EXECUTION VERSION

TWELFTH SUPPLEMENTAL TRUST DEED

12 NOVEMBER 2026

BANK OF NEW ZEALAND
as Issuer

and

CBG TRUSTEE COMPANY LIMITED
as Covered Bond Guarantor

and

DEUTSCHE TRUSTEE COMPANY LIMITED
as Bond Trustee

relating to a NZ$10,000,000,000 BNZ Covered Bond Programme

A&O SHEARMAN

Allen Overy Shearman Sterling

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THIS TWELFTH SUPPLEMENTAL TRUST DEED is made on 12 November 2026

BETWEEN:

(1) **BANK OF NEW ZEALAND**, a company incorporated in New Zealand with limited liability under registration number 428849, having its registered office at Level 4, 80 Queen Street, Auckland 1010, New Zealand (**BNZ**) as the issuer (the **Issuer**);

(2) **CBG TRUSTEE COMPANY LIMITED**, a company incorporated in New Zealand with limited liability under registration number 2467131, having its registered office at Level 16, SAP Tower, 151 Queen Street, Auckland 1010, New Zealand, as trustee of the Trust (the **Covered Bond Guarantor**); and

(3) **DEUTSCHE TRUSTEE COMPANY LIMITED**, incorporated under the laws of England and Wales with registered number 00338230 whose registered office is at 21 Moorfields, London, EC2Y 9DB in its capacity as the bond trustee for the Covered Bondholders, the Receiptholders and the Couponholders (the **Bond Trustee** which expression shall, wherever the context so admits, include such company and all other persons or companies for the time being the bond trustee or bond trustees under the Trust Presents (as defined below)).

WHEREAS:

(A) This Deed is supplemental to and modifies the provisions of the Bond Trust Deed dated 2 June 2010 as supplemented and modified by the first supplemental trust deed dated 5 November 2010, as further supplemented and modified by the second supplemental trust deed dated 24 April 2013, as further supplemented and modified by the third supplemental trust deed dated 14 September 2015, as further supplemented and modified by the fourth supplemental trust deed dated 26 May 2017, as further supplemented and modified by the fifth supplemental trust deed dated 28 May 2019, as further supplemented and modified by the sixth supplemental trust deed dated 28 May 2020, as further supplemented and modified by the seventh supplemental trust deed dated 25 May 2021, as further supplemented and modified by the eighth supplemental trust deed dated 1 June 2022, as further supplemented and modified by the ninth supplemental trust deed dated 31 May 2024, as further supplemented and modified by the tenth supplemental trust deed dated 14 May 2025 and as further supplemented and modified by the eleventh supplemental trust deed dated 14 November 2025 (hereinafter called the **Principal Trust Deed**) which was made between the same parties as are parties hereto and relates to the NZ$10,000,000,000 BNZ Covered Bond Programme established by the Issuer and BNZ International Funding Limited, acting through its London Branch (**BNZ-IF**) (the **Programme**).

(B) The Issuer has issued the EUR850,000,000 0.0100 per cent. Fixed Rate Covered Bonds due 15 June 2028 (the **Series 12 Covered Bonds**), the EUR750,000,000 2.5520 per cent. Fixed Rate Covered Bonds due 29 June 2027 (the **Series 13 Covered Bonds**), the EUR750,000,000 3.7075 per cent. Fixed Rate Covered Bonds due 20 December 2028 (the **Series 14 Covered Bonds**), the EUR750,000,000 2.7080 per cent. Fixed Rate Covered Bonds due 18 June 2030 (the **Series 15 Covered Bonds**) and the EUR1,000,000,000 3.3850 per cent. Fixed Rate Covered Bonds due 27 August 2031 (the **Series 16 Covered Bonds** and together with the Series 12 Covered Bonds, the Series 13 Covered Bonds, the Series 14 Covered Bonds and the Series 15 Covered Bonds, the **Relevant Covered Bonds**) under the Programme. The Relevant Covered Bonds remain outstanding as at the date hereof.

(C) The Issuer and the Bond Trustee have agreed to enter into this Deed to effect changes to the Principal Trust Deed, including the Terms and Conditions set out in Schedule 1 thereto (the **Terms and Conditions**).

NOW THIS TRUST DEED WITNESSES AND IT IS AGREED AND DECLARED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 The BNZ covered bond trust definitions schedule made between, *inter alios*, the parties to this Deed on 2 June 2010 and as amended and restated on 5 November 2010, 9 September 2011, 30 May 2014, 14 September 2015, 28 May 2020, and 31 May 2024 (as the same may be amended, varied and/or supplemented from time to time with the consent of the parties thereto) (the **Definitions Schedule**) is expressly and specifically incorporated into this Deed and, accordingly, the expressions defined in the Definitions Schedule (as so amended, varied and/or supplemented) shall, except where the context otherwise requires and save where otherwise defined herein, have the same meanings in this Deed, including the recitals hereto and this Deed shall be construed in accordance with the interpretation provisions set out in Clause 2 of the Definitions Schedule. In the event of inconsistency between the Definitions Schedule and the Trust Presents, the Trust Presents shall prevail.

2. AMENDMENT TO THE TERMS AND CONDITIONS

The parties to this Deed agree to amend and restate the Terms and Conditions set out in Schedule 1 of the Principal Trust Deed so that on and from the date hereof they shall be in the form set out in Schedule 1 hereto.

3. SUPPLEMENTAL

3.1 This Deed is supplemental to the Principal Trust Deed. Save as expressly amended by this Deed, the Principal Trust Deed shall remain in full force and effect and all of the other rights, powers, obligations and immunities comprised therein and arising pursuant thereto shall remain in full force and effect notwithstanding this Deed. The Principal Trust Deed and this Deed shall henceforth be read and construed as one document and references in the Principal Trust Deed to "this Deed" shall be read as references to the Principal Trust Deed as supplemented and amended by this Deed.

3.2 The amendments to the Principal Trust Deed contemplated in this Deed do not affect the Relevant Covered Bonds and no amendments are made to the Terms and Conditions of any Relevant Covered Bonds.

4. NOTICES AND DEMANDS

Any notice or communication under or in connection with this Deed or the Principal Trust Deed shall be given in the manner and at the times set out in Clause 31 (*Notices*) of the Principal Trust Deed or at such other address as the recipient may have notified to the other parties hereto and/or thereto in writing.

5. CHOICE OF LAW

This Deed (and any non-contractual disputes arising out of or in connection with it) is governed by and shall be construed in accordance with English law.

6. COUNTERPARTS

This Deed may be signed (manually or by facsimile) and delivered in more than one counterpart all of which, taken together, shall constitute one and the same Deed.

7. THIRD PARTY RIGHTS

This Deed does not create any right under the Contracts (Rights of Third Parties) Act 1999 which is enforceable by any person who is not a party to this Deed other than the right of the Security Trustee to enforce Clause 8 (Non-Petition and Limited Recourse) of this Deed.

8. NON-PETITION AND LIMITED RECOURSE

Clause 32 (*Non-Petition and Limited Recourse*) of the Principal Trust Deed shall also apply to this Deed as if expressly incorporated in this Deed and amended appropriately to refer to this Deed.

9. SUBMISSION TO JURISDICTION

Each party to this Deed hereby irrevocably submits to the exclusive jurisdiction of the English courts in any action or proceeding arising out of or relating to this Deed (including a dispute relating to any non-contractual obligations arising out of or in connection with this Deed), and hereby irrevocably agrees that all claims in respect of such action or proceeding may be heard and determined by such courts. Each party to this Deed hereby irrevocably waives, to the fullest extent it may possibly do so, any defence or claim that the English courts are an inconvenient forum for the maintenance or hearing of such action or proceeding. The Bond Trustee, the Covered Bondholders, the Receiptholders and the Couponholders may take any suit, action or proceeding arising out of or in connection with this Deed (including any proceedings relating to any non-contractual obligations arising out of or in connection with this Deed) against the Issuer in any other court of competent jurisdiction and concurrent proceedings in any number of jurisdictions.

The Issuer irrevocably and unconditionally appoints National Australia Bank Limited, acting through its London branch at its registered office at The Scalpel, 52 Lime Street, London EC3M 7AF for the time being and in the event of its ceasing so to act will appoint such other person as the Bond Trustee may approve and as the Issuer may nominate in writing to the Bond Trustee for the purpose to accept service of process on its behalf in England in respect of any proceedings. The Issuer:

(a) agrees to procure that, so long as any of the Covered Bonds issued by it remain liable to prescription, there shall be in force an appointment of such a person approved by the Bond Trustee with an office in London with authority to accept service as aforesaid;

(b) agrees that a failure by any such person to give notice of such service or process to the Issuer shall not impair the validity of such service or of any judgment based thereon;

(c) consents to the service of process in respect of any proceedings in accordance with Clause 31 (*Notices*); and

(d) agrees that nothing in these presents shall affect the right to serve process in any other manner permitted by law.

IN WITNESS whereof this Deed has been executed as a deed by each of the parties hereto and delivered on the date first stated on page 1.

SCHEDULE 1

TERMS AND CONDITIONS OF THE COVERED BONDS

The following are the Terms and Conditions of the Covered Bonds which will be incorporated by reference into each Global Covered Bond (as defined below) and each Definitive Covered Bond, in the latter case only if permitted by the relevant stock exchange or other relevant authority (if any) and agreed by the Issuer and the relevant Dealer(s) at the time of issue but, if not so permitted and agreed, such Definitive Covered Bond will have endorsed thereon or attached thereto such Terms and Conditions. The applicable Final Terms (or the relevant provisions thereof) will be endorsed upon, or attached to, each Global Covered Bond and Definitive Covered Bond.

This Covered Bond is one of a Series (as defined below) of Covered Bonds issued by Bank of New Zealand (**BNZ** and the **Issuer**) constituted by a trust deed (such trust deed as modified and/or supplemented and/or restated from time to time, the **Bond Trust Deed**) dated 2 June 2010 (the **Programme Date**) made between, among others, the Issuer, CBG Trustee Company Limited as covered bond guarantor (the **Covered Bond Guarantor**) and Deutsche Trustee Company Limited as bond trustee (in such capacity, the **Bond Trustee**, which expression shall include any successor as Bond Trustee).

Save as provided for in Conditions 9 (Events of Default and Enforcement) and 14 (Meetings of Covered Bondholders, Modification, Waiver and Substitution), references herein to the **Covered Bonds** shall be references to the Covered Bonds of this Series and shall mean:

(i) in relation to any Covered Bonds represented by a global covered bond (a **Global Covered Bond**), units of the lowest Specified Denomination in the Specified Currency;

(ii) any Global Covered Bond;

(iii) any Definitive Covered Bonds in bearer form (**Bearer Definitive Covered Bonds**) issued in exchange for a Global Covered Bond in bearer form; and

(iv) any Definitive Covered Bonds in registered form (**Registered Definitive Covered Bonds**) (whether or not issued in exchange for a Global Covered Bond in registered form).

The Covered Bonds and the Coupons (as defined below) have the benefit of a principal agency agreement (such agency agreement as amended and/or supplemented and/or restated from time to time the **Principal Agency Agreement**) dated the Programme Date and made between, among others, the Issuer, the Covered Bond Guarantor, the Bond Trustee and Deutsche Bank AG, London Branch as issuing and UK paying agent (in such capacity, the **UK Paying Agent**, which expression shall include any successor UK paying agent) (together with the NZ Paying Agent (as defined below), the **Paying Agents**, which expression shall include any additional or successor paying agents), Deutsche Bank AG, London Branch as UK exchange agent (in such capacity, the **UK Exchange Agent**, which expression shall include any additional or successor exchange agent) and as UK transfer agent (in such capacity, a **UK Transfer Agent**), Deutsche Bank, Luxembourg, S.A. as Luxembourg registrar (in such capacity, the **Luxembourg Registrar**, which expression shall include any successor registrar and together with the UK Transfer Agent, the **UK Transfer Agents**, which expression shall include any additional or successor transfer agents).

NZ Registered Covered Bonds (and related Coupons) also have the benefit of a NZ registry and agency agreement (such registry and agency agreement as amended and/or supplemented and/or restated from time to time, the **NZ Registry Agreement** and, together with the Principal Agency Agreement, the **Agency Agreements**) dated the Programme Date and made between BNZ as Issuer, the Covered Bond Guarantor, the Security Trustee, the Trust Manager and Computershare Investor Services Limited as NZ registrar (the **NZ Registrar**). Prior to service of a Notice to Pay, BNZ (and any successor paying agent appointed in respect of

the Trust) shall act as NZ paying agent (in respect of NZ Registered Covered Bonds recorded in NZClear) and following service of a Notice to Pay, the NZ Registrar shall act as NZ Paying Agent (in respect of NZ Registered Covered Bonds) (**NZ Paying Agent**).

As used herein, **Agents** shall mean each Paying Agent and each Exchange Agent, each Transfer Agent and each Registrar, **Principal Paying Agent** shall mean, in relation to a Tranche or Series of Covered Bonds, the UK Paying Agent or, in the case of NZ Registered Covered Bonds, the NZ Paying Agent, or such other paying agent as the Final Terms for that Tranche or Series may specify, **Registrar** shall mean, in relation to a Tranche or Series of Covered Bonds (other than NZ Registered Covered Bonds), the Luxembourg Registrar or, in the case of NZ Registered Covered Bonds, the NZ Registrar, or such other registrar as the Final Terms for that Tranche or Series may specify, **Transfer Agent** shall mean, in relation to a Tranche or Series of Covered Bonds, the UK Transfer Agent or such other transfer agent as the Final Terms for that Tranche or Series may specify and **Exchange Agent** shall mean, in relation to a Tranche or Series of Covered Bonds, the UK Exchange Agent or such other exchange agent as the Final Terms for that Tranche or Series may specify.

Interest-bearing Bearer Definitive Covered Bonds have interest coupons (**Coupons**) and, in the case of Covered Bonds which when issued in definitive form have more than 27 interest payments remaining, talons for further Coupons (**Talons**) attached on issue. Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons or talons. Registered Covered Bonds (which include Registered Global Covered Bonds and/or Registered Definitive Covered Bonds as the case may be) and Global Covered Bonds do not have Coupons or Talons attached on issue.

The final terms for this Covered Bond (or the relevant provisions thereof) are set out in Part A of the Final Terms attached to or endorsed on this Covered Bond and complete these terms and conditions (the **Conditions**). References to the "**applicable Final Terms**" are to the Final Terms (or the relevant provisions thereof) attached to or endorsed on this Covered Bond.

The Bond Trustee acts as trustee for the holders for the time being of the Covered Bonds (the **Covered Bondholders**, which expression shall, in relation to any Covered Bonds represented by a Global Covered Bond, be construed as provided below) and the holders of the Coupons (the **Couponholders**, which expression shall, unless the context otherwise requires, include the holders of the Talons), and for holders of each other Series of Covered Bonds in accordance with the provisions of the Bond Trust Deed.

As used herein, **Tranche** means Covered Bonds which are identical in all respects (including as to listing or admission to trading) and **Series** means a Tranche of Covered Bonds together with any further Tranche or Tranches of Covered Bonds which are: (i) expressed to be consolidated and form a single series; and (ii) identical in all respects (including as to listing or admission to trading) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

The Covered Bond Guarantor has, in the Bond Trust Deed, irrevocably and unconditionally guaranteed the due and punctual payment of Guaranteed Amounts in respect of the Covered Bonds as and when the same shall become due for payment on certain dates in accordance with the Bond Trust Deed (**Due for Payment**), but only after service of a Notice to Pay on the Covered Bond Guarantor following an Issuer Event of Default and service by the Bond Trustee of an Issuer Acceleration Notice on the Issuer or the occurrence of Covered Bond Guarantor Event of Default and service by the Bond Trustee of a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor.

The security for the obligations of the Covered Bond Guarantor under the Covered Bond Guarantee and the other Programme Documents to which it is a party has been created in and pursuant to, and on the terms set out in, a security agreement governed by New Zealand law (such security as amended and/or supplemented and/or restated from time to time, the **Security Deed**) dated the Programme Date and made between, among others, the Covered Bond Guarantor, the Issuer, the Bond Trustee, New Zealand Permanent Trustees Limited (the **Security Trustee**) and certain other Secured Creditors.

These Conditions include summaries of, and are subject to, the provisions of the Bond Trust Deed, the Security Deed and the Agency Agreements (as applicable).

Copies of the Bond Trust Deed, the Security Deed, the Definitions Schedule (as defined below), the Agency Agreements and each of the other Programme Documents are (i) available for inspection free of charge by appointment during normal business hours at the registered office for the time being of the Bond Trustee being at the Programme Date at 21 Moorfields, London, United Kingdom, EC2Y 9DB and at the specified office of each of the UK Paying Agent and the NZ Paying Agent, or (ii) may be provided to a Covered Bondholder for inspection by electronic means following their prior written request to the Bond Trustee or the UK Paying Agent or the NZ Paying Agent, as the case may be, and provision of proof of holding and identity (in a form satisfactory to the Bond Trustee or the Principal Paying Agent, as the case may be). Copies of the applicable Final Terms for all Covered Bonds of each Series (including in relation to unlisted Covered Bonds of any Series) are obtainable during normal business hours at the specified office of the UK Paying Agent and any Covered Bondholder must produce evidence satisfactory to the Issuer and the Bond Trustee or, as the case may be, the relevant Paying Agent as to its holding of Covered Bonds and identity. The Covered Bondholders and the Couponholders are deemed to have notice of, are bound by, and are entitled to the benefit of, all the provisions of, and definitions contained in, the Bond Trust Deed, the Security Deed, the BNZ Covered Bond Trust Definitions Schedule, the relevant Agency Agreements, each of the other Programme Documents and the applicable Final Terms which are applicable to them and to have notice of each set of Final Terms relating to each other Series.

Except where the context otherwise requires, capitalised terms used and not otherwise defined in these Conditions shall bear the meanings given to them in the Bond Trust Deed, the applicable Final Terms and/or the BNZ covered bond trust definitions schedule made between the parties to the Programme Documents on the Programme Date (as the same may be amended and/or supplemented and/or restated from time to time, the **Definitions Schedule**), a copy of each of which may be obtained as described above. In the event of inconsistency between the Bond Trust Deed and the Definitions Schedule, the Bond Trust Deed will prevail and in the event of inconsistency between the Bond Trust Deed and the applicable Final Terms, the applicable Final Terms will prevail.

1. Form, Denomination and Title

The Covered Bonds are in bearer form or in registered form as specified in the applicable Final Terms and, in the case of Definitive Covered Bonds (being Bearer Definitive Covered Bond(s) and/or, as the context may require, Registered Definitive Covered Bond(s)), serially numbered, in the Specified Currency and the Specified Denomination(s). Covered Bonds of one Specified Denomination may not be exchanged for Covered Bonds of another Specified Denomination and Bearer Covered Bonds may not be exchanged for Registered Covered Bonds and vice versa.

This Covered Bond may be a Fixed Rate Covered Bond, a Floating Rate Covered Bond, a Zero Coupon Covered Bond or a combination of any of the foregoing, depending upon the Interest Basis shown in the applicable Final Terms, and subject, in each case, to confirmation from the Rating Agencies that the then current ratings of any outstanding Series of Covered Bonds will not be adversely affected by the issuance of this Covered Bond.

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

Subject as set out below, title to the Bearer Covered Bonds and Coupons will pass by delivery and title to the Registered Covered Bonds will pass upon registration of transfers in accordance with the provisions of the relevant Agency Agreement. The Issuer, the Covered Bond Guarantor, the Paying Agents, the Security Trustee and the Bond Trustee will (except as otherwise required by law) deem

and treat the bearer of any Bearer Covered Bond or Coupon and the registered holder of any Registered Covered Bond as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any Global Covered Bond, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Covered Bonds is represented by a Global Covered Bond held on behalf of, or, as the case may be, registered in the name of a common depositary (in the case of a CGCB) or common safekeeper (in the case of a NGCB) for Euroclear Bank SA/NV (**Euroclear**) and/or Clearstream Banking, société anonyme (**Clearstream, Luxembourg**) or The Depository Trust Company (**DTC**) or registered in the name of New Zealand Central Securities Depository Limited (**NZCSD**) as depository of the NZClear System maintained by the Reserve Bank of New Zealand in accordance with the NZClear Regulations (**NZClear**) (in the case of NZ Registered Covered Bonds) each person (other than Euroclear or Clearstream, Luxembourg DTC or NZClear) who is for the time being shown in the records of Euroclear, Clearstream, Luxembourg, DTC or NZClear as the holder of a particular nominal amount of such Covered Bonds (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg, DTC or NZClear as to the nominal amount of such Covered Bonds standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error and any such certificate or other document may comprise any form of statement or print out of electronic records provided by the relevant clearing system (including, without limitation, Euroclear's EasyWay or Clearstream's Xact system) in accordance with its usual procedures and in which the holder of a particular nominal amount of the Covered Bonds is clearly identified with the amount of such holding) shall be treated by the Issuer, the Covered Bond Guarantor, the Paying Agents, the Security Trustee and the Bond Trustee as the holder of such nominal amount of such Covered Bonds for all purposes other than with respect to the payment of principal or interest or other amounts on such nominal amount of such Covered Bonds, and, in the case of DTC or its nominee, voting, giving consents and making requests, for which purpose the bearer of the relevant Global Covered Bond or the registered holder of the relevant Registered Global Covered Bond shall be treated by the Issuer, the Covered Bond Guarantor, any Paying Agent, the Security Trustee and the Bond Trustee as the holder of such nominal amount of such Covered Bonds in accordance with and subject to the terms of the relevant Global Covered Bond and the expression **Covered Bondholder** and related expressions shall be construed accordingly.

Covered Bonds which are represented by a Global Covered Bond will be transferable only in accordance with the rules and procedures for the time being of DTC, Euroclear and Clearstream, Luxembourg, or NZClear as the case may be.

References to DTC, NZClear, Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits (but not in the case of any NGCB), be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms.

2. Transfers of Registered Covered Bonds

(a) Transfers of interests in Registered Global Covered Bonds

Transfers of beneficial interests in Rule 144A Global Covered Bonds (as defined below) and Regulation S Global Covered Bonds (as defined below) (together, the **Registered Global Covered Bonds**) will be effected by DTC, NZClear, Euroclear or Clearstream, Luxembourg, as the case may be, and, in turn, by other participants and, if appropriate, indirect participants in such clearing systems acting on behalf of beneficial transferors and transferees of such interests. A beneficial interest in a Registered Global Covered Bond will, subject to compliance with all applicable legal and regulatory restrictions, be exchangeable for Covered Bonds in definitive form or for a beneficial interest in another Registered Global Covered Bond only in the Specified Denominations set out in the applicable

Final Terms and only in accordance with the rules and operating procedures for the time being of DTC and its direct and indirect participants (including, if applicable, Euroclear and Clearstream, Luxembourg), NZClear, Euroclear or Clearstream, Luxembourg, as the case may be, and in accordance with the terms and conditions specified in the relevant Agency Agreement. Transfers of a Registered Global Covered Bond registered in the name of a nominee for DTC shall be limited to transfers of such Registered Global Covered Bond, in whole but not in part, to another nominee of DTC or to a successor of DTC or such successor's nominee.

(b) Transfers of Registered Covered Bonds in definitive form

Subject as provided in Conditions 2(c), 2(e) and 2(f), upon the terms and subject to the conditions set forth in the relevant Agency Agreement, a Registered Covered Bond in definitive form may be transferred in whole or in part (in the Specified Denominations set out in the applicable Final Terms). In order to effect any such transfer: (i) the holder or holders must: (A) surrender the Registered Covered Bond for registration of the transfer of the Registered Covered Bond (or the relevant part of the Registered Covered Bond) at the specified office of the relevant Registrar or the relevant Transfer Agent, with the form of transfer thereon duly executed by the holder or holders thereof or his or their attorney or attorneys duly authorised in writing; and (B) complete and deposit such other certifications as may be required by the relevant Registrar or, as the case may be, the relevant Transfer Agent; and (ii) the relevant Registrar or, as the case may be, the relevant Transfer Agent must, after due and careful enquiry, be satisfied with the documents of title and the identity of the person making the request. Any such transfer will be subject to such reasonable regulations as the Issuer and the relevant Registrar may from time to time prescribe (the initial such regulations being set out in Schedule 5 to the Principal Agency Agreement). Subject as provided above, the relevant Registrar or, as the case may be, the relevant Transfer Agent will, within three business days (being for this purpose a day on which banks are open for business in the city where the specified office of the relevant Registrar or, as the case may be, the relevant Transfer Agent is located) of the request (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations), authenticate and deliver, or procure the authentication and delivery of, at its specified office to the transferee or (at the risk of the transferee) send by uninsured mail, to such address as the transferee may request, a new Registered Covered Bond in definitive form of a like aggregate nominal amount to the Registered Covered Bond (or the relevant part of the Registered Covered Bond) transferred. In the case of the transfer of part only of a Registered Covered Bond in definitive form, a new Registered Covered Bond in definitive form in respect of the balance of the Registered Covered Bond not transferred will be so authenticated and delivered or (at the risk of the transferor) sent by uninsured mail to the address specified by the transferor.

(c) Registration of transfer upon partial redemption

In the event of a partial redemption of Covered Bonds under Condition 6, the Issuer shall not be required to register the transfer of any Registered Covered Bond, or part of a Registered Covered Bond, called for partial redemption.

