, these terms and conditions, each Subscription Agreement, the Guarantee, each Pricing Supplement, the Agency and Registry Services Agreement, any Issue and Paying Agency Agreement and any other instrument specified as such in a Pricing Supplement.

Interpretation

16.2 In these terms and conditions unless the contrary intention appears:

- (a) a reference to these terms and conditions is a reference to these terms and conditions as modified, supplemented or replaced by the Pricing Supplement;
- (b) law means common law, principles of equity, and laws made by parliament (and laws made by parliament include State, Territory and Commonwealth laws and regulations and other instruments under them, and consolidations, amendments, re-enactments or replacements of any of them);
- (c) the singular includes the plural and vice versa;
- (d) the word “person” includes an individual, a firm, a body corporate, an unincorporated

association and an authority;

- (e) a particular person includes a reference to the person's executors, administrators, successors, substitutes (including, persons taking by novation) and assigns;
- (f) anything (including, without limitation, any amount) is a reference to the whole and each part of it;
- (g) a group of persons is a reference to any two or more of them jointly and to each of them individually;
- (h) a reference to an accounting term is a reference to that term as it is used in accounting standards under the Corporations Act 2001 of Australia, or, if not inconsistent with those standards, in accounting principles and practices generally accepted in Australia; and
- (i) a reference to time is a reference to Sydney time.

Headings

- 16.3 Headings (including those in brackets at the beginning of paragraphs) are inserted for convenience and do not affect the interpretation of these terms and conditions.

Subscription and Sale

Pursuant to the Dealer Agreement dated 3 August 2001 between the Issuer, the Guarantor and the Dealers, as amended and supplemented from time to time (“**Dealer Agreement**”), Notes will be offered by the Issuer through the Dealers. The Issuer will have the sole right to accept any such offers to purchase Notes and may reject any such offer in whole or (subject to the terms of such offer) in part. Each Dealer has the right, in its discretion reasonably exercised, to reject any offer to purchase Notes made to it in whole or (subject to the terms of such offer) in part. The Issuer is entitled under the Dealer Agreement to appoint one or more Dealers as a dealer for a particular issue of Notes.

By its purchase and acceptance of Notes issued under the Dealer Agreement, each Dealer agrees that it will observe all applicable laws and regulations in any jurisdiction in which it may offer, sell, or deliver Notes and that it will not directly or indirectly offer, sell, resell, re-offer or deliver Notes or distribute the Information Memorandum, any Pricing Supplement, circular, advertisement or other offering material relating to the Notes in any country or jurisdiction except under circumstances that will result, to the best of its knowledge and belief, in compliance with all applicable laws and regulations.

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

1 Australia

Each Dealer has acknowledged or will at the time it becomes a Dealer acknowledge in relation to the Program and each issue of Notes that neither the Information Memorandum, nor any other prospectus, disclosure document, offering material or advertisement in relation to the Program or the Notes, has been lodged with the Australian Securities and Investments Commission or the Australian Stock Exchange Limited or any other governmental agency.

Each Dealer has represented or will at the time it becomes a Dealer represent that no action has been taken by it and undertakes that it will not take any action which in either case would permit a public offering of the Notes, or distribution or possession of the Information Memorandum or any other prospectus or disclosure document, offering material or advertisement in relation to the Program or the Notes, in Australia.

Each Dealer has represented and undertaken or will at the time it becomes a Dealer represent and undertake that, unless the relevant Pricing Supplement otherwise provides, it:

- (a) has not offered or invited applications, and will not offer or invite applications, for the issue, sale or purchase of the Notes within, to or from 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, the Information Memorandum or any other prospectus, disclosure document, offering material or advertisement 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 another currency (disregarding moneys lent by the offeror or its associates) or the offer or invitation otherwise does not require disclosure to investors in accordance with Part 6D.2 of the Corporations Act 2001 of Australia; and
- (ii) such action complies with all applicable laws and regulations.