(d) Costs of registration

Covered Bondholders will not be required to bear the costs and expenses of effecting any registration of transfer as provided above, except for any costs or expenses of delivery other than by regular uninsured mail and except that the Issuer may require the payment of a sum sufficient to cover any stamp duty, tax or other governmental charge that may be imposed in relation to the registration.

(e) Transfers of interests in Regulation S Global Covered Bonds

Prior to expiry of the applicable Distribution Compliance Period, transfers by the holder of, or of a beneficial interest in, a Regulation S Global Covered Bond to a transferee in the United States or who is a U.S. person will only be made upon receipt by the Registrar of a written certification substantially in the form set out in the Principal Agency Agreement, amended as appropriate (a **Transfer Certificate**), copies of which are available from the specified office of the Luxembourg Registrar or any UK Transfer Agent, from the transferor of the Covered Bond or beneficial interest therein to the effect that such transfer is being made to a person whom the transferor reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A and in accordance with any applicable securities laws of any State of the United States or any other jurisdiction.

In the circumstances set out in this Condition 2(e), such transferee may take delivery through a Legended Covered Bond in global or definitive form. Prior to the end of the applicable Distribution Compliance Period beneficial interests in Regulation S Global Covered Bonds registered in the name of a nominee for DTC may only be held through the accounts of Euroclear and Clearstream, Luxembourg. After expiry of the applicable Distribution Compliance Period: (i) beneficial interests in Regulation S Global Covered Bonds registered in the name of a nominee for DTC may be held through DTC directly, by a participant in DTC or indirectly through a participant in DTC; and (ii) such certification requirements will no longer apply to such transfers.

(f) Transfers of interests in Legended Covered Bonds

Transfers of Legended Covered Bonds or beneficial interests therein may be made:

(i) to a transferee who takes delivery of such interest through a Regulation S Global Covered Bond, upon receipt by the Luxembourg Registrar of a duly completed Transfer Certificate from the transferor to the effect that such transfer is being made in accordance with Regulation S and that, in the case of a Regulation S Global Covered Bond registered in the name of a nominee for DTC, if such transfer is being made prior to expiry of the applicable Distribution Compliance Period, the interests in the Covered Bonds being transferred will be held immediately thereafter through Euroclear and/or Clearstream, Luxembourg; or

(ii) to a transferee who takes delivery of such interest through a Legended Covered Bond where the transferee is a person whom the transferor reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A, without certification; or

(iii) otherwise pursuant to the Securities Act or an exemption therefrom, subject to receipt by the Issuer of such satisfactory evidence as the Issuer may reasonably require, which may include an opinion of U.S. counsel, that such transfer is in compliance with any applicable securities laws of any State of the United States,

and, in each case, in accordance with any applicable securities laws of any State of the United States or any other jurisdiction.

Upon the transfer, exchange or replacement of Legended Covered Bonds, or upon specific request for removal of the Legend therein, the Luxembourg Registrar shall deliver only Legended Covered Bonds or refuse to remove the Legend therein, as the case may be, unless there is delivered to the Issuer such satisfactory evidence as may reasonably be required by the Issuer, which may include an opinion of U.S. counsel, that neither the Legend nor the restrictions on transfer set forth therein are required to ensure compliance with the provisions of the Securities Act.

(g) Definitions

In the Conditions, the following expressions shall have the following meanings:

CGCB means a Temporary Global Covered Bond or a Permanent Global Covered Bond, in either case in respect of which the applicable Final Terms specify that it is not a NGCB;

Distribution Compliance Period means the period that ends 40 days after the later of the commencement of the offering and the Issue Date;

Legended Covered Bonds means Registered Covered Bonds (whether in definitive form or represented by a Registered Global Covered Bond) sold in private transactions to QIBs in accordance with the requirements of Rule 144A;

NGCB means a Temporary Global Covered Bond or a Permanent Global Covered Bond, in either case in respect of which the applicable Final Terms specify that it is a new global covered bond;

QIB means a "qualified institutional buyer" within the meaning of Rule 144A;

Regulation S means Regulation S under the Securities Act;

Regulation S Global Covered Bond means a Registered Global Covered Bond representing Covered Bonds sold outside the United States in reliance on Regulation S;

Rule 144A means Rule 144A under the Securities Act;

Rule 144A Global Covered Bond means a Registered Global Covered Bond representing Covered Bonds sold in the United States to QIBs in reliance on Rule 144A; and

Securities Act means the United States Securities Act of 1933, as amended.

3. Status of the Covered Bonds and the Covered Bond Guarantee

(a) Status of the Covered Bonds

The Covered Bonds and any relative Coupons constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank *pari passu* without any preference or priority among themselves and *pari passu* with all other present and future unsecured and unsubordinated obligations of the Issuer (other than any obligation preferred by mandatory provisions of applicable law).

(b) Status of the Covered Bond Guarantee

The payment of Guaranteed Amounts in respect of the Covered Bonds when the same shall become Due for Payment has been unconditionally and irrevocably guaranteed by the Covered Bond Guarantor (the **Covered Bond Guarantee**) as set out in the Bond Trust Deed. However, the Covered Bond Guarantor shall have no obligation under the Covered Bond Guarantee to pay any Guaranteed Amounts until the occurrence of an Issuer Event of Default, service by the Bond Trustee on the Issuer of an Issuer Acceleration Notice and service by the Bond Trustee on the Covered Bond Guarantor of a Notice to Pay or, if earlier, following the occurrence of a Covered Bond Guarantor Event of Default and service by the Bond Trustee of a Covered Bond Guarantee Acceleration Notice. The obligations of the Covered Bond Guarantor under the Covered Bond Guarantee are (following an Issuer Event of Default, service of an Issuer Acceleration Notice and service of a Notice to Pay or a Covered Bond Guarantor Event of Default and service of a Covered Bond Guarantee Acceleration Notice), direct, unconditional (subject as provided in Condition 17 (*Limited Recourse, Covered Bond Guarantee and non-petition*)) and unsubordinated obligations of the Covered Bond Guarantor, which are secured as provided in the Security Deed.

Any payment made by the Covered Bond Guarantor under the Covered Bond Guarantee shall (unless such obligation shall have been discharged as a result of the payment of Excess Proceeds to the Bond Trustee pursuant to Condition 9) discharge *pro tanto* the obligations of the Issuer in respect of such payment under the Covered Bonds and Coupons except where such payment has been declared void, voidable or otherwise recoverable in whole or in part and recovered from the Bond Trustee or the Covered Bondholders.

4. Interest

(a) Interest on Fixed Rate Covered Bonds

Each Fixed Rate Covered Bond bears interest on its Principal Amount Outstanding from (and including) the **Interest Commencement Date** at the rate(s) per annum equal to the Rate(s) of Interest payable, subject as provided in these Conditions, in arrear on the Interest Payment Date(s) in each year up to (and including) the Final Maturity Date. If a Notice to Pay is served on the Covered Bond Guarantor, the Covered Bond Guarantor shall pay Guaranteed Amounts in equivalent amounts to those described in the preceding sentence under the Covered Bond Guarantee in respect of the Covered Bonds on the Original Due for Payment Dates or, if applicable, the Extended Due for Payment Date.

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

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

If "Business Day Convention—Adjusted" is specified in the applicable Final Terms, (a) any Interest Payment Date otherwise falling on a day which is not a Business Day (as defined in Condition 4(b)(i)) will be postponed or brought forward (as applicable) in accordance with the Business Day Convention set out in the applicable Final Terms (as described below) and (b) the amount of interest payable on such Interest Payment Date will be adjusted accordingly and the provisions of subparagraph (iv) of Condition 4(b) (excluding the determination of the Rate of Interest) and (vi) of Condition 4(b) (excluding the notification of the Rate of Interest) shall apply, mutatis mutandis, as though references to "Floating Rate Covered Bonds" were to "Fixed Rate Covered Bonds" and references to "Interest Amounts" were to amounts of interest payable in respect of Fixed Rate Covered Bonds.

If "Business Day Convention—Non-Adjusted" is specified in the applicable Final Terms, any Interest Payment Date otherwise falling on a day which is not a Business Day will be postponed or brought forward (as applicable) in accordance with the Business Day Convention set out in the applicable Final Terms (as described below) and there will be no corresponding adjustment of the amount of interest or, if applicable, principal, payable on such Interest Payment Date.

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

(i) in the case of Fixed Rate Covered Bonds which are (A) represented by a Global Covered Bond or (B) Registered Covered Bonds in definitive form, the aggregate outstanding nominal

amount of (I) the Fixed Rate Covered Bonds represented by such Global Covered Bond or (II) such Registered Covered Bond; or

(ii) in the case of Fixed Rate Covered Bonds which are Bearer Covered Bonds in definitive form, the Calculation Amount,

and in each case, multiplying such sum by the applicable Day Count Fraction. The resultant figure (including after application of any Fixed Coupon Amount or Broken Amount, as applicable, to the Calculation Amount in the case of Fixed Rate Covered Bonds which are Bearer Covered Bonds in definitive form) shall be rounded to the nearest sub-unit of the relevant Specified Currency, with half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

Where the Specified Denomination of a Fixed Rate Covered Bond which is a Bearer Covered Bond in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of such Fixed Rate Covered Bond shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

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

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

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

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

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

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

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

(iii) if **NZ Government Bond Basis** is specified in the applicable Final Terms:

(A) for amounts paid and/or calculated in respect of Interest Payment Dates, one divided by the number of Interest Payment Dates in a year; and

(B) for amounts paid and/or calculated in respect of dates other than Interest Payment Dates, Actual/Actual (ICMA).

In these Conditions:

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

Original Due for Payment Date means, in respect of the payment of Guaranteed Amounts, prior to the occurrence of a Covered Bond Guarantor Event of Default and following the delivery of a Notice to Pay on the Covered Bond Guarantor, the date on which the Scheduled Payment Date in respect of such Guaranteed Amounts is reached, or, if later, the day which is two Business Days following service of a Notice to Pay on the Covered Bond Guarantor in respect of such Guaranteed Amounts, or if the applicable Final Terms specify that an Extended Due for Payment Date is applicable to the relevant Series of Covered Bonds, the Scheduled Payment Date that would have applied if the Final Maturity Date of such Series of Covered Bonds had been the Extended Due for Payment Date.

Principal Amount Outstanding means in respect of a Covered Bond on any day the principal amount of that Covered Bond on the relevant Issue Date thereof less principal amounts received by the relevant Covered Bondholder in respect thereof on or prior to that day.

sub-unit means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, euro 0.01.

(b) Interest on Floating Rate Covered Bonds

(i) Interest Payment Dates

Each Floating Rate Covered Bond bears interest on its Principal Amount Outstanding from (and including) the Interest Commencement Date and such interest will be payable in arrear on either:

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

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

Such interest will be payable in respect of each Interest Period. In these Conditions, the expression **Interest Period** shall mean the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date or the relevant payment date if the Covered Bonds become payable on a date other than the Interest Payment Date.

Business Day Convention

In respect of any Covered Bond, for the purposes of these Terms and Conditions, if a Business Day Convention is specified in the applicable Final Terms and (x) in the case of any Interest Payment Date, if there is no numerically corresponding day in the calendar month in which such Interest Payment Date should occur or (y) in the case of any Interest Payment Date, Maturity Date or Optional Redemption Date, if such date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

I. in any case where Specified Periods are specified in accordance with Condition 4(b)(i)(B) above, the **Floating Rate Convention**, such Interest Payment Date: (i) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of paragraph (II) below shall apply *mutatis mutandis*; or (ii) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (1) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (2) each subsequent Interest Payment Date shall be the last Business Day in the month which falls in the Specified Period after the preceding applicable Interest Payment Date occurred;

II. the **Following Business Day Convention**, such date shall be postponed to the next day which is a Business Day;

III. the **Modified Following Business Day Convention**, such date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day; or

IV. the **Preceding Business Day Convention**, such date shall be brought forward to the immediately preceding Business Day.

In these Conditions, **Business Day** means:

(A) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in New Zealand and, if the Covered Bonds are not NZ Registered Covered Bonds, in London and any Additional Business Centre specified in the applicable Final Terms; and

(B) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency and which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney or New Zealand, respectively or (2) in relation to any Covered Bonds denominated or payable in euro, a day on which the Trans-European Automated Real-time Gross Settlement Express Transfer System or any successor to or replacement for that system (**T2**) is open.

(ii) Rate of Interest

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

(A) Screen Rate Determination for Floating Rate Covered Bonds referencing a term rate

(1) Where "Screen Rate Determination – Term Rate" is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will, subject to Condition 4(d) and subject as provided below, be either:

(I) the offered quotation (if there is only one quotation on the Relevant Screen Page); or

(II) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards or, in the case of NZ Registered Covered Bonds only, rounded if necessary to the fourth decimal place, with 0.00005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which either (i) in the case of NZ Registered Covered Bonds, appears or appear, as the case may be, on the Relevant Screen Page as at 10.45 a.m. (New Zealand time) on the Interest Determination Date in question plus or minus the Margin (if any), all as determined by the NZ Paying Agent, or (ii) otherwise, appears or appear, as the case may be, on the Relevant Screen Page as at 11.00 a.m. Brussels time (in the case of the Euro-zone inter-bank offered rate (**EURIBOR**)), at 11.00 a.m. Hong Kong time (in the case of the Hong Kong inter-bank offered rate (**HIBOR**)), at 12.00 noon Oslo time (in the case of the Oslo inter-bank offered rate (**NIBOR**)) or (in the case of any other Reference Rate) local time in the relevant financial centre specified in the applicable Final Terms on the Interest Determination Date in question plus or minus the Margin (if any), all as determined by the UK Paying Agent or other party responsible for the calculation of the Rate of Interest as specified in the applicable Final Terms (and references in this Condition 4(b)(ii)(A) to "UK Paying Agent" shall be construed accordingly) or the Calculation Agent responsible for the calculation of the Rate of Interest as specified in the applicable Final Terms (and references in this Condition 4(b)(ii)(A) to "UK Paying Agent" and "relevant Principal Paying Agent" shall be construed accordingly). 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 relevant Principal Paying Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

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

(3) If on any Interest Determination Date one only or none of the Reference Banks provides the relevant Principal Paying Agent with an offered quotation as provided in the preceding paragraph, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the relevant Principal Paying Agent determines as being the arithmetic mean (rounded as provided above) of the rates, as communicated to (and at the request of) the relevant Principal Paying Agent by the Reference Banks or any two or more of them, at which such banks were offered, at approximately the time specified in the paragraph above on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in the Euro-zone inter-bank market (if the Reference Rate is EURIBOR), the Hong Kong inter-bank offered rate (if the Reference Rate is HIBOR), the Norwegian inter-bank offered rate (if the Reference Rate is NIBOR) plus or minus (as appropriate) the Margin (if any) or, if fewer than two of the Reference Banks provide the relevant Principal Paying Agent with offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, at approximately the time specified in the previous paragraph on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for the purpose) informs (at the request of the Issuer) the relevant Principal Paying Agent it is quoting to leading banks in the Euro-zone inter-bank market (if the Reference Rate is EURIBOR), the Hong Kong inter-bank offered rate (if the Reference Rate is HIBOR), the Norwegian inter-bank offered rate (if the Reference Rate is NIBOR) plus or minus (as appropriate) the Margin (if any), provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this Condition 4(b)(ii)(A), the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin, Maximum Rate of Interest and/or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin, Maximum Rate of Interest and/or Minimum Rate of Interest (as the case may be) relating to the relevant Interest Period in place of the Margin, Maximum Rate of Interest and/or Minimum Rate of Interest (as applicable) relating to that last preceding Interest Period).

(4) In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions, the Rate of Interest shall be, if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Series of Covered Bonds for the first scheduled Interest Period had the Covered Bonds been in issue for a period equal in duration to the first scheduled Interest Period but ending on (and excluding) the Interest Commencement Date (and applying the Margin and, if applicable, any Maximum Rate of Interest and/or Minimum Rate of Interest, applicable to the first scheduled Interest Period).

For the purposes of this Condition 4(b)(ii)(A):

Interest Determination Date shall mean the date specified as such in the Final Terms or if none is so specified:

(i) if the Reference Rate is HIBOR, the first day of each Interest Period;

(ii) if the Reference Rate is EURIBOR, the second day on which T2 is open prior to the start of each Interest Period; or

(iii) if the Reference Rate is NIBOR, the second Oslo business day prior to the start of each Interest Period.

Reference Banks shall mean (i) in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market; (ii) in the case of a determination of HIBOR, four major banks in the Hong Kong inter-bank market; and (iii) in the case of a determination of NIBOR, four major banks in the Oslo inter-bank market, in each case, selected by the Issuer or as specified in the applicable Final Terms.

Reference Rate means (i) EURIBOR, (ii) HIBOR, or (iii) NIBOR, as specified in the applicable Final Terms, in each case, for the relevant period or in respect of the relevant date.

Relevant Financial Centre shall mean Brussels, in the case of a determination of EURIBOR, Hong Kong, in the case of a determination of HIBOR, and Oslo, in the case of a determination of NIBOR, or as specified in the applicable Final Terms.

Relevant Time shall mean (i) in the case of EURIBOR, 11.00 a.m., (ii) in the case of HIBOR 11.00 a.m., and (iii) in the case of NIBOR, 12.00 noon, each as specified in the applicable Final Terms.

(B) Screen Rate Determination for Floating Rate Covered Bonds referencing SOFR

(1) Where "Screen Rate Determination – SOFR" is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined and the Calculation Method is specified in the applicable Final Terms as being "Compounded Daily SOFR Formula", the Rate of Interest for an Interest Period will, subject as provided below, be the Compounded Daily SOFR Formula Rate with respect to such Interest Period plus or minus (as indicated in the applicable Final Terms) the Margin (if any).

Compounded Daily SOFR Formula Rate means, with respect to an Interest Period, the rate of return of a daily compound interest investment in U.S. dollars (with the Secured Overnight Financing Rate as the reference rate for the calculation of interest) as calculated by the Principal Paying Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms) on the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the nearest fifth decimal place, with 0.000005 being rounded upwards):

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{SOFR_i \times n_i}{360}\right)-1\right]\times\frac{360}{d}$$

where:

d is the number of calendar days in:

(a) where "Lookback" is specified as the Observation Method in the applicable Final Terms, the relevant Interest Period; or

(b) where "Observation Shift" is specified as the Observation Method in the applicable Final Terms, the relevant Observation Period;

d_o is the number of U.S. Government Securities Business Days in:

(a) where "Lookback" is specified as the Observation Method in the applicable Final Terms, the relevant Interest Period; or

(b) where "Observation Shift" is specified as the Observation Method in the applicable Final Terms, the relevant Observation Period;

i is a series of whole numbers from one to d_o, each representing the relevant U.S. Government Securities Business Day in chronological order from, and including, the first U.S. Government Securities Business Day in:

(a) where "Lookback" is specified as the Observation Method in the applicable Final Terms, the relevant Interest Period; or

(b) where "Observation Shift" is specified as the Observation Method in the applicable Final Terms, the relevant Observation Period;

n_i, for any U.S. Government Securities Business Day "i", means the number of calendar days from (and including) such U.S. Government Securities Business Day "i" up to (but excluding) the following U.S. Government Securities Business Day;

Observation Period means, in respect of an Interest Period, the period from (and including) the date falling "*p*" U.S. Government Securities Business Days prior to the first day of the relevant Interest Period to (but excluding) the date falling "*p*" U.S. Government Securities Business Days prior to (I) the Interest Payment Date for such Interest Period or (II) if applicable, the relevant payment date if the Covered Bonds become due and payable on a date other than an Interest Payment Date;

p means:

(a) where "Lookback" is specified as the Observation Method in the applicable Final Terms, the number of U.S. Government Securities Business Days included in the "Lookback Period (*p*)" in the applicable Final Terms (or, if no such number is so specified, five U.S. Government Securities Business Days); or

(b) where "Observation Shift" is specified as the Observation Method in the applicable Final Terms, the number of U.S. Government Securities Business Days included in the "Observation Shift Period" in the applicable Final Terms (or, if no such number is so specified, five U.S. Government Securities Business Days);

SOFR means, in respect of any U.S. Government Securities Business Day, a rate determined in accordance with the following provisions:

(I) the Secured Overnight Financing Rate published for such U.S. Government Securities Business Day that appears on the SOFR Administrator's Website at or about 3.00 p.m. (New York City time) on the U.S. Government Securities Business Day immediately following such U.S. Government Securities Business Day; and

(II) if the rate specified in paragraph (I) above does not so appear, unless both a Benchmark Transition Event and its related Benchmark Replacement Date have occurred, then the Principal Paying Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms) shall use the Secured Overnight Financing Rate published on the SOFR Administrator's Website for the first preceding U.S. Government Securities Business Day on which the Secured Overnight Financing Rate was published on the SOFR Administrator's Website;

$SOFR_i$ means, in respect of any U.S. Government Securities Business Day "i":

(a) where "Lookback" is specified as the Observation Method in the applicable Final Terms, SOFR in respect of the U.S. Government Securities Business Day falling "*p*" U.S. Government Securities Business Days prior to the relevant U.S. Government Securities Business Day "i"; or

(b) where "Observation Shift" is specified as the Observation Method in the applicable Final Terms, SOFR in respect of such U.S. Government Securities Business Day "i"; and

U.S. Government Securities Business Day means any day except for a Saturday, a Sunday or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for the purposes of trading in U.S. government securities.

Certain other capitalised terms used in the foregoing terms and provisions relating to determination of the Compounded Daily SOFR Formula Rate have the meanings set forth under Condition 4(b)(ii)(B)(5) below.

Notwithstanding anything to the contrary, if both a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to determining the Compounded Daily SOFR Formula Rate, the benchmark replacement provisions set forth in Condition 4(b)(ii)(B)(5) below shall apply for the purposes of all determinations of the Rate of Interest in respect of the Covered Bonds.

(2) Where "Screen Rate Determination – SOFR" is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, and the Calculation Method is specified in the applicable Final Terms as being "SOFR Index Determination", the Rate of Interest for an Interest Period will, subject as provided below, be the Compounded SOFR Index Rate with respect to such Interest Period plus or minus (as indicated in the applicable Final Terms) the Margin (if any).

Compounded SOFR Index Rate means, with respect to an Interest Period, the rate of return of a daily compound interest investment in U.S. dollars as calculated by the Principal Paying Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms) on the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the nearest fifth decimal place, with 0.000005 being rounded upwards):

$$\left(\frac{SOFR\ Index_{End}}{SOFR\ Index_{Start}} - 1\right) \times \frac{360}{d}$$

where:

d is the number of calendar days from (and including) the day in relation to which "SOFR $Index_{Start}$" is determined to (but excluding) the day in relation to which "SOFR $Index_{End}$" is determined (being the number of calendar days in the applicable reference period);

Relevant Number is as specified in the applicable Final Terms;

SOFR $Index_{End}$ means the SOFR Index value relating to the U.S. Government Securities Business Day falling the Relevant Number of U.S. Government Securities Business Days prior to (I) the Interest Payment Date for the relevant Interest Period or (II) if applicable, the relevant payment date if the Covered Bonds become due and payable on a date other than an Interest Payment Date;

SOFR $Index_{Start}$ means the SOFR Index value relating to the U.S. Government Securities Business Day falling the Relevant Number of U.S. Government Securities Business Days prior to the first date of the relevant Interest Period;

the **SOFR Index** means, with respect to any U.S. Government Securities Business Day, prior to a Benchmark Replacement Date:

(I) the SOFR Index published for such U.S. Government Securities Business Day as such value appears on the SOFR Administrator's Website at 3:00 p.m. (New York City time) on such U.S. Government Securities Business Day; provided that

(II) if the SOFR $Index_{Start}$ or the SOFR $Index_{End}$ does not appear on the SOFR Administrator's Website on the relevant Interest Determination Date and a Benchmark Transition Event and its related Benchmark Replacement Date have not occurred with respect to the Compounded SOFR Index Rate, the Compounded SOFR Index Rate for the applicable Interest Period for which such SOFR Index is not available shall be the "Compounded Daily SOFR Formula Rate" determined in accordance with Condition 4(b)(ii)(B)(1) above as if the Calculation Method specified in the applicable Final Terms were "Compounded Daily SOFR Formula" (and not "SOFR Index Determination"), and for these purposes: (i) the "Observation Method" shall be deemed to be "Observation Shift", and (ii) the "Observation Shift Period" shall be deemed to be equal to the Relevant Number of U.S. Government Securities Business Days, as

if those alternative elections had been made in the applicable Final Terms; and

U.S. Government Securities Business Day has the meaning set out in Condition 4(b)(ii)(B)(1) above.

Certain other capitalised terms used in the foregoing terms and provisions relating to determination of the Compounded SOFR Index Rate have the meanings set forth under Condition 4(b)(ii)(B)(5) below.

Notwithstanding anything to the contrary, if both a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to determining the Compounded SOFR Index Rate, the benchmark replacement provisions set forth in Condition 4(b)(ii)(B)(5) below shall apply for the purposes of all determinations of the Rate of Interest in respect of the Covered Bonds.

(3) Where "Screen Rate Determination - SOFR" is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, and the Calculation Method is specified in the applicable Final Terms as being "Average SOFR", the Rate of Interest for an Interest Period will, subject as provided below, be the Average SOFR Rate with respect to such Interest Period plus or minus (as indicated in the applicable Final Terms) the Margin (if any).