In addition, each Dealer represents and undertakes or will at the time it becomes a Dealer represent and undertake 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 associate of the Issuer for the purposes of section 128F(5) of the Income Tax Assessment Act 1936 of Australia (and associated regulations and, where applicable, any replacement legislation including, but not limited to, the Income Tax Assessment Act 1997 of Australia),

except as permitted by section 128F(5) of the Income Tax Assessment Act 1936 of Australia.

2 The United Kingdom

Each Dealer has represented and agreed and each further Dealer appointed under the Program will at the time it becomes a Dealer be required to represent and agree that:

- (a) in relation to Notes which have a maturity of one year or more and which are to be admitted to the Official List, it has not offered or sold and will not offer or sell any Notes to persons in the United Kingdom prior to admission of such Notes to listing in accordance with Part IV of the Financial Services and Markets Act 2000 (the “FSMA”) except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their business or otherwise in circumstances which have not resulted and will not result in an offer to the public in the United Kingdom within the meaning of the Public Offers of Securities Regulations 1995 (as amended) or the FSMA;
- (b) in relation to Notes which have a maturity of one year or more and which are not to be admitted to the Official List, it has not offered or sold and, prior to the expiry of the period of six months from the issue date of such Notes, will not offer or sell any such Notes to persons in the United Kingdom except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or otherwise in circumstances which have not resulted and will not result in an offer to the public in the United Kingdom within the meaning of the Public Offers of Securities Regulations 1995 (as amended);
- (c) it 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) in connection with the issue or sale of such Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and
- (d) 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.

3 The United States of America

Each Dealer has represented and undertaken or will at the time it becomes a Dealer represent and undertake 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 (“**Regulation S**”) or in certain transactions exempt from the registration requirements of the Securities Act.

Each Dealer has represented, warranted and agreed or will at the time it becomes a Dealer represent, warrant and agree that it has not offered or sold and has agreed that it will not offer or sell the Notes:

- (a) as part of their distribution at any time; and
- (b) otherwise until 40 days after the later of the commencement of the offering of the Notes being offered or the closing date for the Notes being offered,

in each case, within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each dealer to which it sells Notes during the restricted period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons.

In addition, until 40 days after the commencement of the offering of the Notes being offered, an offer or sale of such Notes within the United States by a dealer that is not participating in the offering of such Notes may violate the registration requirements of the Securities Act.

Terms used under this subheading “United States” in this paragraph have the meanings given to them by Regulation S and the Securities Act.

4 **Hong Kong**

The Notes or any interest in Notes may not be sold or offered for sale in Hong Kong (other than to persons whose ordinary business it is to buy or sell shares or debentures (whether as principal or agent), or in other circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap. 32) of Hong Kong) by means of any document issued, circulated or distributed in Hong Kong.

Each Dealer has represented and agreed or will at the time it becomes a Dealer represent and agree that it has not issued or had in its possession for the purpose of issue and will not issue or have in its possession for the purpose of issue any advertisement, invitation or document relating to the Notes or any interest in the Notes, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes or any interest in the Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” within the meaning of the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made thereunder.

5 **Singapore**

Each Dealer has represented and agreed that it has not offered or sold and that it will not offer or sell or distribute any document or other material in connection with the Notes, either directly or indirectly:

- (a) to persons in Singapore other than under circumstances in which such offer or sale does not constitute an offer or sale of the Notes to the public in Singapore; or
- (b) to the public, or any member of the public in Singapore:
 - (i) other than:
 - (A) to an institutional investor or other person falling within section 274 of the Securities and Futures Act (Cap. 289 of Singapore) (“SFA”) or
 - (B) to a sophisticated investor specified in, and in accordance with the conditions of, Section 275 of the SFA; or
 - (ii) otherwise pursuant to, and in accordance with the conditions of, any other applicable exemption invoked under Division 1 of Part XIII of the SFA.

6 **Japan**

The Notes have not been and will not be registered under the Securities and Exchange Law of Japan (“**Securities and Exchange Law**”) and, accordingly, each Dealer has agreed that it will not offer or sell any Notes directly or indirectly, in Japan or to, or for the benefit of, any Japanese Person or to others for re-offering or resale, directly or indirectly, in Japan or to any Japanese Person except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Securities and Exchange Law and any other applicable laws and regulations of Japan. For the purposes of this paragraph, “**Japanese Person**” means any person resident in Japan, including any corporation or other entity organised under the laws of Japan. The Notes have not been and will not be registered under the Securities and Exchange Law of Japan (Law No. 25 of 1948) (as amended) (the “**Securities and Exchange Law**”) and are subject to the Special Taxation Measures Law of Japan (Law No. 26 of 1957) (as amended) (the “**Special Taxation Measures Law**”).

7 **General**

These selling restrictions may be modified by the agreement of the Issuer and the Program Managers after consultation with the Dealers following a change in or clarification of a relevant law, regulation, directive, request or guideline having the force of law or compliance with which is in accordance with the practice of responsible financial institutions in the country concerned or any change in or introduction of any of them or in their interpretation or administration. Any such modification will be set out in the relevant Subscription

Agreement, if applicable, and in the Pricing Supplement issued in respect of the Notes to which it relates or in a supplement to the Information Memorandum.

Each Dealer represents and undertakes or will at the time it becomes a Dealer represent and undertake that no action has been taken by it and undertakes that it will not take any action which in either case would permit a public offering of the Notes, or possession or distribution of the Information Memorandum or any other offering material or any Pricing Supplement in any country or jurisdiction where action for that purpose is required.

Persons in whose hands this Information Memorandum or any other offering material or advertisement in relation to the Program comes and persons intending to subscribe for or purchase Notes are required by the Issuer and the Dealers to comply with all applicable laws and regulations in each country or jurisdiction in which they offer, invite applications for, issue, sell, purchase or deliver Notes or distribute or possess such documents or information, and to obtain any consent, approval or permission required by them for the offer, invitation, issue, sale, purchase or delivery by them of any Notes under the law and regulations in force in any jurisdiction to which they are subject or in which they make such offers, invitations, issues, sales, purchases or deliveries, in all cases at their own expense, and neither the Issuer nor any Dealer shall have responsibility therefore.

In accordance with the above, any Notes subscribed for or purchased by any person, which such person wishes to offer for sale or resale, may not be offered in any jurisdiction in circumstances which would result in the Issuer being obliged to register any further information memorandum or similar document relating to the Notes in such jurisdiction.

Taxation

Australia

*The following is a summary of the Australian taxation treatment under the Income Tax Assessment Acts of 1936 and 1997 of Australia (together, “**Australian Tax Act**”) at the date of this Information Memorandum of payments of interest (as defined in the Australian Tax Act) on the Notes issued by the Issuer under the Program and certain other matters. It is not exhaustive and, in particular does not deal with the position of certain classes of holders of Notes (including, without limitation, dealers in securities, custodians or other third parties who hold Notes on behalf of Australian residents holding Notes in the course of carrying on a trade or business at or through a permanent establishment outside Australia or non-residents of Australia (other than non-residents carrying on a trade or business at or through a permanent establishment in Australia)).*

Prospective holders of Notes should also be aware that particular terms of issue of any Series of Notes may affect the tax treatment of that and other Series of Notes. The following is a general guide and should be treated with appropriate caution. Prospective holders of Notes (including, without limitation, dealers in securities, custodians or other third parties who hold Notes on behalf of Australian residents holding Notes in the course of carrying on a trade or business at or through a permanent establishment outside Australia or non-residents of Australia (other than non-residents carrying on a trade or business at or through a permanent establishment in Australia)) who are in any doubt as to their tax position should consult their professional advisers on the tax implications of an investment in the Notes for their particular circumstances.