Average SOFR Rate means, with respect to an Interest Period, the arithmetic mean of SOFR in effect during such Interest Period as calculated by the Principal Paying Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms) on the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the nearest fifth decimal place, with 0.000005 being rounded upwards):

$$\frac{\sum_{i=1}^{d_o} SOFR_i \times n_i}{d}$$

where **d**, $\mathbf{d_o}$, **i**, $\mathbf{n_i}$, **SOFR** and $\mathbf{SOFR_i}$ have the meanings set out in Condition 4(b)(ii)(B)(1) above.

Notwithstanding anything to the contrary, if both a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to determining the Average SOFR Rate, the benchmark replacement provisions set forth in Condition 4(b)(ii)(B)(5) below shall apply for the purposes of all determinations of the Rate of Interest in respect of the Covered Bonds.

(4) If the relevant Series of Covered Bonds becomes due and payable in accordance with Condition 9, the final Rate of Interest shall be calculated for the period from (and including) the previous Interest Payment Date to (but excluding) the date on which the Covered Bonds become so due and payable, and such Rate of Interest shall continue to apply to the Covered Bonds for so long as interest continues to accrue thereon as provided in Condition 4(c) and the Trust Deed.

(5) Notwithstanding any other provisions in these Conditions, if:

(x) the Benchmark is SOFR; and

(y) any Rate of Interest (or any component part thereof) remains to be determined by reference to the Benchmark,

then the following provisions of this Condition 4(b)(ii)(B)(5) shall apply.

(I) Benchmark Replacement

If the Issuer or its designee determines prior to the Reference Time on the relevant Interest Determination Date that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to the then-current Benchmark, the Benchmark Replacement will replace the then-current Benchmark for all purposes relating to the Covered Bonds in respect of all determinations on such date and all determinations on all subsequent dates (subject to any subsequent application of this Condition 4(b)(ii)(B)(5) with respect to such Benchmark Replacement).

In the event that the Issuer or its designee is unable to, or does not, determine a Benchmark Replacement, or a Benchmark Replacement is not implemented in accordance with this Condition 4(b)(ii)(B)(5), prior to 5:00 p.m. (New York City time) on the relevant Interest Determination Date, the Rate of Interest for the relevant Interest Period shall be:

(1) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin, Maximum Rate of Interest and/or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin, Maximum Rate of Interest and/or Minimum Rate of Interest (as the case may be) relating to the relevant Interest Period, in place of the Margin, Maximum Rate of Interest and/or Minimum Rate of Interest (as applicable) relating to that last preceding Interest Period); or

(2) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Series of Covered Bonds for the first scheduled Interest Period had the Covered Bonds been in issue for a period equal in duration to the first scheduled Interest Period but ending on (and excluding) the Interest Commencement Date (and applying the Margin and, if applicable, any Maximum Rate of Interest and/or Minimum Rate of Interest, applicable to the first scheduled Interest Period).

(II) Benchmark Replacement Conforming Changes

In connection with the implementation of a Benchmark Replacement, the Issuer or its designee will have the right to make Benchmark Replacement Conforming Changes from time to time.

At the request of the Issuer, but subject to receipt by the Bond Trustee and the Principal Paying Agent of the certificate referred to in Condition 4(b)(ii)(B)(5)(IV) below and subject as provided below, the Bond Trustee and the Agents (as applicable) shall (at the expense of the Issuer), without any requirement for the consent or approval of Covered Bondholders, Receiptholders or Couponholders and without liability to the Covered Bondholders or any other person, be obliged to concur with the Issuer in effecting any Benchmark Replacement Conforming Changes (including, *inter alia*, by the execution of a deed supplemental to or amending the Trust Deed) with effect from the date specified in the notice referred to in Condition 4(b)(ii)(B)(5)(IV) below.

Notwithstanding any other provision of this Condition 4(b)(ii)(B)(5)(II), neither the Bond Trustee nor any Agent (as applicable) shall be obliged to concur with the Issuer in respect of any Benchmark Replacement Conforming Changes which, in the sole opinion of the Bond Trustee or the relevant Agent (as applicable), would (i) expose the Bond Trustee or the relevant Agent (as applicable) to any additional liability or (ii) increase the obligations or duties, or decrease the rights or protections, afforded to the Bond Trustee or the relevant Agent (as applicable) in the Trust Deed (including, for the avoidance of doubt, any supplemental trust deed), the Agency Agreement and/or these Conditions.

(III) Decisions and Determinations

Any determination, decision or election that may be made by the Issuer or its designee pursuant to this Condition 4(b)(ii)(B)(5), including (without limitation) any determination with respect to a tenor, rate or adjustment or the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error, may be made in the Issuer's or its designee's sole discretion (as applicable), and, notwithstanding anything to the contrary in these Conditions or the Trust Deed, shall become effective without any requirement for the consent or approval of the Covered Bondholders, Receiptholders, Couponholders or any other party.

In connection with any Benchmark Replacement Conforming Changes in accordance with this Condition 4(b)(ii)(B)(5), if and for so long as the Covered Bonds are admitted to trading and listed on the official list of a stock exchange, the Issuer shall comply with the rules of that stock exchange.

(IV) Notice and Certification

Any Benchmark Replacement Conforming Changes determined under this Condition 4(b)(ii)(B)(5) shall be notified promptly (in any

case, not less than five Business Days prior to the relevant Interest Determination Date) by the Issuer to the Bond Trustee, the party responsible for determining the Rate of Interest (being the Principal Paying Agent or other such party specified in the applicable Final Terms, as applicable) and, in accordance with Condition 13, the Covered Bondholders. Such notice shall be irrevocable and shall specify the effective date of such Benchmark Replacement Conforming Changes.

No later than notifying the Bond Trustee and the party responsible for determining the Rate of Interest (being the Principal Paying Agent or such other party specified in the applicable Final Terms, as applicable) of the same, the Issuer shall deliver to each of the Bond Trustee and the Principal Paying Agent a certificate (on which each of the Bond Trustee and the Principal Paying Agent shall be entitled to rely without further enquiry or liability) signed by two Authorised Signatories (as defined in the Trust Deed) of the Issuer confirming (i) that a Benchmark Transition Event has occurred, (ii) the Benchmark Replacement, and (iii) the specific terms of any Benchmark Replacement Conforming Changes, in each case as determined in accordance with the provisions of this Condition 4(b)(ii)(B)(5).

If, following the occurrence of a Benchmark Transition Event and its related Benchmark Replacement Date, any Benchmark Replacement is notified to the Principal Paying Agent or any other party specified in the applicable Final Terms as being responsible for determining the Rate of Interest pursuant to this Condition 4(b)(ii)(B)(5), and the Principal Paying Agent or such other responsible party (as applicable) is in any way uncertain as to the application of such Benchmark Replacement in the calculation or determination of any Rate of Interest, it shall promptly notify the Issuer thereof and the Issuer or its designee shall direct the Principal Paying Agent or such other party (as applicable) in writing as to which course of action to adopt in the application of such Benchmark Replacement in the determination of such Rate of Interest. If the Principal Paying Agent or such other party specified in the applicable Final Terms as being responsible for determining the Rate of Interest is not promptly provided with such direction, it shall notify the Issuer thereof, and the Principal Paying Agent or such other party (as applicable) shall be under no obligation to make such calculation or determination and shall not incur any liability for not doing so. For the avoidance of doubt, for the period that the Principal Paying Agent or such other party (as applicable) remains uncertain of the application of the Benchmark Replacement in the calculation or determination of any Rate of Interest, the original Benchmark and any other applicable fallback provisions provided for in this Condition 4(b) and/or the applicable Final Terms, as the case may be, will continue to apply.

(V) Definitions

In this Condition 4(b)(ii)(B)(5):

Benchmark means, initially, SOFR (provided that if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to SOFR (or the published daily SOFR used in the calculation thereof) or any Benchmark which has replaced it in accordance with this Condition 4(b)(ii)(B)(5), then the term "**Benchmark**" means the applicable Benchmark Replacement);

Benchmark Replacement means the first alternative set forth in the order below that can be determined by the Issuer or its designee as of the Benchmark Replacement Date:

(A) the sum of: (1) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark and (2) the Benchmark Replacement Adjustment;

(B) the sum of: (1) the ISDA Fallback Rate and (2) the Benchmark Replacement Adjustment; or

(C) the sum of: (1) the alternate rate of interest that has been selected by the Issuer or its designee as the replacement for the then-current Benchmark giving due consideration to any industry-accepted rate of interest as a replacement for the then-current Benchmark for U.S. dollar denominated floating rate covered bonds at such time and (2) the Benchmark Replacement Adjustment;

Benchmark Replacement Adjustment means the first alternative set forth in the order below that can be determined by the Issuer or its designee as of the Benchmark Replacement Date:

(A) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;

(B) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, then the ISDA Fallback Adjustment; or

(C) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer or its designee giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar denominated floating rate covered bonds at such time;

Benchmark Replacement Conforming Changes means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the

definition of Interest Period, timing and frequency of determining rates and making payments of interest, rounding amounts or tenors, and other administrative matters) that the Issuer or its designee decides may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Issuer or its designee decides that adoption of any portion of such market practice is not administratively feasible or if the Issuer or its designee determines that no market practice for use of the Benchmark Replacement exists, in such other manner as the Issuer or its designee determines is reasonably necessary);

Benchmark Replacement Date means the earliest to occur of the following events with respect to the then-current Benchmark (including the daily published component used in the calculation thereof):

(A) in the case of paragraph (A) or (B) of the definition of "Benchmark Transition Event", the later of (1) the date of the public statement or publication of information referenced therein and (2) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark (or such component); or

(B) in the case of paragraph (C) of the definition of "Benchmark Transition Event", the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time on the relevant Interest Determination Date, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination;

Benchmark Transition Event means the occurrence of one or more of the following events with respect to the then-current Benchmark (including the daily published component used in the calculation thereof):

(A) a public statement or publication of information by or on behalf of the administrator of the Benchmark (or such component) announcing that such administrator has ceased or will cease to provide the Benchmark (or such component), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark (or such component);

(B) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark (or such component), the central bank for the currency of the Benchmark (or such component), an insolvency official with jurisdiction over the administrator for the Benchmark (or such component), a resolution authority with jurisdiction

over the administrator for the Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for the Benchmark (or such component), which states that the administrator of the Benchmark (or such component) has ceased or will cease to provide the Benchmark (or such component) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark (or such component); or

(C) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark announcing that the Benchmark is no longer representative;

designee means an affiliate or any other agent of the Issuer;

ISDA Definitions means the 2021 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time;

ISDA Fallback Adjustment means the spread adjustment (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Benchmark;

ISDA Fallback Rate means the rate that would apply for derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the Benchmark for the applicable tenor excluding the applicable ISDA Fallback Adjustment;

Reference Time with respect to any determination of the Benchmark means (A) if the Benchmark is SOFR, 3:00 p.m. (New York City time) or such other time as is reasonably agreed between the Issuer or its designee and the Principal Paying Agent, and (B) if the Benchmark is not SOFR, the time determined by the Issuer or its designee in accordance with the Benchmark Replacement Conforming Changes;

Relevant Governmental Body means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto;

SOFR with respect to any day means the Secured Overnight Financing Rate published for such day by the SOFR Administrator on the SOFR Administrator's Website;

SOFR Administrator means the Federal Reserve Bank of New York (or a successor administrator of SOFR);

SOFR Administrator's Website means the website of the Federal Reserve Bank of New York, or any successor source; and

Unadjusted Benchmark Replacement means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

(C) Screen Rate Determination for Floating Rate Covered Bonds referencing SONIA

(1) Where "Screen Rate Determination – SONIA" is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined and the Calculation Method is specified in the applicable Final Terms as being "Compounded Daily SONIA Formula", the Rate of Interest for an Interest Period will, subject as provided below, be the Compounded Daily SONIA Formula Rate with respect to such Interest Period plus or minus (as indicated in the applicable Final Terms) the Margin (if any).

Compounded Daily SONIA Formula Rate means, with respect to an Interest Period, the rate of return of a daily compound interest investment in Sterling (with the Sterling Overnight Index Average (**SONIA**) as the reference rate for the calculation of interest) as calculated by the Principal Paying Agent (or the Calculation Agent responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms) on the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded if necessary to the nearest fourth decimal place, with 0.00005 being rounded upwards):

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{SONIA_{i\text{-}pLBD}\times n_i}{365}\right)-1\right]\times\frac{365}{d}$$

where:

d is the number of calendar days in:

(a) where "Lag" is specified as the Observation Method in the applicable Final Terms, the relevant Interest Period; or

(b) where "Observation Shift" is specified as the Observation Method in the applicable Final Terms, the relevant Observation Period;

$\mathbf{d_o}$ is the number of London Banking Days in:

(a) where "Lag" is specified as the Observation Method in the applicable Final Terms, the relevant Interest Period; or

(b) where "Observation Shift" is specified as the Observation Method in the applicable Final Terms, the relevant Observation Period;

i is a series of whole numbers from one to d_o, each representing the relevant London Banking Day in chronological order from, and including, the first London Banking Day in:

(a) where "Lag" is specified as the Observation Method in the applicable Final Terms, the relevant Interest Period; or

(b) where "Observation Shift" is specified as the Observation Method in the applicable Final Terms, the relevant Observation Period;

London Banking Day means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

$\mathbf{n_i}$, for any London Banking Day "i", means the number of calendar days from (and including) such London Banking Day "i" up to (but excluding) the following London Banking Day;

Observation Period means, in respect of an Interest Period, the period from (and including) the date falling "*p*" London Banking Days prior to the first day of the relevant Interest Period to (but excluding) the date falling "*p*" London Banking Days prior to (I) the Interest Payment Date for such Interest Period or (II) if applicable, the relevant payment date if the Covered Bonds become due and payable on a date other than an Interest Payment Date;

p means:

(a) where "Lag" is specified as the Observation Method in the applicable Final Terms, the number of London Banking Days included in the "Lag Lookback Period (*p*)" in the applicable Final Terms (or, if no such number is so specified, five London Banking Days); or

(b) where "Observation Shift" is specified as the Observation Method in the applicable Final Terms, the number of London Banking Days included in the "Observation Shift Period" in the applicable Final Terms (or, if no such number is so specified, five London Banking Days);

SONIA Reference Rate means, in respect of any London Banking Day a reference rate equal to the daily SONIA rate for such London Banking Day as provided by the administrator of SONIA to authorised distributors and as then published on the Relevant Screen Page (or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors) on the London Banking Day immediately following such London Banking Day; and

$\mathbf{SONIA_i}$ means, in respect of any London Banking Day "i":

(a) where "Lag" is specified as the Observation Method in the applicable Final Terms, the SONIA reference rate in respect of the London Banking Day falling "*p*" London Banking Days prior to the relevant London Banking Day "i"; or

(b) where "Observation Shift" is specified as the Observation Method in the applicable Final Terms, the SONIA reference rate in respect of the relevant London Banking Day "i".

(2) Where "Screen Rate Determination – SONIA" is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, and the Calculation Method is specified in the applicable Final Terms as being "SONIA Index Determination", the Rate of Interest for an Interest Period will, subject as provided below, be the SONIA Compounded Index Rate with respect to such Interest Period plus or minus (as indicated in the applicable Final Terms) the Margin (if any).

SONIA Compounded Index Rate means, with respect to an Interest Period, the rate of return of a daily compound interest investment in Sterling as calculated by the Principal Paying Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms) on the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the nearest fourth decimal place, with 0.00005 being rounded upwards):

$$\left(\frac{SONIA\ Compounded\ Index_{End}}{SONIA\ Compounded\ Index_{Start}} - 1\right) \times \frac{365}{d}$$

where:

d is the number of calendar days from (and including) the day in relation to which "SONIA Compounded Index$_{Start}$" is determined to (but excluding) the day in relation to which "SONIA Compounded Index$_{End}$" is determined (being the number of calendar days in the applicable reference period);

London Banking Day has the meaning set out in Condition 4(b)(ii)(C)(1) above;

Relevant Number is as specified in the applicable Final Terms;

SONIA Compounded Index$_{End}$ means the SONIA Compounded Index value relating to the London Banking Day falling the Relevant Number of London Banking Days prior to (I) the Interest Payment Date for the relevant Interest Period or (II) if applicable, the relevant payment date if the Covered Bonds become due and payable on a date other than an Interest Payment Date;

SONIA Compounded Index$_{Start}$ means the SONIA Compounded Index value relating to the London Banking Day falling the Relevant Number of London Banking Days prior to the first day of the relevant Interest Period; and

SONIA Compounded Index means, with respect to any London Banking Day, the value of the SONIA compounded index that is provided by the administrator of the SONIA reference rate to authorised distributors and as then published on the Relevant Screen Page (or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors) in respect of such London Banking Day.

If the relevant SONIA Compounded Index required to determine SONIA Compounded $\text{Index}_{\text{Start}}$ or SONIA Compounded $\text{Index}_{\text{End}}$ is not published or displayed by the administrator of the SONIA reference rate or other information service at the Relevant Time specified in the applicable Final Terms (or, if later, by the time falling one hour after the customary or scheduled time for publication thereof in accordance with the then-prevailing operational procedures of the administrator of the SONIA reference rate or such other information service, as the case may be) on the relevant Interest Determination Date, the SONIA Compounded Index Rate for the applicable Interest Period for which the SONIA Compounded Index is not available shall be the "Compounded Daily SONIA Formula Rate" determined in accordance with Condition 4(b)(ii)(C)(1) above as if the Calculation Method specified in the applicable Final Terms were "Compounded Daily SONIA Formula" (and not "SONIA Index Determination"), and for these purposes: (i) the "Observation Method" shall be deemed to be "Observation Shift", and (ii) the "Observation Shift Period" shall be deemed to be equal to the Relevant Number of London Banking Days, as if those alternative elections had been made in the applicable Final Terms.

(3) Where "Screen Rate Determination - SONIA" is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, and the Calculation Method is specified in the applicable Final Terms as being "Average SONIA", the Rate of Interest for an Interest Period will, subject as provided below, be the Average SONIA Rate with respect to such Interest Period plus or minus (as indicated in the applicable Final Terms) the Margin (if any).

Average SONIA Rate means, with respect to an Interest Period, the arithmetic mean of the SONIA reference rate in effect during such Interest Period as calculated by the Principal Paying Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms) on the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the nearest fourth decimal place, with 0.00005 being rounded upwards):

$$\frac{\sum_{i=1}^{d_o} SONIA_i \times n_i}{d}$$

where **d**, $\mathbf{d_o}$, **i**, $\mathbf{n_i}$, **SONIA reference rate** and $\mathbf{SONIA_i}$ have the meanings set out in Condition 4(b)(ii)(C)(1) above.

(4) For the purposes of Conditions 4(b)(ii)(C)(1) and 4(b)(ii)(C)(3) above, and, subject to Condition 4(d) below, if, in respect of any London Banking Day in the relevant Observation Period or the relevant Interest Period, as applicable, the UK Paying Agent (or the Calculation Agent responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms) determines that the applicable SONIA reference rate has not been made available on the Relevant Screen Page or has not otherwise been published by the relevant authorised distributors, then the UK Paying Agent (or the Calculation Agent responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms, as applicable) shall determine the SONIA reference rate in respect of such London Banking Day as being:

(I) (i) the Bank of England's Bank Rate (the **Bank Rate**) prevailing at 5.00 p.m. (London time) (or, if earlier, close of business) on such London Banking Day; plus (ii) the mean of the spread of the SONIA reference rate to the Bank Rate over the previous five London Banking Days in respect of which the SONIA reference rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and the lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) to the Bank Rate; or

(II) if the Bank Rate under (I)(i) above is not available at the relevant time, either (A) the SONIA reference rate published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) for the first preceding London Banking Day in respect of which the SONIA reference rate was published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) or (B) if this is more recent, the latest rate determined under (I)(i) above,

and in each case "**SONIA reference rate**" shall be interpreted accordingly.

(5) In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions, the Rate of Interest shall be:

(A) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin, Maximum Rate of Interest and/or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin, Maximum Rate of Interest and/or Minimum Rate of Interest (as the case may be) relating to the relevant Interest Period, in place of the Margin, Maximum Rate of Interest and/or Minimum Rate of Interest (as applicable) relating to that last preceding Interest Period); or

(B) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Series of Covered Bonds for the first scheduled Interest Period had the Covered Bonds been in issue for a period equal in duration to the first scheduled Interest Period but ending on (and excluding) the Interest Commencement Date (and applying the Margin and, if applicable, any Maximum Rate of Interest and/or Minimum Rate of Interest, applicable to the first scheduled Interest Period),

in each case as determined by the Principal Paying Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms, as applicable).

(6) If the relevant Series of Covered Bonds becomes due and payable in accordance with Condition 9, the final Rate of Interest shall be calculated for the Interest Period to (but excluding) the date on which the Covered Bonds become so due and payable, and such Rate of Interest shall continue to apply to the Covered Bonds for so long as interest continues to accrue thereon as provided in Condition 4(c) and the Bond Trust Deed.

(D) Screen Rate Determination for Floating Rate Covered Bonds referencing CORRA

(1) Where "Screen Rate Determination – CORRA" is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, and the Calculation Method is specified in the applicable Final Terms as being "Compounded Daily CORRA Formula", the Rate of Interest for an Interest Period will, subject as provided below, be the Compounded Daily CORRA Formula Rate with respect to such Interest Period plus or minus (as indicated in the applicable Final Terms) the Margin (if any).

Compounded Daily CORRA Formula Rate means, with respect to an Interest Period, the rate of return of a daily compound interest investment in Canadian Dollars (with the Canadian Overnight Repo Rate Average (**CORRA**) as the reference rate for the calculation of interest) as calculated by the Principal Paying Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms) on the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the nearest fourth decimal place, with 0.00005 being rounded upwards):

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{CORRA_i \times n_i}{365}\right)-1\right]\times\frac{365}{d}$$

where:

CORRA reference rate means, in respect of any Toronto Business Day, a reference rate equal to the daily CORRA rate for such Toronto Business Day, as published by the Bank of Canada as the administrator of the CORRA reference rate (or any successor administrator of such rate) on the website of the Bank of Canada or any successor website, in each case, as it appears on such website on the Toronto Business Day immediately following that day;

$CORRA_i$ means, in respect of any Toronto Business Day "i":

(a) where "Lag" is specified as the Observation Method in the applicable Final Terms, the CORRA reference rate in respect of the Toronto Business Day falling "*p*" Toronto Business Days prior to the relevant Toronto Business Day "i"; or

(b) where "Observation Shift" is specified as the Observation Method in the applicable Final Terms, the CORRA reference rate in respect of the relevant Toronto Business Day "i";

d is the number of calendar days in:

(a) where "Lag" is specified as the Observation Method in the applicable Final Terms, the relevant Interest Period; or

(b) where "Observation Shift" is specified as the Observation Method in the applicable Final Terms, the relevant Observation Period;

d_o is the number of Toronto Business Days in:

(a) where "Lag" is specified as the Observation Method in the applicable Final Terms, the relevant Interest Period; or

(b) where "Observation Shift" is specified as the Observation Method in the applicable Final Terms, the relevant Observation Period;

i is a series of whole numbers from one to d_o, each representing the relevant Toronto Business Day in chronological order from, and including, the first Toronto Business Day in:

(a) where "Lag" is specified as the Observation Method in the applicable Final Terms, the relevant Interest Period; or

(b) where "Observation Shift" is specified as the Observation Method in the applicable Final Terms, the relevant Observation Period;

$\mathbf{n_i}$, for any Toronto Business Day "i", means the number of calendar days from (and including) such Toronto Business Day "i" up to (but excluding) the following Toronto Business Day;

Observation Period means, in respect of an Interest Period, the period from (and including) the date falling "*p*" Toronto Business Days prior to the first day of the relevant Interest Period to (but excluding) the date falling "*p*" Toronto Business Days prior to (I) the Interest Payment Date for such Interest Period or (II) if applicable, the relevant payment date if the Covered Bonds become due and payable on a date other than an Interest Payment Date;

p means:

(a) where "Lag" is specified as the Observation Method in the applicable Final Terms, the number of Toronto Business Days included in the "Lag Lookback Period (*p*)" in the applicable Final Terms (or, if no such number is so specified, five Toronto Business Days); or

(b) where "Observation Shift" is specified as the Observation Method in the applicable Final Terms, the number of Toronto Business Days included in the "Observation Shift Period" in the applicable Final Terms (or, if no such number is so specified, five Toronto Business Days); and

Toronto Business Day means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in the city of Toronto, Canada.

(2) Where "Screen Rate Determination – CORRA" is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, and the Calculation Method is specified in the applicable Final Terms as being "CORRA Index Determination", the Rate of Interest for an Interest Period will, subject as provided below, be the CORRA Compounded Index Rate with respect to such Interest Period plus or minus (as indicated in the applicable Final Terms) the Margin (if any).

CORRA Compounded Index Rate means, with respect to an Interest Period, the rate of return of a daily compound interest investment in Canadian

Dollars as calculated by the Principal Paying Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms) on the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the nearest fourth decimal place, with 0.00005 being rounded upwards):

$$\left(\frac{CORRA\ Compounded\ Index_{End}}{CORRA\ Compounded\ Index_{Start}} - 1\right) \times \frac{365}{d}$$

where:

CORRA Compounded Index$_{End}$ means the CORRA Compounded Index value relating to the Toronto Business Day falling the Relevant Number of Toronto Business Days prior to (I) the Interest Payment Date for the relevant Interest Period or (II) if applicable, the relevant payment date if the Covered Bonds become due and payable on a date other than an Interest Payment Date;

CORRA Compounded Index$_{Start}$ means the CORRA Compounded Index value relating to the Toronto Business Day falling the Relevant Number of Toronto Business Days prior to the first day of the relevant Interest Period;

CORRA Compounded Index means, with respect to any Toronto Business Day, the value of the CORRA Compounded Index that is published by the Bank of Canada as the administrator of such rate (or any successor administrator of such rate), on the website of the Bank of Canada or any successor website, in respect of such Toronto Business Day;

d is the number of calendar days from (and including) the day in relation to which "CORRA Compounded Index$_{Start}$" is determined to (but excluding) the day in relation to which "CORRA Compounded Index$_{End}$" is determined (being the number of calendar days in the applicable reference period);

Toronto Business Day has the meaning set out in Condition 4(b)(ii)(D)(1) above; and

Relevant Number is as specified in the applicable Final Terms.

If the relevant CORRA Compounded Index required to determine CORRA Compounded Index$_{Start}$ or CORRA Compounded Index$_{End}$ is not published by the Bank of Canada as the administrator of the CORRA reference rate (or any successor administrator of such rate) on the website of the Bank of Canada or any successor website at the Relevant Time specified in the applicable Final Terms on the relevant Interest Determination Date (or, if later, by the time falling one hour after the customary or scheduled time for publication thereof in accordance with the then-prevailing operational procedures of the administrator of the CORRA reference rate or such other information service, as the case may be), the CORRA Compounded Index Rate for the applicable Interest Period for which the CORRA Compounded Index is not available shall be the "Compounded Daily CORRA Formula Rate" determined in accordance with Condition 4(b)(ii)(D)(1) above as if the Calculation Method specified in the applicable Final Terms were "Compounded Daily CORRA Formula" (and not "CORRA Index Determination"), and for these purposes: (i) the "Observation Method" shall be deemed to be "Observation Shift", and

(ii) the "Observation Shift Period" shall be deemed to be equal to the Relevant Number of Toronto Business Days, as if those alternative elections had been made in the applicable Final Terms.

(3) Where "Screen Rate Determination – CORRA" is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, and the Calculation Method is specified in the applicable Final Terms as being "Average CORRA", the Rate of Interest for an Interest Period will, subject as provided below, be the Average CORRA Rate with respect to such Interest Period plus or minus (as indicated in the applicable Final Terms) the Margin (if any).

Average CORRA Rate means, with respect to an Interest Period, the arithmetic mean of the CORRA reference rate in effect during such Interest Period as calculated by the Principal Paying Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms) on the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the nearest fourth decimal place, with 0.00005 being rounded upwards):

$$\frac{\sum_{i=1}^{d_o} CORRA_i \times n_i}{d}$$

where $\mathbf{d_o}$, **i**, **CORRA reference rate**, $\mathbf{CORRA_i}$, $\mathbf{n_i}$ and **d** have the meanings set out in Condition 4(b)(ii)(D)(1) above.

(4) For the purposes of Conditions 4(b)(ii)(D)(1) and 4(b)(ii)(D)(3) above, and subject to Condition 4(d) below, if, in respect of any Toronto Business Day in the relevant Observation Period or the relevant Interest Period, as applicable, the Principal Paying Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms) determines that the applicable CORRA reference rate has not been published by the Bank of Canada as the administrator of such rate (or any successor administrator of the CORRA reference rate) on the website of the Bank of Canada or any successor website, then the Principal Paying Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms, as applicable) shall determine the CORRA reference rate in respect of such Toronto Business Day as being:

(a) the prevailing Bank of Canada Target for the Overnight Rate as displayed on the Bank of Canada website (or any successor website or official publication of the Bank of Canada) as at the close of business in Toronto on such Toronto Business Day or, if the Bank of Canada does not target a single rate, the mid-point of the target range set by the Bank of Canada and so published (calculated as the arithmetic average of the upper bound of the target range and the lower bound of the target range, rounded, if necessary, to the nearest second decimal place, 0.005 being rounded upwards); or

(b) if the overnight rate under (4)(a) above is not available at the relevant time, the CORRA reference rate published by the Bank of Canada as the administrator of the CORRA reference rate (or any successor

administrator of such rate), on the website of the Bank of Canada or any successor website, for the first preceding Toronto Business Day in respect of which the CORRA reference rate was published by the Bank of Canada as the administrator of the CORRA reference rate (or any successor administrator of such rate) on the website of the Bank of Canada or any successor website,

and, in each case, "CORRA reference rate" shall be interpreted accordingly.

(5) In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions, and subject to Condition 4(d) below, the Rate of Interest shall be:

(a) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin, Maximum Rate of Interest and/or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin, Maximum Rate of Interest and/or Minimum Rate of Interest (as the case may be) relating to the relevant Interest Period, in place of the Margin, Maximum Rate of Interest and/or Minimum Rate of Interest (as applicable) relating to that last preceding Interest Period); or

(b) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Series of Covered Bonds for the first scheduled Interest Period had the Covered Bonds been in issue for a period equal in duration to the first scheduled Interest Period but ending on (and excluding) the Interest Commencement Date (and applying the Margin and, if applicable, any Maximum Rate of Interest and/or Minimum Rate of Interest, applicable to the first scheduled Interest Period),

in each case, as determined by the Principal Paying Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms, as applicable).

(6) If the relevant Series of Covered Bonds becomes due and payable in accordance with Condition 9, the final Rate of Interest shall be calculated for the period from (and including) the previous Interest Payment Date to (but excluding) the date on which the Covered Bonds become so due and payable, and such Rate of Interest shall continue to apply to the Covered Bonds for so long as interest continues to accrue thereon as provided in Condition 4(c) and the Bond Trust Deed.

(E) Screen Rate Determination for Floating Rate Covered Bonds referencing €STR

(1) Where "Screen Rate Determination – €STR" is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, and the Calculation Method is specified in the applicable Final Terms as being "Compounded Daily €STR Formula", the Rate of Interest for an Interest Period will, subject as provided below, be the Compounded Daily €STR Formula Rate with respect to such Interest Period plus or minus (as indicated in the applicable Final Terms) the Margin (if any).

Compounded Daily €STR Formula Rate means, with respect to an Interest Period, the rate of return of a daily compound interest investment in euro (with the daily euro short-term rate (**€STR**) as the reference rate for the calculation of interest) as calculated by the Principal Paying Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms) on the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the nearest fifth decimal place, with 0.000005 being rounded upwards):

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{€STR_i \times n_i}{360}\right)-1\right]\times\frac{360}{d}$$

where:

€STR reference rate means, in respect of any T2 Business Day, a reference rate equal to the daily €STR for such T2 Business Day, as provided by the European Central Bank as the administrator of €STR (or any successor administrator of such rate) on the website of the European Central Bank (or, if no longer published on its website, as otherwise published by it or provided by it to authorised distributors, or as otherwise published by such authorised distributors) on the T2 Business Day immediately following such T2 Business Day (in each case, at the time specified by, or determined in accordance with, the applicable methodology, policies or guidelines, of the European Central Bank or the successor administrator of €STR);

€STR$_i$ means, in respect of any T2 Business Day "i":

(a) where "Lag" is specified as the Observation Method in the applicable Final Terms, the €STR reference rate in respect of the T2 Business Day falling "*p*" T2 Business Days prior to the relevant T2 Business Day "i"; or

(b) where "Observation Shift" is specified as the Observation Method in the applicable Final Terms, the €STR reference rate in respect of the relevant T2 Business Day "i";

d is the number of calendar days in:

(a) where "Lag" is specified as the Observation Method in the applicable Final Terms, the relevant Interest Period; or

(b) where "Observation Shift" is specified as the Observation Method in the applicable Final Terms, the relevant Observation Period;

d_o is the number of T2 Business Days in:

(a) where "Lag" is specified as the Observation Method in the applicable Final Terms, the relevant Interest Period; or

(b) where "Observation Shift" is specified as the Observation Method in the applicable Final Terms, the relevant Observation Period;

i is a series of whole numbers from one to d_o, each representing the relevant T2 Business Day in chronological order from, and including, the first T2 Business Day in:

(a) where "Lag" is specified as the Observation Method in the applicable Final Terms, the relevant Interest Period; or

(b) where "Observation Shift" is specified as the Observation Method in the applicable Final Terms, the relevant Observation Period;

$\mathbf{n_i}$, for any T2 Business Day "i", means the number of calendar days from (and including) such T2 Business Day "i" up to (but excluding) the following T2 Business Day;

Observation Period means, in respect of an Interest Period, the period from (and including) the date falling "*p*" T2 Business Days prior to the first day of the relevant Interest Period to (but excluding) the date falling "*p*" T2 Business Days prior to (I) the Interest Payment Date for such Interest Period or (II) if applicable, the relevant payment date if the Covered Bonds become due and payable on a date other than an Interest Payment Date;

p means:

(a) where "Lag" is specified as the Observation Method in the applicable Final Terms, the number of T2 Business Days included in the "Lag Lookback Period (*p*)" in the applicable Final Terms (or, if no such number is so specified, five T2 Business Days); or

(b) where "Observation Shift" is specified as the Observation Method in the applicable Final Terms, the number of T2 Business Days included in the "Observation Shift Period" in the applicable Final Terms (or, if no such number is so specified, five T2 Business Days); and

T2 Business Day means any day on which T2 is open.

(2) Where "Screen Rate Determination – €STR" is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, and the Calculation Method is specified in the applicable Final Terms as being "€STR Index Determination", the Rate of Interest for an Interest Period will, subject as provided below, be the €STR Compounded Index Rate with respect to such Interest Period plus or minus (as indicated in the applicable Final Terms) the Margin (if any).

€STR Compounded Index Rate means, with respect to an Interest Period, the rate of return of a daily compound interest investment in euro as calculated by the Principal Paying Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms) on the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the nearest fifth decimal place, with 0.000005 being rounded upwards):

$$\left(\frac{€STR\ Compounded\ Index_{End}}{€STR\ Compounded\ Index_{Start}} - 1\right) \times \frac{360}{d}$$

where:

€STR Compounded Index$_{End}$ means the €STR Compounded Index value relating to the T2 Business Day falling the Relevant Number of T2 Business Days prior to (I) the Interest Payment Date for the relevant Interest Period or (II) if applicable, the relevant payment date if the Covered Bonds become due and payable on a date other than an Interest Payment Date;

€STR Compounded Index$_{Start}$ means the €STR Compounded Index value relating to the T2 Business Day falling the Relevant Number of T2 Business Days prior to the first day of the relevant Interest Period;

€STR Compounded Index means, with respect to any T2 Business Day, the value of the €STR Compounded Index that is published by the European Central Bank as the administrator of such rate (or any successor administrator of such rate), on the website of the European Central Bank or any successor website, in respect of such T2 Business Day;

d is the number of calendar days from (and including) the day in relation to which "€STR Compounded Index$_{Start}$" is determined to (but excluding) the day in relation to which "€STR Compounded Index$_{End}$" is determined (being the number of calendar days in the applicable reference period);

Relevant Number is as specified in the applicable Final Terms; and

T2 Business Day has the meaning set out in Condition 4(b)(ii)(E)(1) above.

If the relevant €STR Compounded Index required to determine €STR Compounded Index$_{Start}$ or €STR Compounded Index$_{End}$ is not published or displayed by the European Central Bank as the administrator of the €STR reference rate (or any successor administrator of such rate) on the website of the European Central Bank or any successor website at the Relevant Time specified in the applicable Final Terms (or, if later, by the time falling one hour after the customary or scheduled time for publication thereof in accordance with the then-prevailing operational procedures of the administrator of €STR) on the relevant Interest Determination Date, the €STR Compounded Index Rate for the applicable Interest Period for which the €STR Compounded Index is not available shall be the "Compounded Daily €STR Formula Rate" determined in accordance with Condition 4(b)(ii)(E)(1) above as if the Calculation Method specified in the applicable Final Terms were "Compounded Daily €STR Formula" (and not "€STR Index Determination"), and for these purposes: (i) the "Observation Method" shall be deemed to be "Observation Shift", and (ii) the "Observation Shift Period" shall be deemed to be equal to the Relevant Number of T2 Business Days, as if those alternative elections had been made in the applicable Final Terms.

(3) Where "Screen Rate Determination – €STR" is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, and the Calculation Method is specified in the applicable Final Terms as being "Average €STR", the Rate of Interest for an Interest Period will, subject as provided below, be the Average €STR Rate with respect to such Interest Period plus or minus (as indicated in the applicable Final Terms) the Margin (if any).

Average €STR Rate means, with respect to an Interest Period, the arithmetic mean of the €STR reference rate in effect during such Interest Period as calculated by the Principal Paying Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms) on the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the nearest fifth decimal place, with 0.000005 being rounded upwards):

$$\frac{\sum_{i=1}^{d_o} €STR_i \times n_i}{d}$$

where **€STR reference rate**, **€STR$_i$**, **d**, **d_o**, **i**, and **n_i** have the meanings set out in Condition 4(b)(ii)(E)(1) above.

(4) For the purposes of Conditions 4(b)(ii)(E)(1) and 4(b)(ii)(E)(3) above, and subject to Condition 4(d) below, if, in respect of any T2 Business Day in the relevant Observation Period or the relevant Interest Period, as applicable, the Principal Paying Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms) determines that the applicable €STR reference rate has not been published by the European Central Bank as the administrator of such rate (or any successor administrator of the €STR reference rate) on the website of the European Central Bank or any successor website, then the Principal Paying Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms, as applicable) shall determine the €STR reference rate in respect of such T2 Business Day as being the €STR reference rate published by the European Central Bank as the administrator of the €STR reference rate (or any successor administrator of such rate), on the website of the European Central Bank or any successor website, for the first preceding T2 Business Day in respect of which the €STR reference rate was published by the European Central Bank as the administrator of the €STR reference rate (or any successor administrator of such rate) on the website of the European Central Bank or any successor website, and "€STR reference rate" shall be interpreted accordingly.

(5) In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions, and subject to Condition 4(d) below, the Rate of Interest shall be:

(a) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin, Maximum Rate of Interest and/or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin, Maximum Rate of Interest and/or Minimum Rate of Interest (as the case may be) relating to the relevant Interest Period, in place of the Margin, Maximum Rate of Interest and/or Minimum Rate of Interest (as applicable) relating to that last preceding Interest Period); or

(b) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Series of Covered Bonds for the first scheduled Interest Period had the Covered Bonds been in issue for a period equal in duration to the first

scheduled Interest Period but ending on (and excluding) the Interest Commencement Date (and applying the Margin and, if applicable, any Maximum Rate of Interest and/or Minimum Rate of Interest, applicable to the first scheduled Interest Period),

in each case, as determined by the Principal Paying Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms, as applicable).

(6) If the relevant Series of Covered Bonds becomes due and payable in accordance with Condition 9, the final Rate of Interest shall be calculated for the period from (and including) the previous Interest Payment Date to (but excluding) the date on which the Covered Bonds become so due and payable, and such Rate of Interest shall continue to apply to the Covered Bonds for so long as interest continues to accrue thereon as provided in Condition 4(c) and the Bond Trust Deed.

(F) BBSW Determination for Floating Rate Covered Bonds

(1) BBSW Determination

(a) Where "BBSW Determination" is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for an Interest Period will, subject as provided in Condition 4(b)(ii)(F)(2) below, be the BBSW Rate with respect to such Interest Period plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Principal Paying Agent or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms (and references in this Condition 4(b)(ii)(F) to "Principal Paying Agent" shall be construed accordingly).

(b) The determination of, substitution for and any adjustments made to the BBSW Rate as described in this Condition 4(b)(ii)(F)(1) and in Condition 4(b)(ii)(F)(2) below shall be binding on all Covered Bondholders and Couponholders (in all cases without any requirement for the consent or approval of Covered Bondholders or Couponholders). Any determination, decision or election (including a decision to take or refrain from taking any action or as to the occurrence or non-occurrence of any event or circumstance), and any substitution for and adjustments made to the BBSW Rate, and, in each case, made in accordance with this Condition 4(b)(ii)(F)(1) and Condition 4(b)(ii)(F)(2), will, in the absence of manifest or proven error, be conclusive and binding on the Issuer, the Bond Trustee, all Covered Bondholders and Couponholders, the Principal Paying Agent and each other Agent and, notwithstanding anything to the contrary in these Conditions or other documentation relating to the Floating Rate Covered Bonds, shall become effective without the consent of any person.

(c) If the Principal Paying Agent is unwilling or unable to determine a necessary rate, adjustment, quantum, formula, methodology or other variable in order to calculate the applicable Rate of Interest in

accordance with this Condition 4(b)(ii)(F), such rate, adjustment, quantum, formula, methodology or other variable will be determined by the Issuer (acting in good faith and in a commercially reasonable manner) or an alternate financial institution (acting in good faith and in a commercially reasonable manner) appointed by the Issuer (in its sole discretion) to so determine.

(2) BBSW Rate Fallback

If:

(a) a Temporary Disruption Trigger has occurred; or

(b) a Permanent Discontinuation Trigger has occurred,

then the BBSW Rate for an Interest Period, where such Temporary Disruption Trigger is continuing as at the applicable Interest Determination Date or where the applicable Interest Determination Date falls after the occurrence of a Permanent Discontinuation Trigger, will be determined by the Principal Paying Agent as follows (in the following order of application and precedence):

(i) where a Temporary Disruption Trigger has occurred with respect to the original BBSW Rate, the BBSW Rate for such Interest Period will be equal to, in the following order of precedence:

(A) first, the Administrator Recommended Rate;

(B) then, the Supervisor Recommended Rate; and

(C) lastly, the Final Fallback Rate;

(ii) where a determination of the AONIA Rate is required for the purposes of paragraph (i) above, if a Temporary Disruption Trigger has occurred with respect to AONIA, the rate for any day for which AONIA is required will be the last provided or published level of AONIA;

(iii) where a determination of the RBA Recommended Rate is required for the purposes of paragraph (i) or (ii) above, if a Temporary Disruption Trigger has occurred with respect to the RBA Recommended Rate, the rate for any day for which the RBA Recommended Rate is required will be the last rate provided or published by the Administrator of the RBA Recommended Rate (or if no such rate has been so provided or published, the last provided or published level of AONIA);

(iv) if a Permanent Discontinuation Trigger has occurred with respect to the original BBSW Rate, the BBSW Rate for any day on which the BBSW Rate is required to be determined on or after the Permanent Fallback Effective Date will be the first rate available in the following order of precedence:

(A) first, if at the time of the BBSW Rate Permanent Fallback Effective Date, no AONIA Permanent Fallback Effective Date has occurred, the AONIA Rate;

(B) then, if at the time of the BBSW Rate Permanent Fallback Effective Date, an AONIA Permanent Fallback Effective Date has occurred and an RBA Recommended Rate has been created but no RBA Recommended Rate Permanent Fallback Effective Date has occurred, the RBA Recommended Fallback Rate; and

(C) lastly, if neither paragraph (A) nor paragraph (B) of this Condition 4(b)(ii)(F)(2)(iv) applies, the Final Fallback Rate;

(v) where a determination of the AONIA Rate is required for the purposes of paragraph (iv)(A) above, if a Permanent Discontinuation Trigger has occurred with respect to AONIA, the rate for any day for which AONIA is required on or after the AONIA Permanent Fallback Effective Date will be the first rate available in the following order of precedence:

(A) first, if at the time of the AONIA Permanent Fallback Effective Date, an RBA Recommended Rate has been created but no RBA Recommended Rate Permanent Fallback Effective Date has occurred, the RBA Recommended Rate; and

(B) lastly, if paragraph (A) of this Condition 4(b)(ii)(F)(2)(v) does not apply, the Final Fallback Rate; and

(vi) where a determination of the RBA Recommended Rate is required for the purposes of paragraph (iv) or (v) above, respectively, if a Permanent Discontinuation Trigger has occurred with respect to the RBA Recommended Rate, the rate for any day for which the RBA Recommended Rate is required on or after that Permanent Fallback Effective Date will be the Final Fallback Rate.

When calculating a Rate of Interest in circumstances where a Fallback Rate other than the Final Fallback Rate applies, that Rate of Interest will be calculated as if references to the BBSW Rate were references to that Fallback Rate. When calculating a Rate of Interest in circumstances where the Final Fallback Rate applies, the Rate of Interest will be calculated on the same basis as if the Applicable Benchmark Rate in effect immediately prior to the application of that Final Fallback Rate remained in effect but with necessary adjustments to substitute all references to that Applicable Benchmark Rate with corresponding references to the Final Fallback Rate (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period in place of the Margin relating to that last preceding Interest Period).

(3) BBSW Rate Amendments

(a) If, at any time, a Permanent Discontinuation Trigger occurs with respect to the Applicable Benchmark Rate that applies to the Covered Bonds at that time (such event, a **BBSW Rate Event**), and the Issuer, acting in good faith, in a commercially reasonable manner and by reference to such sources as it deems appropriate, determines in its discretion that amendments to these Conditions and/or any Programme Document are necessary to give effect to the application of the applicable Fallback Rate as contemplated by Condition 4(b)(ii)(F)(2) (such amendments, the **BBSW Rate Amendments**), then the Issuer shall, subject to the following paragraphs of this Condition 4(b)(ii)(F)(3) and subject to the Issuer having to give notice thereof to the Covered Bondholders in accordance with Condition 13, and to the Covered Bond Guarantor, the Bond Trustee and the Calculation Agent in accordance with this Condition 4(b)(ii)(F)(3), without any requirement for the consent or approval of the Covered Bondholders, make the necessary modifications to these Conditions and/or Programme Documents to give effect to such BBSW Rate Amendments. At the request of the Issuer, but subject to receipt by the Bond Trustee of the certificate referred to in Condition 4(b)(ii)(F)(3)(e), and subject as provided below, the Bond Trustee shall (at the expense of the Issuer), without any requirement for the consent or approval of the Covered Bondholders and without liability to the Covered Bondholders or any other person, be obliged to concur, and shall be obliged to direct the Security Trustee to concur, with the Issuer in effecting any BBSW Rate Amendments (including, *inter alia*, by the execution of a deed supplemental to or amending the Bond Trust Deed or any other Programme Document) with effect from the date specified in such notice.

(b) In connection with any such modifications in accordance with this Condition 4(b)(ii)(F)(3), if and for so long as the Covered Bonds are admitted to trading and listed on the official list of a stock exchange, the Issuer shall comply with the rules of that stock exchange.

(c) Notwithstanding any other provision of these Conditions or the Programme Documents, the Bond Trustee shall not be obliged to concur with the Issuer and the Covered Bond Guarantor, and/or (in the case of the Bond Trustee) direct the Security Trustee to concur with the Issuer and the Covered Bond Guarantor in respect of any BBSW Rate Amendments which, in the sole opinion of the Bond Trustee, would have the effect of (i) exposing the Bond Trustee to any liability against which it has not been indemnified and/or secured and/or prefunded to its satisfaction or (ii) increasing the obligations or duties, or decreasing the rights or protections, of the Bond Trustee in the Bond Trust Deed and/or these Conditions.

(d) Any BBSW Rate Amendments determined under this Condition 4(b)(ii)(F)(3) shall be notified promptly (in any case, not less than five Business Days prior to the relevant Interest Determination Date) by the Issuer to the Covered Bond Guarantor, the Bond Trustee, the Calculation Agent and, in accordance with Condition 13, the Covered

Bondholders. Such notice shall be irrevocable and shall specify the effective date of such BBSW Rate Amendments.

(e) No later than notifying the Bond Trustee of the same in accordance with Condition 4(b)(ii)(F)(3)(d), the Issuer shall deliver to the Bond Trustee a certificate (on which the Bond Trustee shall be entitled to rely without further enquiry or liability) signed by two Authorised Signatories of the Issuer:

(A) confirming (i) that a BBSW Rate Event has occurred and (ii) the specific terms of any BBSW Rate Amendments as determined in accordance with the provisions of this Condition 4(b)(ii)(F)(3); and

(B) certifying that the BBSW Rate Amendments (in accordance with the provisions of this Condition 4(b)(ii)(F)(3)) are necessary to give effect to the application of the applicable Fallback Rate as contemplated by Condition 4(b)(ii)(F)(2).

The BBSW Rate Amendments specified in such certificate will (in the absence of manifest error in the determination of the applicable Fallback Rate as contemplated by Condition 4(b)(ii)(F)(2) and the BBSW Rate Amendments giving effect to such Fallback Rate, and without prejudice to the Bond Trustee's ability to rely on such certificate as aforesaid) be binding on the Issuer, the Bond Trustee, the Calculation Agent and the Covered Bondholders.