2 Interest withholding tax

An exemption from Australian interest withholding tax imposed under Division 11A of Part III of the Australian Tax Act (“**IWT**”) is available in respect of the Notes issued by the Issuer, under section 128F of the Australian Tax Act if the following conditions are met:

- (a) the Issuer is either a resident of Australia or a non-resident carrying on business at or through a permanent establishment in Australia when it issues the Notes and when interest (as defined in section 128A(1AB) of the Australian Tax Act) is paid. Interest is defined to include amounts in the nature of, or in substitution for, interest;
- (b) the Notes are issued in a manner which satisfies the public offer test set out in subsection 128F(3) or subsection 128F(4). 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:
 - (i) offers to 10 or more unrelated financiers or securities dealers;
 - (ii) offers to 100 or more investors;
 - (iii) offers of listed Notes;
 - (iv) offers via publicly available information sources; and
 - (v) offers to a dealer, manager or underwriter who offers to sell the Notes within 30 days by one of the preceding methods.

In addition, the issue of any of the Notes (whether global in form or otherwise) and the offering of interests in any of the Notes by one of these methods should satisfy the public offer test;

- (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 Australian Tax Act; 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 Australian Tax Act.

Associates

An “associate” of an Issuer for the purposes of section 128F of the Australian Tax Act includes (i) a person or entity which holds 50% or more of the voting shares of, or otherwise controls, the Issuer, (ii) an entity in which more than 50% of the voting shares are held by, or which is otherwise controlled by, the Issuer, (iii) a trustee of a trust where the Issuer is capable of benefiting (whether directly or indirectly) under that trust, and (iv) a person or entity who is an “associate” of another person or company which is an “associate” of the Issuer under any of the foregoing.

However, for the purposes of sections 128F(5) and (6) of the Australian Tax Act (see paragraphs (c) and (d) above), “associate” does not include:

- (A) onshore associates (i.e. Australian resident associates who do not hold the Notes in the course of carrying on business at or through a permanent establishment outside Australia and non-resident associates who hold the Notes in the course of carrying on business at or through a permanent establishment in Australia); or
- (B) offshore associates (i.e. Australian resident associates that hold the Notes in the course of carrying on business at or through a permanent establishment outside Australia and non-resident associates who do not hold the Notes in the course of carrying on business through a permanent establishment in Australia) who are 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, a clearing house, custodian, funds manager, responsible entity of a registered managed investment scheme; or
 - (ii) in the case of section 128F(6), a clearing house, paying agent, custodian, funds manager, responsible entity of a registered managed investment scheme.

Compliance with section 128F of the Australian Tax Act

Unless otherwise specified in any relevant Pricing Supplement (or another 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 Australian Tax Act.

US Resident Noteholders

On 27 September 2001, the US and Australian governments signed a protocol (the “**Protocol**”) which significantly amends the Australia/US double tax convention.

The Protocol has come into effect and applies to interest derived by a resident of the United States from 1 July 2003. The Protocol effectively prevents IWT applying to interest derived by:

- certain United States governments and governmental authorities and agencies; and
- certain unrelated financial institutions resident in the United States which substantially derive their profits by carrying on a business of raising and providing finance.

Under the Protocol back-to-back loans and economically equivalent arrangements will be subject to the 10% IWT rate and the anti-avoidance provisions in the Australian Tax Act can apply.

UK Resident Noteholders

On 21 August 2003, a new Australia/UK double tax convention was signed by the Federal Treasurer and the British High Commissioner. Although, the new Australia/UK double tax convention contains similar provisions in relation to the application of IWT to various UK governmental authorities and agencies and financial institutions as is now contained in the Australia/US double tax convention, the new Australia/UK double tax convention will not come into effect for some time as it requires ratification by the Australian and UK parliaments.

Payments under the Guarantee

It is unclear whether or not any payment by the Guarantor under the Guarantee in respect of the Notes would be subject to Australian IWT. The Australian Taxation Office has published Taxation Determination TD 1999/26 stating that payments by a guarantor in respect of debentures (such as the Notes) are entitled to the benefit of the exemption contained in section 128F of the Australian Tax Act if payments of interest in respect of those debentures by the issuer are exempt from IWT. However, there is some doubt as to whether the Taxation Determination applies in the context of the Guarantee and whether the reasoning adopted in the Taxation Determination is correct. If the Taxation Determination is not applicable, IWT at the rate of 10% will be payable on payments of interest (as defined in section 128B(1AB) of the Australian Tax Act), or interest paid on an overdue amount, by the Guarantor to non-residents (other than non-residents holding the Notes in the course of carrying on a business at or through a permanent establishment in Australia) or residents of Australia holding the Notes in the course of carrying on a business at or through a permanent establishment outside Australia.

It is unclear whether any payment under the Guarantee in respect of the Notes would constitute a payment of interest so defined, but each Issuer and the Guarantor have been advised by Mallesons Stephen Jaques that the better view is that such payments (other than interest paid on an overdue amount) would not constitute interest as so defined and, therefore, should not, in any event, be subject to the IWT provisions of the Australian Tax Act.

As set out in more detail in the Guarantee, if the Guarantor is at any time compelled or authorised by law to deduct or withhold an amount in respect of any Australian withholding taxes imposed or levied by the Commonwealth of Australia in respect of payments under the Guarantee, the Guarantor must, subject to certain exceptions, pay such additional amounts as may be necessary in order to ensure that the net amounts received by the holders of those Notes after such deduction or withholding are equal to the respective amounts which would have been received had no such deduction or withholding been required.

Payment of Additional Amounts

As set out in more detail in the relevant Terms and Conditions for the Notes, and unless expressly provided to the contrary in the relevant Pricing Supplement (or another relevant supplement to this Information Memorandum), if an Issuer or Guarantor is at any time compelled or authorised by law to deduct or withhold an amount in respect of any taxes imposed or levied by or on behalf of the Commonwealth of Australia or the Netherlands in respect of the Notes, the Issuer or the Guarantor will, subject to certain exceptions pay such additional amounts as may be necessary in order that the net amounts received by the Noteholders after such withholding or deduction equals the respective amounts which would have been received had no such withholding or deduction been required. If an Issuer is compelled by law in relation to any Notes to deduct or withhold an amount in respect of any withholding taxes, the Issuer will have the option to redeem those Notes in accordance with the relevant Terms and Conditions.

2 Other tax matters

Subject to paragraph 3, under Australian laws as presently in effect:

- (a) *income tax* - assuming the requirements of section 128F of the Australian Tax Act are satisfied with respect to the Notes, payment of principal and interest (as defined in section 128A(1AB) of the Australian Tax Act) to a holder of the Notes, who is a non-resident of Australia and who, during the taxable year, does not hold the Notes in the course of carrying on business at or through a permanent establishment in Australia, will not be subject to Australian income taxes; and
- (b) *gains on disposal of Notes* - a holder of the Notes, who is a non-resident of Australia and who, during the taxable year, does not hold the Notes in the course of carrying on business at or through a permanent establishment in Australia, will not be subject to Australian income tax on gains realised during that year on sale or redemption of the Notes, provided such gains do not have an Australian source. A gain arising on the sale of Notes by a non-Australian resident holder to another non-Australian resident where the Notes are sold outside Australia and all negotiations are conducted, and documentation executed, outside Australia would not be regarded as having an Australian source; and