(4) Definitions

In this Condition 4(b)(ii)(F):

Adjustment Spread means the adjustment spread as at the Adjustment Spread Fixing Date (which may be a positive or negative value or zero and determined pursuant to a formula or methodology) that is:

(a) determined as the median of the historical differences between the BBSW Rate and AONIA over a five calendar year period prior to the Adjustment Spread Fixing Date using practices based on those used for the determination of the Bloomberg Adjustment Spread as at 1 December 2022, provided that for so long as the Bloomberg Adjustment Spread is published and determined based on the five year median of the historical differences between the BBSW Rate and AONIA, that adjustment spread will be deemed to be acceptable for the purposes of this paragraph (a); or

(b) if no such median can be determined in accordance with paragraph (a), set using the method for calculating or determining such adjustment spread determined by the Issuer (acting in good faith and in a commercially reasonable manner) to be appropriate and communicated to the Principal Paying Agent;

Adjustment Spread Fixing Date means the first date on which a Permanent Discontinuation Trigger occurs with respect to the BBSW Rate;

Administrator means:

(a) in respect of the BBSW Rate, ASX Benchmarks Pty Limited (ABN 38 616 075 417);

(b) in respect of AONIA (or where AONIA is used to determine an Applicable Benchmark Rate), the Reserve Bank of Australia; and

(c) in respect of any other Applicable Benchmark Rate, the administrator for that rate or benchmark or, if there is no administrator, the provider of that rate or benchmark,

and, in each case, any successor administrator or, as applicable, any successor administrator or provider;

Administrator Recommended Rate means the rate formally recommended for use as the temporary replacement for the BBSW Rate by the Administrator of the BBSW Rate;

AONIA means the Australian dollar inter-bank overnight cash rate (known as AONIA);

AONIA Rate means, for an Interest Period and in respect of an Interest Determination Date, the rate determined by the Principal Paying Agent to be Compounded Daily AONIA for that Interest Period and Interest Determination Date plus the Adjustment Spread (if any);

Applicable Benchmark Rate means the BBSW Rate or, if a Permanent Fallback Effective Date has occurred with respect to the BBSW Rate, AONIA or the RBA Recommended Rate, then the rate determined in accordance with Condition 4(b)(ii)(F)(2);

BBSW Rate means, for an Interest Period, the rate (expressed as a percentage rate per annum) for prime bank eligible securities having a tenor closest to the Interest Period which is designated as the "AVG MID" rate on the 'Refinitiv Screen ASX29 Page' or the "MID" rate on the 'Bloomberg Screen BBSW Page' (or any designation which replaces that designation on the applicable page, or any replacement page) (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards), at the Publication Time on the relevant Interest Determination Date;

Bloomberg Adjustment Spread means the term adjusted AONIA spread relating to the BBSW Rate provided by Bloomberg Index Services Limited (or a successor provider as approved and/or appointed by ISDA from time to time as the provider of term adjusted AONIA and the spread) (**BISL**) on the Fallback Rate (AONIA) Screen (or by other means), or provided to, and published by, authorised distributors, where **Fallback Rate (AONIA) Screen** means the Bloomberg Screen corresponding to the Bloomberg ticker for the fallback for the BBSW Rate accessed via the Bloomberg Screen <FBAK> <GO> Page (or, if applicable, accessed via the Bloomberg Screen <HP> <GO>) or any other published source designated by BISL;

Compounded Daily AONIA means, with respect to an Interest Period, the rate of return of a daily compound interest investment as calculated by the Principal Paying Agent on the applicable Interest Determination Date, as follows:

$$\left[\prod_{i=1}^{d_0}\left(1+\frac{AONIA_{i-5\ SBD}\times n_i}{365}\right)-1\right]\times\frac{365}{d}$$

where:

$\mathbf{AONIA_{i-5SBD}}$ means the per annum rate expressed as a decimal which is the level of AONIA provided by the Administrator and published as of the Publication Time for the Sydney Business Day falling five Sydney Business Days prior to such Sydney Business Day "i";

d is the number of calendar days in the relevant Interest Period;

$\mathbf{d_0}$ is the number of Sydney Business Days in the relevant Interest Period;

i is a series of whole numbers from 1 to d_0, each representing the relevant Sydney Business Day in chronological order from (and including) the first Sydney Business Day in the relevant Interest Period to (and including) the last Sydney Business Day in such Interest Period;

$\mathbf{n_i}$, for any Sydney Business Day "i", means the number of calendar days from (and including) such Sydney Business Day "i" up to (but excluding) the following Sydney Business Day; and

SBD or **Sydney Business Day** means any day on which commercial banks are open for general business in Sydney.

If, for any reason, Compounded Daily AONIA needs to be determined for a period other than an Interest Period, Compounded Daily AONIA is to be determined as if that period were an Interest Period starting on (and including) the first day of that period and ending on (but excluding) the last day of that period;

Fallback Rate means, where a Permanent Discontinuation Trigger for an Applicable Benchmark Rate has occurred, the rate that applies to replace that Applicable Benchmark Rate in accordance with Condition 4(b)(ii)(F)(2);

Final Fallback Rate means, in respect of an Applicable Benchmark Rate: (a) the rate determined by the Issuer (and communicated to the Principal Paying Agent) as a commercially reasonable alternative for the Applicable Benchmark Rate, taking into account all available information, which may include consultation with an Independent Adviser, that, in good faith, it considers relevant, provided that any rate (inclusive of any spreads or adjustments) implemented by central counterparties and/or futures exchanges with representative trade volumes in derivatives or futures referencing the Applicable Benchmark Rate will be deemed to be acceptable for the purposes of this sub-paragraph (a), together with (without double counting) such adjustment spread (which may be a positive or negative value or zero) that is customarily applied to the relevant successor rate or alternative rate (as the case may be) in international debt capital markets transactions to produce an

industry-accepted replacement rate for Applicable Benchmark Rate-linked Floating Rate Covered Bonds at such time (together with such other adjustments to the Business Day Convention, interest determination dates and related provisions and definitions, in each case, that are consistent with accepted market practice for the use of such successor rate or alternative rate for Applicable Benchmark Rate-linked Floating Rate Covered Bonds at such time), or, if no such industry standard adjustment spread is recognised or acknowledged, an adjustment spread calculated or determined by the Issuer in such method as is determined by the Issuer, acting in good faith and in a commercially reasonable manner and by reference to such sources as it deems appropriate, which may include consultation with an Independent Adviser, to be appropriate, and communicated to the Principal Paying Agent, provided that (b) if and for so long as no such successor rate or alternative rate can be determined in accordance with sub-paragraph (a), the Final Fallback Rate will be the last provided or published level of that Applicable Benchmark Rate;

Independent Adviser means an independent financial institution of international repute or other independent adviser of recognised standing with appropriate expertise appointed by the Issuer at its own expense;

Interest Determination Date means:

(a) in respect of an Interest Period for which the Rate of Interest is to be determined by reference to the BBSW Rate or to which the Final Fallback Rate applies under Condition 4(b)(ii)(F)(2), the first Sydney Business Day of the relevant Interest Period (or such other date as is specified as the applicable Interest Determination Date for such Interest Period in the applicable Final Terms); and

(b) in respect of an Interest Period for which the Rate of Interest is to be determined by reference to AONIA or another Fallback Rate, the day falling four Sydney Business Days prior to the last day of the relevant Interest Period (or such other date as is specified as the applicable Interest Determination Date for such Interest Period in the applicable Final Terms);

Non-Representative means, in respect of an Applicable Benchmark Rate, that the Supervisor of that Applicable Benchmark Rate if the Applicable Benchmark Rate is the BBSW Rate, or the Administrator of the Applicable Benchmark Rate if the Applicable Benchmark Rate is AONIA or the RBA Recommended Rate:

(a) has determined that such Applicable Benchmark Rate is no longer, or as of a specified future date will no longer be, representative of the underlying market and economic reality that such Applicable Benchmark Rate is intended to measure and that representativeness will not be restored; and

(b) is aware that such determination will engage certain contractual triggers for fallbacks activated by pre-cessation announcements by such Supervisor or Administrator, as the case may be, (howsoever described) in contracts;

Permanent Discontinuation Trigger means, in respect of an Applicable Benchmark Rate:

(a) a public statement or publication of information by or on behalf of the Administrator of the Applicable Benchmark Rate announcing that it has ceased or that it will cease to provide the Applicable Benchmark Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator or provider, as applicable, that will continue to provide the Applicable Benchmark Rate and, in the case of the BBSW Rate, a public statement or publication of information by or on behalf of the Supervisor of the BBSW Rate has confirmed that cessation;

(b) a public statement or publication of information by the Supervisor of the Applicable Benchmark Rate, the Reserve Bank of Australia (or any successor central bank for Australian dollars), an insolvency official or resolution authority with jurisdiction over the Administrator of the Applicable Benchmark Rate or a court or an entity with similar insolvency or resolution authority over the Administrator of the Applicable Benchmark Rate which states that the Administrator of the Applicable Benchmark Rate has ceased or will cease to provide the Applicable Benchmark Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator or provider that will continue to provide the Applicable Benchmark Rate and, in the case of the BBSW Rate and a public statement or publication of information other than by the Supervisor, a public statement or publication of information by or on behalf of the Supervisor of the BBSW Rate has confirmed that cessation;

(c) a public statement by the Supervisor of the Applicable Benchmark Rate if the Applicable Benchmark Rate is the BBSW Rate, or the Administrator of the Applicable Benchmark Rate if the Applicable Benchmark Rate is AONIA or the RBA Recommended Rate, as a consequence of which the Applicable Benchmark Rate will be prohibited from being used either generally, or in respect of the Covered Bonds, or that its use will be subject to restrictions or adverse consequences to the Issuer or a Covered Bondholder or Couponholder;

(d) as a consequence of a change in law or directive arising after the Issue Date of the first Tranche of the Covered Bonds, it has become unlawful for the Principal Paying Agent or any other party responsible for calculations of interest under the Conditions to calculate any payments due to be made to any Covered Bondholder using the Applicable Benchmark Rate;

(e) a public statement or publication of information by the Supervisor of the Applicable Benchmark Rate if the Applicable Benchmark Rate is the BBSW Rate, or the Administrator of the Applicable Benchmark Rate if the Applicable Benchmark Rate is AONIA or the RBA Recommended Rate, stating that the Applicable Benchmark Rate is Non-Representative; or

(f) the Applicable Benchmark Rate has otherwise ceased to exist or be administered on a permanent or indefinite basis;

Permanent Fallback Effective Date means, in respect of a Permanent Discontinuation Trigger for an Applicable Benchmark Rate:

(a) in the case of paragraphs (a) and (b) of the definition of "Permanent Discontinuation Trigger", the first date on which the Applicable Benchmark Rate would ordinarily have been published or provided and is no longer published or provided;

(b) in the case of paragraphs (c) and (d) of the definition of "Permanent Discontinuation Trigger", the date from which use of the Applicable Benchmark Rate is prohibited or becomes subject to restrictions or adverse consequences or the calculation becomes unlawful (as applicable);

(c) in the case of paragraph (e) of the definition of "Permanent Discontinuation Trigger", the first date on which the Applicable Benchmark Rate would ordinarily have been published or provided but is Non-Representative by reference to the most recent statement or publication contemplated in that paragraph and even if such Applicable Benchmark Rate continues to be published or provided on such date; or

(d) in the case of paragraph (f) of the definition of "Permanent Discontinuation Trigger", the date that event occurs;

Publication Time means:

(a) in respect of the BBSW Rate, approximately 10:30 a.m. (Sydney time) (or such other time at which such rate is accustomed to be published by the Administrator for the BBSW Rate in its benchmark methodology), provided that, if such rate is re-published by such Administrator between such time and 12:00 noon (Sydney time) (or any amended publication time for the final intraday refix of such rate specified by the Administrator for the BBSW Rate in its benchmark methodology) (the **Publication Time Cut-Off Time**), the Publication Time shall be taken to be such Publication Time Cut-Off Time; and

(b) in respect of AONIA, 4.00 p.m. (Sydney time) or any amended publication time for the final intraday refix of such rate specified by the Administrator for AONIA in its benchmark methodology;

RBA Recommended Fallback Rate has the same meaning given to AONIA Rate but with necessary adjustments to substitute all references to AONIA with corresponding references to the RBA Recommended Rate;

RBA Recommended Rate means, in respect of any relevant day (including any day "*i*"), the rate (inclusive of any spreads or adjustments) recommended as the replacement for AONIA by the Reserve Bank of Australia (which rate may be produced by the Reserve Bank of Australia or another administrator)

and as provided by the Administrator of that rate or, if that rate is not provided by the Administrator thereof, published by an authorised distributor in respect of that day;

Supervisor means, in respect of an Applicable Benchmark Rate, the supervisor or competent authority that is responsible for supervising that Applicable Benchmark Rate or the Administrator of that Applicable Benchmark Rate, or any committee officially endorsed or convened by any such supervisor or competent authority that is responsible for supervising that Applicable Benchmark Rate or the Administrator of that Applicable Benchmark Rate;

Supervisor Recommended Rate means the rate formally recommended for use as the temporary replacement for the BBSW Rate by the Supervisor of the BBSW Rate; and

Temporary Disruption Trigger means, in respect of any Applicable Benchmark Rate which is required for any determination:

(a) the Applicable Benchmark Rate has not been published by the applicable Administrator or an authorised distributor and is not otherwise provided by the Administrator, in respect of, on, for or by the time and date on which that Applicable Benchmark Rate is required; or

(b) the Applicable Benchmark Rate is published or provided but the Issuer, acting in good faith and in a commercially reasonable manner and by reference to such sources as it deems appropriate, which may include consultation with an Independent Adviser, determines that there is an obvious or proven error in that rate.

(G) BKBM Determination for Floating Rate Covered Bonds

Where "BKBM Determination" is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will, subject as provided below, be the "Bank Bill Benchmark Rate (FRA)" (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) administered by New Zealand Financial Benchmark Facility Limited (**NZFBF**) (or any other person that takes over the administration of that rate), having a tenor closest to the relevant Interest Period (the **BKBM Rate**), as set forth on the display page designated on the BKBM Page at or about the BKBM Publication Time in the Relevant Financial Centre on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Principal Paying Agent or other party responsible for the calculation of the Rate of Interest as specified in the applicable Final Terms (and references in this Condition 4(b)(ii)(G) to "Principal Paying Agent" shall be construed accordingly).

If the BKBM Page is not available, or if the BKBM Rate does not appear on the BKBM Page by 11.00 a.m. in the Relevant Financial Centre (or such other time that is 15 minutes after the then prevailing BKBM Publication Time in the Relevant Financial Centre), then (unless the Principal Paying Agent has been notified of any Successor Rate or Alternative Rate (and any related Adjustment Spread and/or

Benchmark Amendments) pursuant to Condition 4(d) below, if applicable) the Rate of Interest shall be the equivalent rate provided by the NZFBF (or any person that takes over the administration of that rate) (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) at or around 11.00 am in the Relevant Financial Centre (or such other time that is 15 minutes after the then prevailing BKBM Publication Time in the Relevant Financial Centre) on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Margin (if any) as determined by the Issuer. Any such Rate of Interest shall be notified to the Principal Paying Agent as soon as practicable after its determination.

If the Issuer does not notify the Principal Paying Agent of the Rate of Interest in accordance with the preceding paragraph, the Rate of Interest shall be that determined by the Principal Paying Agent as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period in place of the Margin relating to that last preceding Interest Period).

In this Condition 4(b)(ii)(G):

BKBM Page means the Bloomberg BKBM Page "GDCO 2805 1", or such other page as may replace such page for the purpose of displaying the New Zealand Bank Bill Benchmark Rate;

BKBM Publication Time means 10.45 a.m. (or such other time at which the BKBM Rate customarily appears on the BKBM Page);

Interest Determination Date shall mean the date specified as such in the applicable Final Terms or, if none is so specified, the first day of each Interest Period; and

Relevant Financial Centre shall mean New Zealand, as specified in the applicable Final Terms.

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

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

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

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

The relevant Principal Paying Agent (or such other party responsible for the calculation of the Rate of Interest as specified in the applicable Final Terms) or the Calculation Agent (as applicable), in the case of Floating Rate Covered Bonds, will at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period.

The relevant Principal Paying Agent (or such other party as aforesaid) or the Calculation Agent (as applicable) will calculate the amount of interest payable on the Floating Rate Covered Bonds in respect of each Specified Denomination (each an **Interest Amount**) for the relevant Interest Period. Each Interest Amount shall be calculated by applying the Rate of Interest to:

(A) In the case of Floating Rate Covered Bonds which are (i) represented by a Global Covered Bond or (ii) Registered Covered Bonds in definitive form, the aggregate outstanding nominal amount of (I) the Covered Bonds represented by such Global Covered Bond or (II) such Registered Covered Bond; or

(B) In the case of Floating Rate Covered Bonds which are Bearer Covered Bonds in definitive form, the Calculation Amount;

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

If "Interest Amounts Non-Adjusted" is specified in the applicable Final Terms then notwithstanding the bringing forward or postponement (as applicable) of an Interest Payment Date as a result of the application of the Business Day Convention set out in the applicable Final Terms, the Interest Amount in respect of the relevant Interest Period and each subsequent Interest Period shall be calculated as aforesaid on the basis of the original Interest Payment Dates without adjustment in accordance with the applicable Business Day Convention.

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

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

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

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

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

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

$$\text{Day Count Fraction} = \frac{[360 \times (Y2 - Y1) + [30 \times (M2 - M1)] + (D2 - D1)]}{360}$$

where:

"Y1" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y2" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M1" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

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

"D2" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30;

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

$$\text{Day Count Fraction} = \frac{[360 \times (Y2 - Y1)] + [30 \times (M2 - M1)] + (D2 - D1)}{360}$$

where:

"Y1" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y2" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M1" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

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

"D2" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31 and D1 is greater than 29, in which case, D2 will be 30;

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

$$\text{Day Count Fraction} = \frac{[360 \times (Y2-Y1)] + [30 \times (M2-M1)] + (D2-D1)}{360}$$

where:

"Y1" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y2" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M1" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D1" is the first calendar day, expressed as a number, of the Interest Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case, D1 will be 30;

"D2" is the calendar day, expressed as a number, immediately following the last day of the Interest Period, unless (i) that day is the last day of February but not the Final Maturity Date (or, as the case may be, the Extended Due for Payment Date) or (ii) such number would be 31, in which case D2 will be 30.

(v) Linear Interpolation

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

Designated Maturity means the period of time designated in the relevant Reference Rate (where "Screen Rate Determination" is specified as applicable in the applicable Final Terms), the relevant BKBM Rate (where "BKBM Determination" is specified as applicable in the applicable Final Terms) or the relevant BBSW Rate (where "BBSW Determination" is specified as applicable in the applicable Final Terms).

(vi) Notification of Rate of Interest and Interest Amounts

(1) Except where "Screen Rate Determination – SOFR", "Screen Rate Determination – SONIA", "Screen Rate Determination – CORRA" or "Screen Rate Determination – €STR" is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the relevant Principal Paying Agent (or the Calculation Agent responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms), in the case of Floating Rate Covered Bonds, will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Bond Trustee and to any stock exchange or other relevant competent authority or quotation system on which the relevant Floating Rate Covered Bonds are for the time being listed, quoted and/or traded or by which they have been admitted to listing and to be published in accordance with Condition 13 as soon as possible after their determination but (save in each case where the reference rate is specified in the applicable Final Terms as being "Compounded Daily SONIA") in no event later than the fourth Business Day (as defined in Condition 4(b)(i)), except in the case of the Luxembourg Stock Exchange which will be notified no later than the first Business Day of the relevant Interest Period, thereafter by the relevant Principal Paying Agent or the Calculation Agent (as applicable). Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. Any such amendment or alternative arrangements will be promptly notified to the Bond Trustee and each stock exchange or other relevant authority on which the relevant Floating Rate Covered Bonds are for the time being listed or by which they have been admitted to listing and to the Covered Bondholders in accordance with Condition 13.

(2) Where "Screen Rate Determination – SOFR", "Screen Rate Determination – SONIA", "Screen Rate Determination – CORRA" or "Screen Rate Determination – €STR" is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Principal Paying Agent (or the Calculation Agent responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms), in the case of Floating Rate Covered Bonds, will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to (i) the Issuer and the Bond Trustee, and (ii) any stock exchange on which the relevant Floating Rate Covered Bonds are for the time being listed and, in each case, to be published in accordance with Condition 13 as soon as possible after their determination but in no event later than (I) where "Screen Rate Determination – SOFR" is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the second U.S. Government Securities Business Day (as defined in Condition 4(b)(ii)(B)(1) above) thereafter, or (II) where "Screen Rate Determination – SONIA" is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the second London Banking Day (as defined in Condition 4(b)(ii)(C)(1) above) thereafter, (III) where "Screen Rate Determination – CORRA" is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the second Toronto Business Day (as defined in Condition 4(b)(ii)(D)(1)) thereafter, or (IV) where "Screen Rate Determination – €STR" is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the second T2 Business Day (as defined in Condition 4(b)(ii)(E)(1)) thereafter. Each Rate of Interest, Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the relevant Interest Period. Any such amendment or alternative arrangements will promptly be notified to the Bond Trustee and to any stock exchange on which the relevant Floating Rate Covered Bonds are for

the time being listed and to the Covered Bondholders in accordance with Condition 13.

(vii) Certificates to be final

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 4(b), whether by the relevant Principal Paying Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms, as applicable) or the Calculation Agent shall (in the absence of wilful default, fraud or manifest error) be binding on the Issuer, the Covered Bond Guarantor, the relevant Principal Paying Agent, the other Paying Agents, the Bond Trustee and all of the Covered Bondholders and Couponholders and (in the absence of wilful default or fraud) no liability to the Issuer, the Covered Bond Guarantor, the Covered Bondholders, the Bond Trustee or the Couponholders shall attach to the relevant Principal Paying Agent (or such other party as aforesaid) or the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

(c) Accrual of interest

Interest (if any) will cease to accrue on each Covered Bond (or in the case of the redemption of part only of a Covered Bond, that part only of such Covered Bond) on the due date for redemption thereof unless, upon due presentation thereof, payment of principal is improperly withheld or refused or default is otherwise made in the payment thereof, in which event interest will continue to accrue as provided in the Bond Trust Deed.

(d) Benchmark Discontinuation

Notwithstanding the provisions in Condition 4(b)(ii) above, if:

(x) the Original Reference Rate is not SOFR or BBSW Rate; and

(y) the Issuer, acting in good faith, in a commercially reasonable manner, determines that a Benchmark Event has occurred in relation to the Original Reference Rate when any Rate of Interest (or any component part thereof) remains to be determined by reference to that Original Reference Rate, then the following provisions of this Condition 4(d) shall apply.

(i) Successor Rate or Alternative Rate

If there is a Successor Rate, then the Issuer shall promptly notify the Bond Trustee, the party responsible for determining the Rate of Interest (being the relevant Principal Paying Agent or the Calculation Agent specified in the applicable Final Terms, as applicable) and, in accordance with Condition 13 (*Notices*), the Covered Bondholders of such Successor Rate and that Successor Rate shall (subject to adjustment as provided in Condition 4(d)(ii)) subsequently be used by the relevant Principal Paying Agent (or the Calculation Agent responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms) in place of the Original Reference Rate to determine the relevant Rate(s) of Interest (or the relevant component part(s) thereof) for all relevant future payments of interest on the Covered Bonds (subject to the further operation of this Condition 4(d)).

If there is no Successor Rate but the Issuer, acting in good faith, in a commercially reasonable manner and by reference to such sources as it deems appropriate, which may include consultation with an Independent Adviser, determines that there is an Alternative Rate, then

the Issuer shall promptly notify the Bond Trustee, the relevant Principal Paying Agent (or the Calculation Agent responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms) and, in accordance with Condition 13 (*Notices*), the Covered Bondholders of such Alternative Rate and that Alternative Rate shall (subject to adjustment as provided in Condition 4(d)(ii)) subsequently be used in place of the Original Reference Rate to determine the relevant Rate(s) of Interest (or the relevant component part(s) thereof) for all relevant future payments of interest on the Covered Bonds (subject to the further operation of this Condition 4(d)).

(ii) Adjustment Spread

If, in the case of a Successor Rate, an Adjustment Spread is formally recommended, or provided as an option for parties to adopt in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body, then the Issuer shall promptly notify the Bond Trustee, the party responsible for determining the Rate of Interest (being the relevant Principal Paying Agent or the Calculation Agent specified in the applicable Final Terms, as applicable) and, in accordance with Condition 13, the Covered Bondholders of such Adjustment Spread and the Principal Paying Agent (or the Calculation Agent responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms) shall, subject to the receipt (not less than five Business Days prior to the relevant Interest Determination Date) of, and in accordance with, the Issuer's written instructions, apply such Adjustment Spread to the Successor Rate for each subsequent determination of a relevant Rate of Interest (or a component part thereof) by reference to such Successor Rate.

If, in the case of a Successor Rate where no such Adjustment Spread is formally recommended or provided as an option by any Relevant Nominating Body, or in the case of an Alternative Rate, the Issuer, acting in good faith, in a commercially reasonable manner and by reference to such sources as it deems appropriate, which may include consultation with an Independent Adviser, determines that there is an Adjustment Spread in customary market usage in the international debt capital markets for transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be), then the Issuer shall promptly notify the Bond Trustee, the party responsible for determining the Rate of Interest (being the relevant Principal Paying Agent or the Calculation Agent specified in the applicable Final Terms, as applicable) and, in accordance with Condition 13, the Covered Bondholders of such Adjustment Spread and the Principal Paying Agent (the Calculation Agent responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms) shall, subject to the receipt (not less than five Business Days prior to the relevant Interest Determination Date) of, and in accordance with, the Issuer's written instructions apply such Adjustment Spread to the Successor Rate or the Alternative Rate (as the case may be) for each subsequent determination of a relevant Rate of Interest (or a component part thereof) by reference to such Successor Rate or Alternative Rate (as applicable).

If no such recommendation or option has been made (or made available) by any Relevant Nominating Body, or the Issuer so determines, acting in good faith, in a commercially reasonable manner and by reference to such sources as it deems appropriate, which may include consultation with an Independent Adviser, that there is no such Adjustment Spread in customary market usage in the international debt capital markets and the Issuer further determines, acting in good faith, in a commercially reasonable manner and by reference to such sources as it deems appropriate, which may include consultation with an Independent Adviser, that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Rate (as the case may be), then the Adjustment Spread shall be:

(A) the Adjustment Spread determined by the Issuer, acting in good faith, in a commercially reasonable manner and by reference to such sources as it deems appropriate, which may include consultation with an Independent Adviser, as being the Adjustment Spread recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be); or

(B) if there is no such industry standard recognised or acknowledged, such Adjustment Spread as the Issuer, acting in good faith, in a commercially reasonable manner and by reference to such sources as it deems appropriate, which may include consultation with an Independent Adviser, determines to be appropriate, having regard to the objective, so far as is reasonably practicable in the circumstances, of reducing or eliminating any economic prejudice or benefit (as the case may be) to Covered Bondholders as a result of the replacement of the Original Reference Rate with the Successor Rate or the Alternative Rate (as the case may be).

Following any such determination of the Adjustment Spread, the Issuer shall promptly notify the Bond Trustee, the party responsible for determining the Rate of Interest (being the relevant Principal Paying Agent or the Calculation Agent specified in the applicable Final Terms, as applicable) and, in accordance with Condition 13 (*Notices*), the Covered Bondholders of such Adjustment Spread and the relevant Principal Paying Agent (or the Calculation Agent responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms) shall, subject to the receipt (not less than five Business Days prior to the relevant Interest Determination Date) of, and in accordance with, the Issuer's written instructions, apply such Adjustment Spread to the Successor Rate or the Alternative Rate (as the case may be) for each subsequent determination of a relevant Rate of Interest (or a component part thereof) by reference to such Successor Rate or Alternative Rate (as applicable).

(iii) Benchmark Amendments

If any Successor Rate, Alternative Rate or Adjustment Spread is determined in accordance with this Condition 4(d) and the Issuer, acting in good faith, in a commercially reasonable manner and by reference to such sources as it deems appropriate, which may include consultation with an Independent Adviser, determines in its discretion (A) that amendments to these Conditions and/or the Bond Trust Deed and/or the Principal Agency Agreement are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread (such amendments, the **Benchmark Amendments**), and (B) the terms of the Benchmark Amendments, then the Issuer shall, subject to the following paragraphs of this Condition 4(d)(iii) and subject to the Issuer having to give notice thereof to the Covered Bondholders in accordance with Condition 13, and to the Bond Trustee and the party responsible for determining the Rate of Interest (being the relevant Principal Paying Agent or the Calculation Agent specified in the applicable Final Terms as applicable) in accordance with this Condition 4(d)(iii), without any requirement for the consent or approval of Covered Bondholders or Couponholders make the necessary modifications to these Conditions and/or Bond Trust Deed and/or the Principal Agency Agreement to give effect to such Benchmark Amendments. At the request of the Issuer, but subject to receipt by the Bond Trustee and the Principal Paying Agent of the certificate referred to in the final paragraph of this Condition 4(d)(iii), and subject as provided below, the Bond Trustee and the Agents (as applicable) shall (at the expense of the Issuer), without any requirement for the consent or approval of Covered Bondholders or Couponholders and without liability to the Covered Bondholders or any other person, be obliged to concur with the Issuer in effecting any Benchmark Amendments

(including, inter alia, by the execution of a deed supplemental to or amending the Bond Trust Deed) with effect from the date specified in such notice.

In connection with any such modifications in accordance with this Condition 4(d)(iii), if and for so long as the Covered Bonds are admitted to trading and listed on the official list of a stock exchange, the Issuer shall comply with the rules of that stock exchange.

Notwithstanding any other provision of this Condition 4(d)(iii), neither the Bond Trustee nor the Agents shall be obliged to concur with the Issuer and the Covered Bond Guarantor and/or (in the case of the Bond Trustee) direct the Security Trustee to concur with the Issuer and the Covered Bond Guarantor in respect of any Benchmark Amendments which, in the sole opinion of the Bond Trustee or any Agent (as applicable), would have the effect of (i) exposing the Bond Trustee or such Agent (as applicable) to any liability against which it has not been indemnified and/or secured and/or prefunded to its satisfaction or (ii) increasing the obligations or duties, or decreasing the rights or protections, of the Bond Trustee or such Agent (as applicable) in the Bond Trust Deed, the Principal Agency Agreement and/or these Conditions.

Any Benchmark Amendments determined under this Condition 4(d)(iii) shall be notified promptly (in any case, not less than five Business Days prior to the relevant Interest Determination Date) by the Issuer to the Covered Bond Guarantor, the Bond Trustee, the party responsible for determining the Rate of Interest (being the relevant Principal Paying Agent or the Calculation Agent specified in the applicable Final Terms as applicable) and, in accordance with Condition 13, the Covered Bondholders. Such notice shall be irrevocable and shall specify the effective date of such Benchmark Amendments.

No later than notifying the Bond Trustee and the party responsible for determining the Rate of Interest (being the relevant Principal Paying Agent or the Calculation Agent specified in the applicable Final Terms) of the same, the Issuer shall deliver to each of the Bond Trustee and the relevant Principal Paying Agent a certificate (on which each of the Bond Trustee and the relevant Principal Paying Agent shall be entitled to rely without further enquiry or liability) signed by two Authorised Signatories (as defined in the Definitions Schedule) or, as the case may be, the Covered Bond Guarantor:

(A) confirming (i) that a Benchmark Event has occurred, (ii) whether the Issuer has consulted with an Independent Adviser, (iii) the Successor Rate or, as applicable, the Alternative Rate, (iv) where applicable, any Adjustment Spread and/or (v) the specific terms of any Benchmark Amendments, in each case as determined in accordance with the provisions of this Condition 4(d)(iii); and

(B) certifying that the Benchmark Amendments (in accordance with the provisions of Condition 4(d)(iii)) are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread.

The Successor Rate or Alternative Rate and the Adjustment Spread (if any) and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error in the determination of the Successor Rate or Alternative Rate and the Adjustment Spread (if any) and the Benchmark Amendments (if any) and without prejudice to the Bond Trustee's and the relevant Principal Paying Agent's ability to rely on such certificate as aforesaid) be binding on the Issuer, the Bond Trustee, the party responsible for determining the Rate of Interest (being the relevant Principal Paying Agent or the Calculation Agent specified in the applicable Final Terms, as applicable), the Agents and the Covered Bondholders and Couponholders.

(iv) Independent Adviser

In the event the Issuer is to consult with an Independent Adviser in connection with any determination to be made by the Issuer pursuant to this Condition 4(d), the Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, for the purposes of any such consultation.

An Independent Adviser appointed pursuant to this Condition 4(d) shall act in good faith, in a commercially reasonable manner and (in the absence of fraud or wilful default) shall have no liability whatsoever to the Issuer, the Bond Trustee or the Covered Bondholders for any determination made by it or for any advice given to the Issuer in connection with any determination made by the Issuer pursuant to this Condition 4(d) or otherwise in connection with the Covered Bonds.

If the Issuer consults with an Independent Adviser as to whether there is a Successor Rate, an Alternative Rate and/or whether any Adjustment Spread is required to be applied and/or in relation to the quantum of, or any formula or methodology for determining such Adjustment Spread and/or whether any Benchmark Amendments are necessary and/or in relation to the terms of any such Benchmark Amendments, a written determination of an Independent Adviser in respect thereof shall be conclusive and binding on all parties, save in the case of manifest error, and (in the absence of fraud or wilful default) the Issuer shall have no liability whatsoever to the Covered Bondholders in respect of anything done, or omitted to be done, in relation to that matter in accordance with any such written determination.

No Independent Adviser appointed in connection with the Covered Bonds (acting in such capacity) shall have any relationship of agency or trust with the Covered Bondholders.

(v) Survival of Original Reference Rate Provisions

Without prejudice to the obligations of the Issuer under this Condition 4(d), the Original Reference Rate and the fallback provisions provided for in Conditions 4(b)(ii)(A), 4(b)(ii)(B) and/or the applicable Final Terms, as the case may be, will continue to apply unless and until the Issuer has determined the Successor Rate or the Alternative Rate (as the case may be), and any Adjustment Spread and Benchmark Amendments, in accordance with the relevant provisions of this Condition 4(d).

If, in the case of any Benchmark Event, any Successor Rate, Alternative Rate and/or Adjustment Spread is notified to the Principal Paying Agent or any other party specified in the applicable Final Terms as being responsible for determining the Rate of Interest pursuant to Condition 4(d)(iii), and the Principal Paying Agent or such other responsible party (as applicable) is in any way uncertain as to the application of such Successor Rate, Alternative Rate and/or Adjustment Spread in the calculation or determination of any Rate of Interest, it shall promptly notify the Issuer thereof and the Issuer shall direct the Principal Paying Agent or such other party (as applicable) in writing (which direction may be by way of a written determination of an Independent Adviser) as to which course of action to adopt in the application of such Successor Rate, Alternative Rate and/or Adjustment Spread in the determination of such Rate of Interest. If the Principal Paying Agent or such other party specified in the applicable Final Terms as being responsible for determining the Rate of Interest is not promptly provided with such direction, it shall notify the Issuer thereof, and the Principal Paying Agent or such other party (as applicable) shall be under no obligation to make such calculation or determination and shall not incur any liability for not doing so. For the avoidance of doubt, for the period that the Principal Paying Agent or such other party (as applicable) remains uncertain of the application of the Successor Rate, Alternative Rate and/or

Adjustment Spread in the calculation or determination of any Rate of Interest, the Original Reference Rate and the fallback provisions provided for in Condition 4(b) and/or the applicable Final Terms, as the case may be, will continue to apply.

(vi) Notifications, etc. to be final

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 4(d) by the Issuer will (in the absence of default, bad faith or manifest error by it or any of its directors, officers, employees or agents) be binding on the Issuer, the Covered Bond Guarantor, the Bond Trustee, the relevant Principal Paying Agent, the Calculation Agent, the Paying Agents and all the Covered Bondholders of this Series and Coupons relating thereto and (in the absence of any default, bad faith or manifest error as referred to above) no liability to the Bond Trustee and the relevant Principal Paying Agent or the Covered Bondholders of this Series and Coupons relating thereto shall attach to the Issuer in connection with the exercise or non-exercise by it of its powers, duties and discretions under this Condition 4(d).

(vii) Definitions

In this Condition 4(d):

Adjustment Spread means either a spread, or the formula or methodology for calculating a spread and the spread resulting from such calculation, which spread may in either case be positive or negative or zero and is to be applied to the Successor Rate or the Alternative Rate (as the case may be) where the Original Reference Rate is replaced with the Successor Rate or the Alternative Rate (as the case may be);

Alternative Rate means an alternative benchmark or screen rate which the Issuer determines in accordance with this Condition 4(d) is used in place of the Original Reference Rate in customary market usage in the international debt capital markets for the purposes of determining rates of interest (or the relevant component part thereof) for a commensurate interest period and in the same Specified Currency as the Covered Bonds;

Benchmark Amendments has the meaning given to it in Condition 4(d)(iii);

Benchmark Event means, with respect to an Original Reference Rate, the earlier to occur of:

(A) the Original Reference Rate ceasing to be published for at least five Business Days or ceasing to exist or be administered;

(B) the later of (i) the making of a public statement by the administrator of the Original Reference Rate that it will, on or before a specified date, cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate) and (ii) the date falling six months prior to the specified date referred to in (B)(i);

(C) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been permanently or indefinitely discontinued;

(D) the later of (i) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate will, on or before a

specified date, be permanently or indefinitely discontinued and (ii) the date falling six months prior to the specified date referred to in (D)(i);

(E) the later of (i) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that means the Original Reference Rate will be prohibited from being used or that its use will be subject to restrictions or adverse consequences, in each case on or before a specified date and (ii) the date falling six months prior to the specified date referred to in (E)(i);

(F) it has or will prior to the next Interest Determination Date become unlawful for the relevant Principal Paying Agent, any Paying Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms), the Calculation Agent responsible for the calculation of the Rate of Interest, or the Issuer to determine any Rate of Interest and/or calculate any Interest Amount using the Original Reference Rate (including, without limitation, under Regulation (EU) No. 2016/1011 as that Regulation applies in the European Union and/or as it forms part of domestic law in the United Kingdom by virtue of the EUWA, if applicable);

(G) the making of a public statement by the supervisor of the administrator of the Original Reference Rate announcing that such Original Reference Rate is no longer representative or may no longer be used or may no longer be applicable; and

(H) the later of (i) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate will no longer be representative or may no longer be used, in each case on or before a specified date and (ii) the date falling six months prior to the specified date referred to in (H)(i);

Independent Adviser means an independent financial institution of international repute or other independent adviser of recognised standing with appropriate expertise appointed by the Issuer at its own expense;

Original Reference Rate means the benchmark or screen rate (as applicable) originally specified in the applicable Final Terms for the purposes of determining the relevant Rate of Interest (or any component part thereof) in respect of the Covered Bonds (provided that if, following one or more Benchmark Events, such originally specified Reference Rate (or any Successor Rate or Alternative Rate which has replaced it) has been replaced by a (or a further) Successor Rate or Alternative Rate and a Benchmark Event subsequently occurs in respect of such Successor Rate or Alternative Rate, the term "Original Reference Rate" shall include any such Successor Rate or Alternative Rate);

Relevant Nominating Body means, in respect of an Original Reference Rate:

(A) the central bank for the currency to which the Original Reference Rate relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the Original Reference Rate; or

(B) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (i) the central bank for the currency to which the Original Reference Rate relates, (ii) any central bank or other supervisory authority which is responsible for supervising the administrator of the Original Reference Rate, (iii) a group of the aforementioned central banks or other supervisory authorities, or (iv) the Financial Stability Board or any part thereof; and

Successor Rate means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body.

5. Payments

(a) Method of payment

Subject as provided below:

(i) payments in a Specified Currency other than euro will be made by credit or electronic transfer to an account in the relevant Specified Currency maintained by the payee with a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be (i) Sydney or (ii) New Zealand, respectively); and

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

Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment but without prejudice to the provisions of Condition 7 (*Taxation*) and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the **Code**) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any law implementing such an intergovernmental agreement). References to Specified Currency will include any successor currency under applicable law.

(b) Presentation of Bearer Definitive Covered Bonds and Coupons

Payments of principal and interest (if any) in respect of Bearer Definitive Covered Bonds will (subject as provided below) be made in the manner provided in Condition 5(a) above only against presentation and surrender of Bearer Definitive Covered Bonds or Coupons, as the case may be, at any specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction)).

Fixed Rate Covered Bonds in definitive bearer form (other than Long Maturity Covered Bonds) should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall include Coupons falling to be issued on exchange of matured Talons), failing which an amount equal to the face value of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the total amount due) will be deducted from the amount due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of 10 years after the Relevant Date (as defined in Condition 7 (*Taxation*)) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 8 (*Prescription*)) or, if later, five years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

Upon amounts in respect of any Fixed Rate Covered Bond in definitive bearer form becoming due and repayable by the Issuer (in the absence of a Notice to Pay) or the Covered Bond Guarantor under the Covered Bond Guarantee prior to its Final Maturity Date (or, as the case may be, the Extended Due for Payment Date), all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the due date for redemption of any Floating Rate Covered Bond or Long Maturity Covered Bond in definitive bearer form, all unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof. A **Long Maturity Covered Bond** is a Fixed Rate Covered Bond (other than a Fixed Rate Covered Bond which on issue had a Talon attached) whose nominal amount on issue is less than the aggregate interest payable thereon provided that such Covered Bond shall cease to be a Long Maturity Covered Bond on the Interest Payment Date on which the aggregate amount of interest remaining to be paid after that date is less than the Principal Amount Outstanding of such Covered Bond. If the date for redemption of any Bearer Definitive Covered Bond is not an Interest Payment Date, interest (if any) accrued in respect of such Covered Bond from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against surrender of the relevant Bearer Definitive Covered Bond.

(c) Payments in respect of Bearer Global Covered Bonds

Payments of principal and interest (if any) in respect of Covered Bonds represented by any Bearer Global Covered Bond will (subject as provided below) be made in the manner specified above in relation to Bearer Definitive Covered Bonds and otherwise in the manner specified in the relevant Global Covered Bond (against presentation or surrender, as the case may be, of such Global Covered Bond if the Bearer Global Covered Bond is not intended to be issued in NGCB form at the specified office of any Paying Agent outside the United States). On the occasion of each payment, (i) in the case of any Bearer Global Covered Bond which is not issued in NGCB form, a record of such payment made on such Bearer Global Covered Bond, distinguishing between any payment of principal and any payment of interest, will be made on such Bearer Global Covered Bond by the Paying Agent and such record shall be *prima facie* evidence that the payment in question has been made and (ii) in the case of any Global Covered Bond which is issued in NGCB form, the Paying Agent shall instruct Euroclear and Clearstream, Luxembourg to make appropriate entries in their records to reflect such payment.

(d) Payments in respect of Registered Covered Bonds

Payments of principal in respect of each Registered Covered Bond (whether or not in global form) will be made against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the Registered Covered Bond at the specified office of the relevant Registrar or, in the case of NZ Registered Covered Bonds, the NZ Paying Agent, or in any other case any of the Paying Agents (other than the NZ Paying Agent). Such payments will be made by electronic transfer to the Designated Account (as defined below) of the holder (or the first named joint holder) of the Registered Covered Bond appearing in the register of holders of the Registered Covered Bonds maintained by the relevant Registrar (the **Register**) either (i) in the case of NZ Registered Covered Bonds, at the close of business on the tenth calendar day (being for this purpose a day on which banks are open for business in the city where the specified office of the NZ Registrar is located) before the relevant due date, or (ii) in any other case, at the close of business on the third Business Day (being for this purpose a day on which banks are open for business in the city where the specified office of the Luxembourg Registrar is located) before the relevant due date. For these purposes, **Designated Account** means the account maintained by a holder with a Designated Bank and identified as such in the Register and **Designated Bank** means (in the case of payment in a Specified Currency other than euro) a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be (i) Sydney or (ii) New Zealand, respectively) and (in the case of a payment in euro) any bank which processes payments in euro.

Payments of interest in respect of each Registered Covered Bond (whether or not in global form) will be made by transfer on the due date to the Designated Account of the holder (or the first named joint holder) of the Registered Covered Bond appearing in the Register either (A) in the case of NZ Registered Covered Bonds, at the close of business on the tenth calendar day (being for this purpose a

day on which banks are open for business in the city where the specified office of the NZ Registrar is located) before the relevant due date, (B) in the case of a Global Covered Bond which clears through Euroclear or Clearstream, Luxembourg, at the close of business on a clearing system business day (where for the purposes of this Condition 5(d) "clearing system business day" means Monday to Friday inclusive except 25 December and 1 January) immediately prior to the relevant due date for such payment or (C) in any other case, at the close of business on the 15th day (whether or not such 15th day is a Business Day) before the relevant due date (in either case, the **Record Date**). Payment of the interest due in respect of each Registered Covered Bond on redemption will be made in the same manner as payment of the principal in respect of such Registered Covered Bond.

No commissions or expenses shall be charged to the holders by the Registrar in respect of any payments of principal or interest in respect of the Registered Covered Bonds.

All amounts payable to DTC or its nominee as registered holder of a Registered Global Covered Bond in respect of Covered Bonds denominated in a Specified Currency other than U.S. dollars shall be paid by electronic transfer by the Luxembourg Registrar to an account in the relevant Specified Currency of the Exchange Agent on behalf of DTC or its nominee for conversion into and payment in U.S. dollars in accordance with the provisions of the Principal Agency Agreement.

None of the Issuer, the Covered Bond Guarantor, the Bond Trustee or the Agents will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Registered Global Covered Bonds or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

(e) General provisions applicable to payments

The holder of a Global Covered Bond (or, as provided in the Bond Trust Deed, the Bond Trustee) shall be the only person entitled to receive payments in respect of Covered Bonds represented by such Global Covered Bond and the Issuer, or, as the case may be, the Covered Bond Guarantor will be discharged by payment to, or to the order of, the holder of such Global Covered Bond (or the Bond Trustee, as the case may be) in respect of each amount so paid. Each of the persons shown in the records of DTC, NZClear, Euroclear or Clearstream, Luxembourg as the beneficial holder of a particular nominal amount of Covered Bonds represented by such Global Covered Bond must look solely to DTC, NZClear, Euroclear or Clearstream, Luxembourg, as the case may be, for his share of each payment so made by the Issuer or the Covered Bond Guarantor to, or to the order of, the holder of such Global Covered Bond (or the Bond Trustee, as the case may be). No person other than the holder of the relevant Global Covered Bond (or, as provided in the Bond Trust Deed, the Bond Trustee) shall have any claim against the Issuer or the Covered Bond Guarantor in respect of any payments due on that Global Covered Bond.

Notwithstanding the foregoing provisions of this Condition, payments of principal and/or interest in U.S. Dollars in respect of the Bearer Covered Bonds will only be made at the specified office of a Paying Agent in the United States if:

(i) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in U.S. Dollars at such specified offices outside the United States of the full amount of interest on the Bearer Covered Bonds in the manner provided above when due;

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

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

(f) Payment Day

Where either (i) no Business Day Convention or (ii) Floating Rate Convention, is specified in the applicable Final Terms, if the date for payment of any amount in respect of any Covered Bond or Coupon is not a Payment Day (as defined below), the holder thereof shall not be entitled to payment of the relevant amount due until the next following Payment Day and shall not be entitled to any interest or other sum in respect of any such delay. Where a Business Day Convention (other than Floating Rate Convention) is specified in the applicable Final Terms, if the date for payment of any amount in respect of any Covered Bond or Coupon is not a Payment Day, such date of payment shall be postponed or brought forward (as applicable) in accordance with such Business Day Convention (as further described in Condition 4(b)(i) above and as though references therein to "such date" and "Business Day" are to the relevant date of payment and Payment Day in the relevant place, respectively) and the holder thereof shall not be entitled to further interest or other payment in respect of any resulting delay. In this Condition (unless otherwise specified in the applicable Final Terms), **Payment Day** means any day which (subject to Condition 8 (*Prescription*)) is:

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

(A) the relevant place of presentation;

(B) (1) New Zealand and (2) in the case of Covered Bonds that are not NZ Registered Covered Bonds, London; and

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

(ii) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than the places specified in Condition 5(f)(i) and which if the Specified Currency is Australian dollars shall be Sydney) or (2) in relation to any sum payable in euro, a day on which T2 is open; and

(iii) in the case of any payment in respect of a Registered Global Covered Bond denominated in a Specified Currency other than U.S. dollars and registered in the name of DTC or its nominee and in respect of which an accountholder of DTC (with an interest in such Registered Global Covered Bond) has elected to receive any part of such payment in U.S. dollars, a day on which commercial banks are not authorised or required by law or regulation to be closed in New York City.

(g) Interpretation of principal and interest

Any reference in these Conditions to principal in respect of the Covered Bonds shall be deemed to include, as applicable:

(i) any additional amounts which may be payable with respect to principal under Condition 7 (*Taxation*) or under any undertakings or covenants given in addition thereto, or in substitution therefor, pursuant to the Bond Trust Deed;

(ii) the Final Redemption Amount of the Covered Bonds;

(iii) the Early Redemption Amount of the Covered Bonds;

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

(v) the Residual Redemption Amount (if any) of the Covered Bonds;

(vi) any premium and any other amounts (other than interest) which may be payable under or in respect of the Covered Bonds; and

(vii) any Excess Proceeds which may be payable by the Bond Trustee under or in respect of the Covered Bonds.

Any reference in these Conditions to interest in respect of the Covered Bonds shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 7 (*Taxation*) or under any undertakings given in addition thereto, or in substitution therefor, pursuant to the Bond Trust Deed.

(h) Redenomination

Where redenomination is specified in the applicable Final Terms as being applicable, the Issuer may, without the consent of the Covered Bondholders and the Couponholders, on giving prior written notice to the Bond Trustee, the Security Trustee, the Principal Paying Agent, the relevant Registrar (in the case of Registered Covered Bonds), Euroclear and Clearstream, Luxembourg and at least 30 days' prior notice to the Covered Bondholders in accordance with Condition 13 (*Notices*), elect that, with effect from the Redenomination Date specified in the notice, the Covered Bonds shall be redenominated in euro. In relation to any Covered Bonds where the applicable Final Terms provides for a minimum Specified Denomination in the Specified Currency which is equivalent to at least euro 100,000 and which are admitted to trading on a regulated market in the European Economic Area, it shall be a term of any such redenomination that the holder of any Covered Bonds held through Euroclear and/or Clearstream, Luxembourg and/or DTC must have credited to its securities account with the relevant clearing system a minimum balance of Covered Bonds of at least euro 100,000.