- (c) *deemed interest* - there are specific rules that can apply to treat a portion of the purchase price of Notes as interest for withholding tax purposes when certain Notes originally issued at a discount or with a maturity premium or which do not pay interest at least annually are sold to an Australian resident (who does not acquire them in the course of carrying on business at or through a permanent establishment outside Australia) or a non-resident who acquires them in the course of carrying on business at or through a permanent establishment in Australia. These rules do not apply in circumstances where the deemed interest would have been exempt under section 128F of the Australian Tax Act if the Notes had been held to maturity by a non-resident; and
- (d) *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; and
- (e) *stamp duty and other taxes* - no ad valorem stamp, issue, registration or similar taxes are payable in Australia on the issue or transfer of any Notes; and
- (f) *other withholding taxes on payments in respect of Notes* - section 12-140 of the Taxation Administration Act 1953 of Australia ("**Taxation Administration Act**") imposes a type of withholding tax at the rate of (currently) 48.5% on the payment of interest on certain registered securities unless the relevant payee has quoted an Australian tax file number ("**TFN**"), (in certain circumstances) an Australian Business Number ("**ABN**") or proof of some other exception (as appropriate). Assuming the requirements of section 128F of the Australian Tax Act are satisfied with respect to the Notes, then the requirements of section 12-140 do not apply to payments to a holder of Notes in registered form who is not a resident of Australia and not holding the Notes in the course of carrying on business at or through a permanent establishment in Australia. Payments to other classes of holders of Notes in registered form may be subject to a withholding where the holder of those Notes does not quote a TFN, ABN or proof of an appropriate exemption (as appropriate); and
- (g) *other withholding taxes on payments in respect of guarantee* - payments by the Guarantor under the Guarantee may be made free and clear of the withholdings required under section 12-140 of the Taxation Administration Act, provided that tax at the rate of (currently) 48.5% must be withheld from payments under the Guarantee to Australian residents or non-residents carrying on business through a permanent establishment in Australia unless the relevant payee has quoted a TFN, (in certain circumstances) an ABN) or proof of some other exception (as appropriate); and
- (h) *supply withholding tax* - payments in respect of the Notes and the Guarantee can be made free and clear of the "supply withholding tax" imposed under section 12-190 of the Taxation Administration Act; and
- (i) *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 an offshore subscriber) a GST-free supply. Furthermore, neither the payment of principal or interest by the Issuer, nor the disposal of the Notes, would give rise to any GST liability in Australia; and
- (j) *debt/equity rules* - Division 974 of the Australian Tax Act, which applies from 1 July 2001, contains tests for characterising debt (for all entities) and equity (for companies) for Australian tax purposes, including for the purposes of dividend withholding tax and IWT. 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 Australian Tax Act. Accordingly, Division 974 is unlikely to affect the Australian tax treatment of holders of Notes.

3 Recent developments

Additional withholdings from certain payments to non-residents

Section 12-315 of the Taxation Administration Act (introduced by the Taxation Laws Amendment Act (No. 4) 2003) gives the Governor-General power to make regulations requiring withholding from certain payments to non-residents after 1 July 2003. No draft regulations have yet been released, so it is not possible to determine what types of payments would be caught by the new rules nor the rate of withholding. However, section 12-

315 expressly provides that the regulations will not apply to interest and other payments which are already subject to the current IWT rules or specifically exempt from those rules. Further, 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 Issuer has been advised by Mallesons Stephen Jaques that they do not expect the regulations to apply to repayments of principal under the Notes, as in the absence of any issue discount, such amounts will generally not be reasonably related to assessable income of non-residents. The possible application of any regulations to the proceeds of any sale of the Notes will need to be monitored.

Taxation of foreign exchange gains and losses

The Federal Government introduced into Parliament on 29 May 2003 the New Business Tax System (Taxation of Financial Arrangements) Bill (No. 1) 2003 which contains new rules to deal with the taxation consequences of foreign exchange transactions entered into after 1 July 2003 (unless a taxpayer elects for them to apply to earlier transactions). In their current form, the draft rules are very complicated and, generally speaking, will require Australian taxpayers, or non-residents that hold assets, or incur liabilities, in the course of carrying on business in Australia, to perform complex (and frequent) calculations to determine the foreign exchange gains and losses they are taxed upon in respect of holding assets (or incurring liabilities) in non-Australian currency. Certain entities will also be able to choose to adopt a functional currency as their unit of account that is not the A\$, in which case rules will apply regarding the translation to Australian dollars.

There are several exclusions from the new rules. In particular, authorised deposit taking institutions under the Banking Act 1959 of Australia (“ADIs”) and non-ADI financial institutions (as defined) are, for the time being, excluded from the new foreign exchange gains and losses rules (on the basis that different and more extensive retranslation rules will ultimately apply to them as part of the Federal Government’s plan for further reform of the taxation of financial arrangements).

In the present case, the Issuer is an ADI for the purposes of the Bill. Accordingly, for so long as the Issuer has that status the new foreign exchange gains or losses rules will not apply to it. However, the new rules may apply to any holders of the Notes denominated in a currency other than Australian dollars that are not ADIs or non-ADI financial institutions and which are Australian residents or non-residents that hold those Notes in the course of carrying on business in Australia. Any such Noteholders should consult their professional advisors for advice as to how to tax account for any foreign exchange gains or losses arising from their holding of those Notes.

4 Australian Approvals

No Australian approvals are currently required for or in connection with the issue of the Debt Instruments by the Issuer or for or in connection with the performance and enforceability of such Debt Instruments or Coupons. However, the Banking (Foreign Exchange) Regulations and other regulations in Australia also prohibit payments, transactions and dealings with assets or named individuals or entities subject to international sanctions or associated terrorism.

The Netherlands

It is assumed that the holders of Notes do not hold a substantial interest in the share capital of the Guarantor. Generally speaking, an interest in the share capital of the Guarantor should not be considered a substantial interest if the holder of such interest, and, if the holder is a natural person, his or her spouse, registered partner, certain other relatives or certain persons sharing the holder's household, alone or together, does or do not hold, whether directly or indirectly, the ownership of, or certain rights over, shares or rights resembling shares representing five percent or more of the total issued and outstanding capital, or the issued and outstanding capital of any class of shares, of the Guarantor.

The Issuer and the Guarantor have been advised that under existing Netherlands law:

- (a) all payments under the Notes can be made without withholdings or deductions for or on account of any taxes, duties or charges of any nature whatsoever that are or may be withheld or assessed by the Dutch tax authorities, any political subdivision thereof or therein or any of their representatives, agents or delegates;
- (b) a holder of Notes who is neither resident nor deemed to be resident in the Netherlands nor has opted

to be treated as a resident in the Netherlands who receives income from the Notes, or who realizes a gain on the disposal or redemption of the Notes, will not be subject to Dutch taxation on income or capital gains, unless:

- (i) such income or gain is attributable to an enterprise or deemed enterprise or part thereof which is carried on through a permanent establishment or a permanent representative in the Netherlands;
 - (ii) the holder is an individual, and such income or gain is attributable to his or her activities in the Netherlands, which include the use of that individual's special knowledge or activities performed by that individual with respect to the Notes as a result of which such individual can make a return on the Notes that is in excess of the return a regular portfolio management, other than business or employment activities ("belastbaar resultaat uit overige werkzaamheden in Nederland");
 - (iii) the holder performs or has performed employment activities in the Netherlands, or performs or has performed employment activities outside the Netherlands for remuneration that is subject to Dutch payroll tax and social security contributions, and such income or capital gains qualify as income from these employment activities; or
 - (iv) the holder is entitled to a share in the profits of an enterprise that is effectively managed in the Netherlands, other than by way of securities or through an employment contract, and to which enterprise the Notes are attributable;
- (c) there will be no Dutch gift or inheritance tax levied on the acquisition of the Notes by way of gift by, or on the death of, a holder of a Note, if the holder at the time of the gift or time of death is neither a resident nor a deemed resident of the Netherlands, unless:
- (i) at the time of the gift or death, Notes can be attributed to an enterprise or part thereof which is carried on through a permanent establishment or a permanent representative in the Netherlands; or
 - (ii) the holder of Notes dies within 180 days of making the gift, and at the time of death is a resident or deemed resident of the Netherlands;
- (d) no value added tax will be due in the Netherlands in respect of payments made in consideration for the issue of Notes, whether in respect of payments of interest and principal or in respect of the transfer of Notes;
- (e) there will be no registration tax, capital contribution tax, customs duty, stamp duty, real estate transfer tax or any other similar tax or duty due in the Netherlands in respect of or in connection with the issue, transfer, execution or delivery by legal proceedings of the issue documents or the performance of Issuer's obligations under the Notes; and
- (f) a holder of Notes will not become, and will not be deemed to be, resident in the Netherlands merely by virtue of holding such Notes or the execution, performance and/or delivery of the Notes.

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