The election will have effect as follows:

(i) the Covered Bonds shall be deemed to be redenominated in euro in the denomination of euro 0.01 with a nominal amount for each Covered Bond equal to the nominal amount of that Covered Bond in the Specified Currency, converted into euro at the Established Rate, provided that, if the Issuer determines, in consultation with the Principal Paying Agent and the Bond Trustee, that the then market practice in respect of the redenomination in euro of internationally offered securities is different from the provisions specified above, such provisions shall be deemed to be amended so as to comply with such market practice and the Issuer shall promptly notify the Covered Bondholders, the competent listing authority, stock exchange and/or market (if any) on or by which the Covered Bonds may be listed and/or admitted to trading and the Paying Agents of such deemed amendments;

(ii) save to the extent that an Exchange Notice has been given in accordance with paragraph (iv) below, the amount of interest due in respect of the Covered Bonds will be calculated by reference to the aggregate nominal amount of Covered Bonds presented (or, as the case may be, in respect of which Coupons are presented) for payment by the relevant holder and the amount of such payment shall be rounded down to the nearest euro 0.01;

(iii) if Definitive Covered Bonds are required to be issued after the Redenomination Date, they shall be issued at the expense of the Issuer in denominations of euro 100,000 and/or such

higher amounts as the Principal Paying Agent may determine and notify to the Covered Bondholders and any remaining amounts less than euro 100,000 shall be redeemed by the Issuer and paid to the Covered Bondholders in euro in accordance with Condition 6 (*Redemption and Purchase*);

(iv) if issued prior to the Redenomination Date, all unmatured Coupons denominated in the Specified Currency (whether or not attached to the Covered Bonds) will become void with effect from the date on which the Issuer gives notice (the **Exchange Notice**) that replacement euro-denominated Covered Bonds and Coupons are available for exchange (provided that such securities are so available) and no payments will be made in respect of them. The payment obligations contained in any Covered Bonds and Coupons so issued will also become void on that date although those Covered Bonds and Coupons will continue to constitute valid exchange obligations of the Issuer. New euro-denominated Covered Bonds and Coupons will be issued in exchange for Covered Bonds and Coupons denominated in the Specified Currency in such manner as the Principal Paying Agent may specify and as shall be notified to the Covered Bondholders in the Exchange Notice. No Exchange Notice may be given less than 15 days prior to any date for payment of principal or interest on the Covered Bonds;

(v) after the Redenomination Date, all payments in respect of the Covered Bonds and the Coupons, other than payments of interest in respect of periods commencing before the Redenomination Date, will be made solely in euro as though references in the Covered Bonds to the Specified Currency were to euro. Payments will be made in euro by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee;

(vi) if the Covered Bonds are Fixed Rate Covered Bonds and interest for any period ending on or after the Redenomination Date is required to be calculated for a period ending other than on an Interest Payment Date, it will be calculated:

(a) in the case of Covered Bonds represented by a Global Covered Bond, by applying the Rate of Interest to the aggregate outstanding nominal amount of the Covered Bonds represented by such Global Covered Bonds; and

(b) in the case of Definitive Covered Bonds, by applying the Rate of Interest to the Calculation Amount;

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

(vii) if the Covered Bonds are Floating Rate Covered Bonds, the applicable Final Terms will specify any relevant changes to the provisions relating to interest; and

(viii) such other changes shall be made to this Condition (and the Programme Documents) as the Issuer may decide, after consultation with the Principal Paying Agent and the Bond Trustee, and as may be specified in the notice, to conform it to conventions then applicable to instruments denominated in euro.

(i) Definitions

In these Conditions, the following expressions have the following meanings:

Calculation Amount has the meaning given to it in the applicable Final Terms.

Established Rate means the rate for the conversion of the relevant Specified Currency (including compliance with rules relating to roundings in accordance with applicable European Community regulations) into euro established by the Council of the European Union pursuant to Article 123 of the Treaty.

euro means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty.

Rate of Interest means the rate of interest payable from time to time in respect of a Series of Covered Bonds, as determined in, or as determined in the manner specified in, the applicable Final Terms.

Redenomination Date means (in the case of interest bearing Covered Bonds) any date for payment of interest under the Covered Bonds or (in the case of Zero Coupon Covered Bonds) any date, in each case specified by the Issuer in the notice given to the Covered Bondholders pursuant to Condition 5(h)(i) and which falls on or after the date on which the country of the relevant Specified Currency first participates in the third stage of European economic and monetary union.

Reference Rate means (i) EURIBOR, (ii) HIBOR, (iii) NIBOR, (iv) SONIA, (v) SOFR, (vi) CORRA or (vii) €STR, as specified in the applicable Final Terms.

Treaty means the Treaty on the Functioning of the European Union, as amended.

6. Redemption and Purchase

(a) Final redemption

Unless previously redeemed in full or purchased and cancelled as specified below, each Covered Bond will be redeemed by the Issuer at 100 per cent. of its nominal value (the **Final Redemption Amount**) in the relevant Specified Currency on the Final Maturity Date specified in the applicable Final Terms.

Without prejudice to Condition 9 (*Events of Default and Enforcement*), if an Extended Due for Payment Date is specified as applicable in the Final Terms for a Series of Covered Bonds and the Issuer has failed to pay the Final Redemption Amount on the Final Maturity Date specified in the Final Terms (or after expiry of the grace period set out in Condition 9(a)(i)) and, following the service of a Notice to Pay on the Covered Bond Guarantor by no later than the date falling one Business Day prior to the Extension Determination Date, the Covered Bond Guarantor has insufficient monies available under the Guarantee Priority of Payments to pay the Guaranteed Amounts corresponding to the Final Redemption Amount in full in respect of the relevant Series of Covered Bonds on the date falling on the earlier of (i) the date which falls two Business Days after service of such Notice to Pay on the Covered Bond Guarantor or, if later, the Final Maturity Date (or, in each case, after the expiry of the grace period set out in Condition 9(b)(i)) under the terms of the Covered Bond Guarantee and (ii) the Extension Determination Date, then (subject as provided below) payment of the unpaid amount by the Covered Bond Guarantor under the Covered Bond Guarantee shall be deferred until the Extended Due for Payment Date, provided that the Covered Bond Guarantor may pay any amount representing the Final Redemption Amount on the relevant Final Maturity Date and any amount representing the Final Redemption Amount due and remaining unpaid on the earlier of (i) and (ii) above may also be paid by the Covered Bond Guarantor on any Interest Payment Date thereafter up to (and including) the Extended Due for Payment Date. The Issuer shall confirm to the relevant Principal Paying Agent as

soon as reasonably practicable and in any event at least four Business Days prior to the Final Maturity Date of a Series of Covered Bonds whether (x) payment will be made in full of the Final Redemption Amount in respect of a Series of Covered Bonds on that Final Maturity Date or (y) payment will not be made in full of the Final Redemption Amount in respect of a Series of Covered Bonds on that Final Maturity Date. Any failure by the Issuer to notify the relevant Principal Paying Agent shall not affect the validity or effectiveness of the extension.

The Covered Bond Guarantor shall notify the relevant Covered Bondholders (in accordance with Condition 13 (*Notices*)), the Rating Agencies, the Bond Trustee, the Security Trustee, the relevant Principal Paying Agent and the relevant Registrar (in the case of Registered Covered Bonds) as soon as reasonably practicable and in any event at least one Business Day prior to the dates specified in (i) and (ii) of the preceding paragraph of any inability of the Covered Bond Guarantor to pay in full the Guaranteed Amounts corresponding to the Final Redemption Amount in respect of a Series of Covered Bonds pursuant to the Covered Bond Guarantee. Any failure by the Covered Bond Guarantor to notify such parties shall not affect the validity or effectiveness of the extension nor give rise to any rights in any such party. In such circumstances, the Covered Bond Guarantor shall on the earlier of (I) the date falling two Business Days after the service of a Notice to Pay on the Covered Bond Guarantor or if later the Final Maturity Date (or, in each case, after the expiry of the grace period set out in Condition 9(b)(i)) and (II) the Extension Determination Date, under the Covered Bond Guarantee, apply the monies (if any) available (after paying or providing for payment of higher ranking or *pari passu* amounts in accordance with the Guarantee Priority of Payments) *pro rata* in part payment of an amount equal to the Final Redemption Amount of each Covered Bond of the relevant Series of Covered Bonds and shall pay Guaranteed Amounts constituting the Scheduled Interest in respect of each such Covered Bond on such date. The obligation of the Covered Bond Guarantor to pay any amounts in respect of the balance of the Final Redemption Amount not so paid shall be deferred as described above. Such failure to pay by the Covered Bond Guarantor shall not constitute a Covered Bond Guarantor Event of Default.

Any discharge of the obligations of the Issuer as the result of the payment of Excess Proceeds to the Bond Trustee shall be disregarded for the purposes of determining the amounts to be paid by the Covered Bond Guarantor under the Covered Bond Guarantee in connection with this Condition 6(a).

For the purposes of these Conditions:

Extended Due for Payment Date means, in relation to any Series of Covered Bonds, the date, if any, specified as such in the applicable Final Terms to which the payment of all or (as applicable) part of the Final Redemption Amount payable on the Final Maturity Date will be deferred in the event that the Final Redemption Amount is not paid in full on the Extension Determination Date; and

Extension Determination Date means, in respect of a Series of Covered Bonds, the date falling two Business Days after the expiry of seven days starting on (and including) the Final Maturity Date of such Series of Covered Bonds.

Guarantee Priority of Payments means the guarantee priority of payments relating to the allocation and distribution of all Available Revenue Receipts and Available Principal Receipts following service of a Notice to Pay on the Covered Bond Guarantor, but prior to service of a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor in accordance with clause 12.5 of the Establishment Deed.

Rating Agency means any one of Moody's Investors Service Pty Limited and Fitch Australia Pty Limited (together, the **Rating Agencies**) or their successors, to the extent that they provide ratings in respect of the Covered Bonds.

(b) Redemption for taxation reasons

The Covered Bonds may be redeemed at the option of the Issuer in whole, or in part, at any time (if this Covered Bond is not a Floating Rate Covered Bond) or on any Interest Payment Date (if this Covered Bond is a Floating Rate Covered Bond), on giving not less than 30 nor more than 60 days' notice to the Bond Trustee and, in accordance with Condition 13 (*Notices*), the Covered Bondholders (which notice shall be irrevocable), if the Issuer satisfies the Bond Trustee immediately before the giving of such notice that, on the occasion of the next Interest Payment Date, the Issuer is or will be required to pay additional amounts as provided or referred to in Condition 7 (*Taxation*). Covered Bonds redeemed pursuant to this Condition 6(b) will be redeemed at their Early Redemption Amount referred to in Condition 6(f) together (if appropriate) with interest accrued to (but excluding) the date of redemption.

(c) Redemption at the option of the Issuer

(A) **Redemption at the option of the Issuer – Issuer Call**

If an Issuer Call is specified in the applicable Final Terms, the Issuer may, having given not less than 30 nor more than 60 days' notice to the Bond Trustee, the relevant Principal Paying Agent, (in the case of the redemption of Registered Covered Bonds) the relevant Registrar and, in accordance with Condition 13 (*Notices*), the Covered Bondholders (which notice shall be irrevocable) redeem all or some only (as specified in the applicable Final Terms) of the Covered Bonds then outstanding on any Optional Redemption Date(s) and at the Optional Redemption Amount(s) specified in, or determined in the manner specified in, the applicable Final Terms together, if applicable, with interest accrued to (but excluding) the relevant Optional Redemption Date(s). Upon expiry of such notice, the Issuer shall be bound to redeem the Covered Bonds accordingly. In the event of a redemption of some only of the Covered Bonds, such redemption must be for an amount being the Minimum Redemption Amount or a Higher Redemption Amount. In the case of a partial redemption of Covered Bonds, the Covered Bonds to be redeemed (the **Redeemed Covered Bonds**) will be selected individually by lot, in the case of Redeemed Covered Bonds represented by Definitive Covered Bonds, and in accordance with the rules of DTC, NZClear, Euroclear and/or Clearstream, Luxembourg (to be reflected in the records of DTC, NZClear, Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion) (or any alternative or additional clearing system as may be specified in the Final Terms), in the case of Redeemed Covered Bonds represented by a Global Covered Bond, in each case, not more than 60 days prior to the date fixed for redemption. In the case of Redeemed Covered Bonds represented by Definitive Covered Bonds, a list of the serial numbers of such Redeemed Covered Bonds will be published in accordance with Condition 13 (*Notices*) not less than 30 days prior to the date fixed for redemption or, if shorter, not less than the minimum period of notice to be given by the Issuer to the Covered Bondholders of the redemption as specified in the applicable Final Terms. The aggregate nominal amount of Redeemed Covered Bonds represented by Definitive Covered Bonds shall bear the same proportion to the aggregate nominal amount of all Redeemed Covered Bonds as the aggregate nominal amount of Definitive Covered Bonds outstanding bears to the aggregate nominal amount of the Covered Bonds outstanding, in each case on the date fixed for redemption, provided that such first mentioned nominal amount shall, if necessary, be rounded downwards to the nearest integral multiple of the Specified Denomination, and the aggregate nominal amount of Redeemed Covered Bonds represented by a Global Covered Bond shall be equal to the balance of the Redeemed Covered Bonds.

(B) **Redemption at the option of the Issuer – Issuer Clean-Up Call**

If Issuer Clean-Up Call is specified as being applicable in the applicable Final Terms, the Issuer may, having given not less than the minimum period nor more than the maximum period of notice specified in the applicable Final Terms to the Covered Bondholders in accordance with Condition 13 (which notices shall be irrevocable, and shall specify the date fixed for redemption (provided that such date is no earlier than any Earliest Possible Date for Redemption specified in the applicable Final Terms)), elect to redeem all, but not some only, of the Covered Bonds then outstanding on any date and at the Residual Redemption Amount specified in the applicable Final Terms (the **Residual Redemption Amount**) together, if appropriate, with interest accrued to (but excluding) the relevant date of redemption, if, prior to the date of such notice, 75 per cent. (or such other percentage as may be specified in the applicable Final Terms as being the Issuer Clean-Up Call Threshold (the **Issuer Clean-Up Call Threshold**)) or more of the aggregate nominal amount of the Series issued has been redeemed or purchased and cancelled.

Prior to the publication of any notice of redemption pursuant to this Condition 6(c)(B), the Issuer shall deliver to the Bond Trustee, to make available at its specified office to the Covered Bondholders, a certificate signed by two Authorised Signatories of the Issuer stating that the Issuer is entitled to effect such redemption and confirming that 75 per cent. (or such other percentage as may be specified in the applicable Final Terms as being the Issuer Clean-Up Call Threshold) or more of the aggregate nominal amount of the Series issued has been redeemed or purchased and cancelled. The Bond Trustee shall be entitled to accept such certificate as sufficient evidence of the satisfaction of the condition precedent set out above, in which event it shall be conclusive and binding on the Covered Bondholders and the Couponholders.

(d) Redemption at the option of the Covered Bondholders

If Investor Put is specified as being applicable in the applicable Final Terms, upon the holder of any Covered Bond giving the Issuer not less than 30 nor more than 60 days' written notice the Issuer will, upon the expiry of such notice, redeem, subject to, and in accordance with, the terms specified in the applicable Final Terms, such Covered Bond on the Optional Redemption Date and at the Optional Redemption Amount together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date.

To exercise the right to require redemption of a Covered Bond the holder thereof must, if the Covered Bond is in definitive form and held outside Euroclear and Clearstream, Luxembourg, NZClear or DTC, deliver, at the specified office of either (i) in the case of NZ Registered Covered Bonds, the NZ Paying Agent, or (ii) in any other case, any Paying Agent other than the NZ Paying Agent, at any time during normal business hours of such Paying Agent falling within the notice period, a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent (a **Put Notice**) and in which the holder must specify a bank account to which payment is to be made under this Condition 6(d) accompanied by this Covered Bond. If this Covered Bond is represented by a Global Covered Bond held through Euroclear or Clearstream, Luxembourg, or NZClear or DTC to exercise the right to require redemption of this Covered Bond the holder of this Covered Bond must, within the notice period, give notice to the relevant Principal Paying Agent of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg, NZClear or DTC, (which may include notice being given on its instruction by Euroclear or Clearstream, Luxembourg, NZClear or DTC, or any common depository or common safekeeper, as the case may be, for them to the relevant Principal Paying Agent by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg, NZClear or DTC from time to time and, if this Covered Bond is represented by a Global Covered Bond, at the same time present or procure the presentation of the relevant Global Covered Bond to the Principal Paying Agent for notation accordingly.

Any Put Notice or other notice given in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg, NZClear or DTC, given by a holder of any Covered Bond pursuant to this Condition 6(d) shall be irrevocable except where, prior to the due date of redemption, an Issuer Event of Default or a Covered Bond Guarantor Event of Default has occurred and is continuing and the Bond Trustee has declared the Covered Bonds to be due and payable pursuant to Condition 9 (*Events of Default and Enforcement*), in which event such holder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this Condition 6(d) and instead request or direct the Bond Trustee to declare such Covered Bond forthwith due and payable pursuant to Condition 9 (*Events of Default and Enforcement*).

(e) Redemption due to illegality

The Covered Bonds of all Series may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice to the Bond Trustee, the Principal Paying Agents, the Registrars and, in accordance with Condition 13 (*Notices*), all the Covered Bondholders (which notice shall be irrevocable), if the Issuer satisfies the Bond Trustee immediately before the giving of such notice that it has, or will before the next Interest Payment Date of any Covered Bond of any Series, become unlawful for the Intercompany Loan Provider and/or the Demand Loan Provider to make, fund or allow to remain outstanding any Term Advance and/or the Demand Loan (or, in either case, any part thereof) made by the Intercompany Loan Provider or the Demand Loan Provider, as the case may be to the Covered Bond Guarantor pursuant to the Intercompany Loan Agreement or the Demand Loan Agreement, as the case may be, as a result of any change in, or amendment to, the applicable laws or regulations or any change in the application or official interpretation of such laws or regulations, which change or amendment has become or will become effective before the next such Interest Payment Date.

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

(f) Early Redemption Amounts

For the purpose of Conditions 6(b) and 6(e) above and 6(i) below and Condition 9 (*Events of Default and Enforcement*), each Covered Bond will be redeemed at its Early Redemption Amount calculated by the Principal Paying Agent as follows:

(i) in the case of a Covered Bond with a Final Redemption Amount equal to the Issue Price, at the Final Redemption Amount thereof;

(ii) in the case of a Covered Bond (other than a Zero Coupon Covered Bond) with a Final Redemption Amount which is or may be less or greater than the Issue Price or which is payable in a Specified Currency other than that in which the Covered Bond is denominated, at the amount specified in the applicable Final Terms or, if no such amount or manner is so specified in the applicable Final Terms, at its nominal amount; or

(iii) in the case of a Zero Coupon Covered Bond, at its Early Redemption Amount equal to the sum of:

(a) the Reference Price; and

(b) the product of the Accrual Yield (compounded annually) being applied to the Reference Price from (and including) the Issue Date of the first Tranche of the

Covered Bonds to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Covered Bond becomes due and repayable,

or such other calculation basis as may be provided for in the applicable Final Terms.

Where such calculation is to be made for a period which is not a whole number of years, it shall be made (i) in the case of a Zero Coupon Covered Bond payable in a Specified Currency other than euro, on the basis of a 360-day year consisting of 12 months of 30 days each or (ii) in the case of a Zero Coupon Covered Bond payable in euro, on the basis of the actual number of days elapsed divided by 365 (or, if any of the days elapsed falls in a leap year, the sum of (x) the number of those days falling in a leap year divided by 366 and (y) the number of those days falling in a non leap year divided by 365) or (iii) on such other calculation basis as may be specified in the applicable Final Terms.

(g) Purchases

The Issuer, any of its subsidiaries or the Covered Bond Guarantor may at any time purchase or otherwise acquire Covered Bonds (provided that, in the case of Bearer Definitive Covered Bonds, all unmatured Coupons and Talons appertaining thereto are attached thereto or surrendered therewith) at any price and in any manner. If purchases are made by tender, tenders must be available to all Covered Bondholders alike. Such Covered Bonds may be held, reissued, resold or, at the option of the Issuer or the relevant subsidiary, surrendered to the relevant Registrar and/or either: (i) in the case of NZ Registered Covered Bonds, to the NZ Paying Agent, or (ii) in any other case to any Paying Agent other than the NZ Paying Agent, for cancellation (except that any Covered Bonds purchased or otherwise acquired by the Covered Bond Guarantor must immediately be surrendered to the relevant Registrar and/or either: (i) in the case of NZ Registered Covered Bonds, to the NZ Paying Agent, or (ii) in any other case to any Paying Agent other than the NZ Paying Agent for cancellation).

(h) Cancellation

All Covered Bonds which are redeemed in full will forthwith be cancelled (together with, in the case of Bearer Definitive Covered Bonds, all unmatured Coupons and Talons attached thereto or surrendered therewith at the time of redemption). All Covered Bonds so cancelled and any Covered Bonds purchased and surrendered for cancellation pursuant to Condition 6(g) above and cancelled (together with, in the case of Bearer Definitive Covered Bonds, all unmatured Coupons and Talons cancelled therewith) shall be forwarded to the relevant Principal Paying Agent and cannot be held, reissued or resold.

(i) Late payment on Zero Coupon Covered Bonds

If the amount payable in respect of any Zero Coupon Covered Bond upon redemption of such Zero Coupon Covered Bond pursuant to Condition 6(a), 6(b), 6(c), 6(d) or 6(e) above or upon its becoming due and repayable as provided in Condition 9 (*Events of Default and Enforcement*) is improperly withheld or refused or default is otherwise made in the payment thereof, the amount due and repayable in respect of such Zero Coupon Covered Bond shall be the amount calculated as provided in Condition 6(f)(iii) above as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Covered Bond becomes due and payable were replaced by references to the date which is the earlier of:

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

(ii) the date on which the full amount of the monies payable in respect of such Zero Coupon Covered Bonds has been received by the relevant Principal Paying Agent or the Bond Trustee

or the relevant Registrar and notice to that effect has been given to the Covered Bondholders either in accordance with Condition 13 (*Notices*) or individually.

(j) Certification on redemption under Conditions 6(b) and 6(e)

Prior to the publication of any notice of redemption pursuant to Conditions 6(b) or 6(e), the Issuer shall deliver to the Bond Trustee a certificate signed by two Authorised Signatories (as defined in the Definitions Schedule) of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred and the Bond Trustee shall be entitled to accept the certificate as sufficient evidence of the satisfaction of the conditions precedent set out above, in which event it shall be conclusive and binding on all holders of the Covered Bonds and Couponholders.

7. Taxation

All payments of principal and interest (if any) in respect of the Covered Bonds and Coupons by or on behalf of the Issuer or the Covered Bond Guarantor, as the case may be, will be made 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 a Tax Jurisdiction or New Zealand or any political sub-division thereof or by any authority therein or thereof having power to tax unless such withholding or deduction of such taxes, duties, assessments or governmental charges is required by law. In the event of a withholding or deduction being made by the Issuer in respect of a payment made by it, the Issuer will pay such additional amounts as shall be necessary in order that the net amounts received by the Covered Bondholders or Couponholders after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Covered Bonds or Coupons, as the case may be, in the absence of such withholding or deduction; except that the foregoing obligation to pay additional amounts shall not apply to any such tax, assessment, governmental charge or duty:

(a) which is payable otherwise than by deduction or withholding from payments of principal of, and interest on, such Covered Bond or Coupon;

(b) which is payable (other than in respect of New Zealand resident withholding tax) by reason of the Covered Bondholder or Couponholder or beneficial owner (or any one of them in case of principal or interest derived by two or more persons jointly) having, or having had, some personal or business connection with New Zealand or a Tax Jurisdiction (other than mere ownership of or receipt of payment under the Covered Bonds or Coupon or the fact that payments are, or for the purposes of taxation are deemed to be, from sources in, or secured in New Zealand or a Tax Jurisdiction);

(c) which is payable solely by reason of the Covered Bondholder's or Couponholder's or beneficial owner's failure to comply with any certification, identification or other reporting requirement concerning nationality, residence, identity, connection with taxing jurisdiction of the Covered Bondholder or Couponholder or other beneficial owner of such Covered Bond;

(d) which is payable by reason of a change in law that becomes effective more than thirty days after the Relevant Date (as defined below) except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day assuming that day to have been a Payment Day (as defined in Condition 5(f) (*Payments*)); or

(e) which is an estate, inheritance, gift, sales, transfer, personal property or similar tax, assessment or other charge;

(f) which is payable by reason of the Covered Bondholder, Couponholder or beneficial owner of such Covered Bond or Coupon being associated with the Issuer or the Covered Bond Guarantor for the purposes of the approved issuer levy (the **AIL**) and non-resident withholding tax rules in the Income Tax Act 2007 of New Zealand (the **Tax Act**) or any modification or equivalent thereof;

(g) which is imposed or withheld as a consequence of the New Zealand Inland Revenue Department applying section BG 1 of the Tax Act (or any modification or equivalent thereof) with the consequence that withholding tax is payable in respect of a payment in circumstances where the payment would not have been subject to withholding tax in the absence of the application of such provision;

(h) where such withholding or deduction is for or on account of New Zealand resident withholding tax;

(i) with respect to any payment of principal of or interest (including original issue discount) on the Covered Bonds and Coupons by the Issuer to any Covered Bondholder or Couponholder who is a fiduciary or partnership or other than the sole beneficial owner of any such payment to the extent that a beneficiary or settlor with respect to such fiduciary, a member of such a partnership or any other beneficial owner would not have been entitled to the additional amounts had such beneficiary, settlor, member or beneficial owner been the holder of such Covered Bonds and Coupons;

(j) where such withholding or deduction is required pursuant to an agreement described in Section 1471(b) of the Code or is otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any law implementing such an intergovernmental agreement); or

(k) any combination of paragraphs (a) through (j) above.

If any payments made by the Covered Bond Guarantor under the Covered Bond Guarantee are or become subject to any withholding or deduction, on account of any taxes, duties or other charges of whatever nature, imposed or levied by or on behalf of New Zealand or by any other authority having power to tax, the Covered Bond Guarantor:

(i) will not be obliged to pay any additional amount as a consequence; and

(ii) for the avoidance of doubt will not be required to pay any amount of AIL in respect of such payments unless required by law.

If the Covered Bond Guarantor is required by law to pay any amount of AIL in respect of any payments made by it under the Covered Bond Guarantee, it may deduct from such payments an amount equal to the amount of AIL payable and will not be obliged to pay any additional amount as a consequence.

As used herein:

(i) **Tax Jurisdiction** means the jurisdiction, if any, named in the applicable Final Terms as being the jurisdiction wherein BNZ's borrowing office is located for such Tranche of Covered Bonds if such borrowing office is not located in New Zealand; and

(ii) the Relevant Date means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Bond Trustee or the

Agent on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Covered Bondholders in accordance with Condition 13 (*Notices*).

Where used in the remaining provisions of this Condition 7, interest means interest (as defined under the Tax Act or any modification or equivalent thereof) for withholding tax purposes, which includes the excess of the redemption amount over the issue price of any Covered Bond, as well as interest paid on such Covered Bond. The Issuer is, and the Covered Bond Guarantor may be required by law to deduct New Zealand resident withholding tax from the payment of interest to a Covered Bondholder or Couponholder, if:

(a) the Covered Bondholder or Couponholder, as the case may be, is a resident of New Zealand for income tax purposes or is otherwise subject to the New Zealand resident withholding tax rules (a **New Zealand Covered Bondholder**); and

(b) at the time of such payment, the New Zealand Covered Bondholder does not have RWT-exempt status (as defined in section YA 1 of the Tax Act) for New Zealand resident withholding tax purposes.

Prior to any date on which interest is payable or the Final Maturity Date, any New Zealand Covered Bondholder:

(A) must notify the Issuer or the Covered Bond Guarantor or any Paying Agent, that the New Zealand Covered Bondholder is the holder of a Covered Bond or Coupon; and

(B) must notify the Issuer or the Covered Bond Guarantor or a Paying Agent, of any circumstances, and provide the Issuer or the Covered Bond Guarantor or the relevant Paying Agent, with any information that may enable the Issuer or the Covered Bond Guarantor, to make payment of interest to the New Zealand Covered Bondholder without deduction on account of New Zealand resident withholding tax.

The New Zealand Covered Bondholder must notify the Issuer or the Covered Bond Guarantor, prior to any date on which interest is payable, of any change in the New Zealand Covered Bondholder's circumstances from those previously notified that could affect the payment or withholding obligations of the Issuer or the Covered Bond Guarantor, in respect of this Covered Bond or Coupon. By accepting payment of the full face amount of a Covered Bond or Coupon, as the case may be or any interest thereon, the New Zealand Covered Bondholder indemnifies the Issuer or the Covered Bond Guarantor, for all purposes in respect of any liability the Issuer or the Covered Bond Guarantor may incur for not deducting any amount from such payment on account of New Zealand resident withholding tax.

Only a New Zealand Covered Bondholder will be obliged to make the notification referred to above and no other holder will be required to make any certification that is not a New Zealand Covered Bondholder.

8. Prescription

The Covered Bonds (whether in bearer or registered form) and Coupons will become void unless presented for payment within 10 years (in the case of principal) and five years (in the case of interest) in each case from the Relevant Date (as defined in Condition 7 (*Taxation*)) therefor, subject in each case to the provisions of Condition 5 (*Payments*).

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

9. Events of Default and Enforcement

(a) Issuer Events of Default

The Bond Trustee at its discretion may, and if so requested in writing by the holders of at least 25 per cent. of the aggregate Principal Amount Outstanding of the Covered Bonds (which for this purpose or the purpose of any Extraordinary Resolution referred to in this Condition (a) means the Covered Bonds of this Series together with the Covered Bonds of any other Series constituted by the Bond Trust Deed) then outstanding, as if they were a single Series (with the Principal Amount Outstanding of Covered Bonds not denominated in NZ Dollars converted into NZ Dollars at the relevant Swap Rate), or, if so directed by an Extraordinary Resolution of the Covered Bondholders, will (but in the case of the occurrence of any of the events mentioned in subparagraph (iii), (iv), (v), (vi), (viii) or (ix) inclusive below, only if the Bond Trustee has certified in writing to the Issuer that such event is, in its opinion, materially prejudicial to the interests of the Covered Bondholders of any Series) (subject, in each case, to being indemnified and/or secured and or prefunded to its satisfaction) give notice (an **Issuer Acceleration Notice**) in writing to the Issuer that as against the Issuer (but not, for the avoidance of doubt, as against the Covered Bond Guarantor under the Covered Bond Guarantee) each Covered Bond of each Series is, and each such Covered Bond shall, unless such event shall have been cured by the Issuer prior to the Issuer's receipt of the notice in writing from the Bond Trustee, thereupon immediately become, due and repayable at its Early Redemption Amount together with accrued interest as provided in the Bond Trust Deed if any of the following events (each, an **Issuer Event of Default**) shall occur:

(i) default by the Issuer in any payment when due of principal on the Covered Bonds or any of them and the default continues for a period of seven days;

(ii) default by the Issuer in payment when due of any instalment of interest on the Covered Bonds or any of them and the default continues for a period of 30 days;

(iii) a failure by the Issuer to perform or observe any of its other obligations under the Conditions or the Bond Trust Deed and the failure continues for the period of 30 days next following the service by the Bond Trustee on the Issuer, as the case may be, of notice requiring the same to be remedied;

(iv) a distress or execution or other legal process is levied or enforced upon or sued out or put in force against any part of the property, assets or revenues of the Issuer and such distress or execution or other legal process, as the case may be, is not discharged or stayed within 14 days of having been so levied, enforced or sued out;

(v) an encumbrancer takes possession or a receiver or administrator is appointed over the whole or any part of the undertaking, property, assets or revenues of the Issuer (other than in respect of monies borrowed or raised on a non-recourse basis);

(vi) the Issuer (a) becomes insolvent or is unable to pay its debts as they mature; (b) applies for or consents to or suffers the appointment of a liquidator or receiver or administrator of the Issuer or of the whole or any part of the undertaking, property, assets or revenues of the Issuer (other than in respect of monies borrowed or raised on a non-recourse basis); or (c) takes any proceeding under any law for a readjustment or deferment of its obligations or any part thereof

or makes or enters into a general assignment or any arrangement or composition with or for the benefit of creditors;

(vii) other than under or in connection with a scheme of amalgamation or reconstruction not involving a bankruptcy or insolvency an effective resolution is passed by shareholders or members for the appointment of a liquidator of the Issuer;

(viii) a moratorium shall be agreed or declared in respect of any indebtedness of the Issuer, or any governmental authority or agency shall have condemned, seized or compulsorily purchased or expropriated all or in the opinion of the Bond Trustee a substantial part of the assets of or capital of the Issuer;

(ix) (a) BNZ ceases to carry on general banking business in New Zealand; or (b) BNZ ceases to be registered as a bank in New Zealand; or (c) the Issuer enters into any arrangement or agreement for any sale or disposal of the whole of its respective business by amalgamation or otherwise other than, in the case of (c) only, (A) under or in connection with a scheme of amalgamation or reconstruction not involving a bankruptcy or insolvency which, in respect of the Issuer results in a substitution of the principal debtor under the Covered Bonds and Coupons pursuant to Condition 14 (*Meetings of Covered Bondholders, Modification, Waiver and Substitution*); or (B) with the consent of the Covered Bondholders by Extraordinary Resolution;

(x) if an Asset Coverage Test Breach Notice has been served and remains outstanding (in accordance with the terms of the Programme Documents) on the next Calculation Date after service of such Asset Coverage Test Breach Notice on the Covered Bond Guarantor; or

(xi) if the Pre-Maturity Test in respect of any Series of Hard Bullet Covered Bonds is breached during the Pre-Maturity Test Period and the Covered Bond Guarantor has not taken the required actions set out in clause 9.4 of the Establishment Deed following that breach by the earlier to occur of:

(a) ten NZ Business Days from the date that the Seller is notified of that breach; and

(b) the Final Maturity Date of that Series of Hard Bullet Covered Bonds.

Notwithstanding any other provision of this Condition 9(a), no Issuer Event of Default (other than Condition 9(a)(vii)) in respect of the Covered Bonds shall occur solely on account of any failure by the Issuer to perform or observe any of its obligations in relation to, or the agreement or declaration of any moratorium with respect to, or the taking of any proceeding in respect of, any share, note or other security or instrument constituting Tier 1 Capital or Tier 2 Capital (as defined by the Australian Prudential Regulation Authority from time to time).

Upon the Covered Bonds becoming immediately due and repayable against the Issuer pursuant to this Condition 9(a), the Bond Trustee shall forthwith serve a notice to pay (the **Notice to Pay**) on the Covered Bond Guarantor pursuant to the Covered Bond Guarantee and the Covered Bond Guarantor shall be required to make payments of Guaranteed Amounts when the same shall become Due for Payment in accordance with the terms of the Covered Bond Guarantee.

Following the occurrence of an Issuer Event of Default and service of an Issuer Acceleration Notice, the Bond Trustee may or shall take such proceedings or other action or step against the Issuer in accordance with Condition 9(c).

The Bond Trust Deed provides that all monies received by the Bond Trustee following the occurrence of an Issuer Event of Default and the delivery of an Issuer Acceleration Notice and Notice to Pay, from the Issuer or any receiver, liquidator, administrator or other similar official appointed in relation to the Issuer following the occurrence of an Issuer Event of Default and service of an Issuer Acceleration Notice and a Notice to Pay (the **Excess Proceeds**), shall be paid by the Bond Trustee on behalf of the Covered Bondholders of the relevant Series to the Covered Bond Guarantor for its own account, as soon as practicable, and shall be held by the Covered Bond Guarantor in the GIC Account and the Excess Proceeds shall thereafter form part of the Security and shall be used by the Covered Bond Guarantor as Available Principal Receipts in the same manner as all other monies from time to time standing to the credit of the GIC Account pursuant to the Security Deed and the Establishment Deed. Any Excess Proceeds received by the Bond Trustee shall discharge *pro tanto* the obligations of the Issuer in respect of the payment of the amount of such Excess Proceeds under the Covered Bonds and Coupons (as applicable and to the extent of the amount so received and subject to restitution of the same if such Excess Proceeds shall be required to be repaid by the Covered Bond Guarantor) (but shall be deemed not to have done so for the purposes of subrogation rights of the Covered Bond Guarantor contemplated by the Bond Trust Deed). However, the obligations of the Covered Bond Guarantor under the Covered Bond Guarantee are (following service of an Issuer Acceleration Notice and a Notice to Pay or if earlier, Service of a Covered Bond Guarantee Acceleration Notice) unconditional and irrevocable and the receipt by the Bond Trustee of any Excess Proceeds and payment to the Covered Bond Guarantor of such Excess Proceeds shall not reduce or discharge any such obligations.

By subscribing for Covered Bond(s), each Covered Bondholder shall be deemed to have irrevocably directed the Bond Trustee to pay the Excess Proceeds to the Covered Bond Guarantor in the manner as described above.

(b) Covered Bond Guarantor Events of Default

The Bond Trustee at its discretion may, and if so requested in writing by the holders of at least 25 per cent. of the aggregate Principal Amount Outstanding of the Covered Bonds (which for this purpose and the purpose of any Extraordinary Resolution referred to in this Condition 9(b) means the Covered Bonds of this Series together with the Covered Bonds of any other Series constituted by the Bond Trust Deed) then outstanding as if they were a single Series (with the Principal Amount Outstanding of Covered Bonds not denominated in NZ Dollars converted into NZ Dollars at the relevant Swap Rate) or if so directed by an Extraordinary Resolution of all the Covered Bondholders will, (subject in each case to being indemnified and/or secured and/or prefunded to its satisfaction), but in the case of the occurrence of any of the events described in paragraph (ii) below, only if the Bond Trustee has certified in writing to the Issuer and the Covered Bond Guarantor that such event is, in its opinion, materially prejudicial to the interests of the Covered Bondholders of any Series, give notice (the **Covered Bond Guarantee Acceleration Notice**) in writing to the Issuer and to the Covered Bond Guarantor, that (x) each Covered Bond of each Series is, and each Covered Bond of each Series shall as against the Issuer (if not already due and repayable against it following an Issuer Event of Default), thereupon immediately become, due and repayable at its Early Redemption Amount together with accrued interest and (y) all amounts payable by the Covered Bond Guarantor under the Covered Bond Guarantee shall thereupon immediately become due and payable at the Guaranteed Amount corresponding to the Early Redemption Amount for each Covered Bond of each Series together with accrued interest, in each case as provided in the Bond Trust Deed and thereafter the Security shall become enforceable if any of the following events (each a **Covered Bond Guarantor Event of Default**) shall occur and be continuing:

(i) default is made by the Covered Bond Guarantor for a period of 14 days or more in the payment of any Guaranteed Amounts when Due for Payment in respect of the Covered Bonds of any Series except in the case of the payments of a Guaranteed Amount when Due for Payment

under Condition 6(a) where the Covered Bond Guarantor shall be required to make payments of Guaranteed Amounts which are Due for Payment on the dates specified therein;

(ii) if default is made by the Covered Bond Guarantor in the performance or observance of any other obligation, condition or provision binding on it (other than any obligation for the payment of Guaranteed Amounts in respect of the Covered Bonds of any Series) under the Bond Trust Deed, the Security Deed or any other Programme Document to which the Covered Bond Guarantor is a party (other than the Programme Agreement or any Subscription Agreement) and, except where such default is or the effects of such default are, in the opinion of the Bond Trustee, not capable of remedy when no such continuation and notice as is hereinafter mentioned will be required, such default continues for 30 days (or such longer period as the Bond Trustee may permit) after written notice thereof has been given by the Bond Trustee to the Covered Bond Guarantor requiring the same to be remedied;

(iii) if the Covered Bond Guarantor ceases or threatens to cease to carry on its business or substantially the whole of its business;

(iv) the Covered Bond Guarantor shall stop payment or shall be unable, or shall admit inability, to pay its debts generally as they fall due or shall be adjudicated or found bankrupt or insolvent;

(v) proceedings are initiated against the Covered Bond Guarantor under any applicable liquidation, winding up, insolvency, bankruptcy, composition, reorganisation or other similar laws (including, but not limited to, presentation of a petition or the filing of documents with a court or any registrar for its winding-up, administration or dissolution or the giving notice of the intention to appoint an administrator (whether out of court or otherwise)); or a receiver and/or manager, administrative receiver, administrator, trustee or other similar official shall be appointed (whether out of court or otherwise) in relation to the Covered Bond Guarantor or in relation to the whole or any part of its assets, or a distress, diligence or execution or other process shall be levied or enforced upon or sued out against the whole or any part of its assets, or if the Covered Bond Guarantor shall initiate or consent to judicial proceedings relating to itself under any applicable liquidation, winding up, insolvency, bankruptcy, composition, reorganisation or other similar laws or shall make a conveyance, assignment or assignation for the benefit of, or shall enter into any composition with, its creditors generally;

(vi) failure to satisfy the Amortisation Test (as set out in the Establishment Deed) on any Calculation Date following an Issuer Event of Default; or

(vii) the Covered Bond Guarantee is not, or is claimed by the Covered Bond Guarantor not to be, in full force and effect.

Following the occurrence of a Covered Bond Guarantor Event of Default and service of a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor each of the Bond Trustee and the Security Trustee may or shall take such proceedings or steps in accordance with the first and third paragraphs, respectively, of Condition 9(c) and the Covered Bondholders shall have a claim against the Covered Bond Guarantor, under the Covered Bond Guarantee, for an amount equal to the Early Redemption Amount for each Covered Bond of each Series together with accrued interest and any other amount due under the Covered Bonds (other than additional amounts payable under Condition 7 (*Taxation*)) as provided in the Bond Trust Deed in respect of each Covered Bond.

(c) Enforcement

The Bond Trustee may at any time, at its discretion and without further notice, following service of an Issuer Acceleration Notice (in the case of the Issuer) or, if earlier, following service of a Covered Bond

Guarantee Acceleration Notice (in the case of the Covered Bond Guarantor) take such proceedings or other action or step as it may think fit against or in relation to the Issuer and/or the Covered Bond Guarantor, as the case may be, and/or any other person as it may think fit to enforce the provisions of the Bond Trust Deed, the Covered Bonds and the Coupons or any other Programme Document, but it shall not be bound to take any such enforcement proceedings or other action or step in relation to the Bond Trust Deed, the Covered Bonds or the Coupons or any other Programme Document unless (A) it shall have been so directed by an Extraordinary Resolution of the Covered Bondholders of all Series then outstanding (with the Covered Bonds of all Series taken together as a single Series and converted into NZ Dollars at the relevant Swap Rate as aforesaid) or so requested in writing by the holders of not less than 25 per cent. of the aggregate Principal Amount Outstanding of the Covered Bonds of all Series then outstanding (with the Covered Bonds of all Series taken together as a single Series and converted into NZ Dollars at the relevant Swap Rate as aforesaid) and (B) it shall have been indemnified and/or secured and/or prefunded to its satisfaction.

In exercising any of its powers, trusts, authorities and discretions the Bond Trustee shall only have regard to the interests of the Covered Bondholders of all Series equally and shall not have regard to the interests of any other Secured Creditors.

The Bond Trustee may at any time, following service of a Covered Bond Guarantee Acceleration Notice at its discretion and without further notice, direct the Security Trustee to take such steps or proceedings against the Covered Bond Guarantor and/or any other person as it may think fit to enforce the provisions of the Security Deed or any other Programme Document and may, at any time after the Security has become enforceable, direct the Security Trustee to take such steps as it may think fit to enforce the Security, but it shall not be bound to give any such direction and the Security Trustee shall not be bound to take any such steps or proceedings unless (i) the Bond Trustee shall have been so directed by an Extraordinary Resolution of the Covered Bondholders of all Series then outstanding (with the Covered Bonds of all Series taken together as a single Series and converted into NZ Dollars at the relevant Swap Rate as aforesaid) or so requested in writing by the holders of not less than 25 per cent. of the aggregate Principal Amount Outstanding of the Covered Bonds of all Series then outstanding (with the Covered Bonds of all Series taken together as a single Series and converted into NZ Dollars at the relevant Swap Rate as aforesaid); and (ii) each of the Bond Trustee and Security Trustee shall have been indemnified and/or secured and/or prefunded to its satisfaction. In exercising any of its powers, trusts, authorities and discretions under this paragraph each of the Bond Trustee and the Security Trustee shall only have regard to the interests of the Covered Bondholders of all Series equally and shall not have regard to the interests of any other Secured Creditors.

No Covered Bondholder or Couponholder shall be entitled to institute proceedings directly against the Issuer or the Covered Bond Guarantor or to take any action with respect to the Bond Trust Deed, the Covered Bonds, the Coupons, or the Security unless the Bond Trustee or the Security Trustee, as applicable, having become bound so to proceed, fails or is unable to do so within a reasonable time and such failure or inability is continuing in which event any Covered Bondholder or Couponholder may, on giving an indemnity and/or prefunding and/or security satisfactory to the Bond Trustee, in the name of the Bond Trustee (but not otherwise) himself institute such proceedings and/or prove in the winding up, administration or liquidation of the Issuer or the Covered Bond Guarantor to the same extent and in the same jurisdiction (but not further or otherwise than the Bond Trustee would have been entitled to do so in respect of the Covered Bonds and Coupons and/or the Bond Trust Deed).

10. Replacement of Covered Bonds, Coupons and Talons

Should any Covered Bond, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the UK Paying Agent in London (in the case of Bearer Covered Bonds or Coupons) or the specified office of the relevant Registrar (in the case of Registered Covered Bonds), or any other place approved by the Bond Trustee of which notice shall have been published

in accordance with Condition 13 (*Notices*) upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Covered Bonds, Coupons or Talons must be surrendered before replacements will be issued.

11. UK Paying Agent, NZ Paying Agent, Paying Agents, Luxembourg Registrar, NZ Registrar, Transfer Agent and Exchange Agent

The names of the initial UK Paying Agent, NZ Paying Agent, the other initial Paying Agents, the initial Luxembourg Registrar, the NZ Registrar, the initial Transfer Agent, the initial Exchange Agent and their initial specified offices are set out below.

In the event of the appointed office of any such bank being unable or unwilling to continue to act as the UK Paying Agent, or failing duly to determine the Rate of Interest, if applicable, or to calculate the Interest Amounts for any Interest Period, the Issuer shall appoint the London office of such other bank as may be approved by the Bond Trustee to act as such in its place. The UK Paying Agent may not resign its duties or be removed from office without a successor having been appointed as aforesaid.

In the event of the appointed NZ Paying Agent and/or NZ Registrar being unable or unwilling to continue to act as the NZ Paying Agent and/or NZ Registrar, or failing duly to determine the Interest Rate, if applicable, or to calculate the Interest Amounts for any Interest Period, the Issuer shall appoint such other paying agent and/or registrar as may be approved by the Bond Trustee to act as such in its place. Each of the NZ Paying Agent and the NZ Registrar may not resign its duties or be removed from office without a successor having been appointed as aforesaid.

The Issuer is entitled, with the prior written approval of the Bond Trustee (not to be unreasonably withheld), to vary or terminate the appointment of any Paying Agent or Registrar and/or appoint additional or other Paying Agents or Registrars and/or approve any change in the specified office through which any Paying Agent or Registrar acts, provided that:

(a) there will at all times be a UK Paying Agent, a Luxembourg Registrar and, so long as any NZ Registered Covered Bonds are outstanding, a NZ Paying Agent and a NZ Registrar;

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

(c) so long as any of the Registered Global Covered Bonds payable in a Specified Currency other than U.S. dollars are held through DTC or its nominee, there will at all times be an Exchange Agent.

In addition, the Issuer shall, when necessary appoint a Paying Agent having a specified office in New York City in the circumstances described in Condition 5(e). Notice of any such variation, termination, appointment or change will be given by the Issuer to the Covered Bondholders as soon as reasonably practicable in accordance with Condition 13 (*Notices*).

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

12. Exchange of Talons

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the UK Paying Agent or any other Paying Agent (other than the NZ Paying Agent) in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Bearer Covered Bond to which it appertains) a further Talon, subject to the provisions of Condition 8 (*Prescription*).

13. Notices

All notices regarding the Bearer Covered Bonds will be valid if published (a) in a leading English language daily newspaper of general circulation in London, and (b) if and for so long as the Bearer Covered Bonds are admitted to trading, and listed, on the Regulated Market of the Luxembourg Stock Exchange, a daily newspaper of general circulation in Luxembourg and/or the Luxembourg Stock Exchange's website, *www.bourse.lu*. It is expected that any such newspaper publication will be made in the *Financial Times* in London and the *Luxembourger Wort* or the *Tageblatt* in Luxembourg. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules of any stock exchange or other relevant authority on which the Bearer Covered Bonds are for the time being listed or by which they have been admitted to trading. Any such notice will be deemed to have been given on the date of first publication or, where required to be published in more than one newspaper, on the date of first publication in all required newspapers. If publication as provided above is not practicable, a notice will be given in such other manner, and will be deemed to have been given on such date, as the Bond Trustee shall approve.

All notices regarding the Registered Covered Bonds will be deemed to be validly given if sent by first class mail or (if posted to an address overseas) by airmail to the holders (or the first named joint holder) at their respective addresses recorded in the Register and will be deemed to have been given on the fourth day after mailing and, in addition, for so long as any Registered Covered Bonds are admitted to trading on a stock exchange and the rules of that stock exchange (or any other relevant authority) so require, such notice will be published in a daily newspaper of general circulation in the place or places required by those rules.

Until such time as any Definitive Covered Bonds are issued, there may, so long as the Covered Bonds are represented in their entirety by any Global Covered Bonds held on behalf of NZClear and/or DTC and/or Euroclear and/or Clearstream, Luxembourg, be substituted for such publication in such newspaper(s) or such mailing the delivery of the relevant notice to NZClear and/or DTC and/or Euroclear and/or Clearstream, Luxembourg for communication by them to the Covered Bondholders and, in addition, for so long as any Covered Bonds are listed on a stock exchange or admitted to trading by any other relevant authority and the rules of that stock exchange, or as the case may be, other relevant authority so require, such notice or notices will be published in a daily newspaper of general circulation in the place or places required by those rules. Any such notice shall be deemed to have been given to the Covered Bondholders on the day on which the said notice was given to NZClear and/or DTC and/or Euroclear and/or Clearstream, Luxembourg.

Notices to be given by any Covered Bondholder shall be in writing and given by lodging the same, together (in the case of any Covered Bond in definitive form) with the relative Covered Bond or Covered Bonds, with the Principal Paying Agent (in the case of the Bearer Covered Bonds) or the Registrar (in the case of Registered Covered Bonds). While any of the Covered Bonds are represented by a Global Covered Bond, such notice may be given by any holder of a Covered Bond to the relevant Principal Paying Agent or the Registrar through NZClear and/or Euroclear and/or Clearstream, Luxembourg and/or DTC, as the case may be, in such manner as the relevant Principal Paying Agent,

the Registrar and NZClear and/or Euroclear and/or Clearstream, Luxembourg and/or DTC, as the case may be, may approve for this purpose.

14. Meetings of Covered Bondholders, Modification, Waiver and Substitution

Covered Bondholders, Couponholders and other Secured Creditors should note that the Issuer, the Covered Bond Guarantor and the relevant Principal Paying Agent may without their consent or the consent of the Bond Trustee or the Security Trustee agree to modify any provision of any Final Terms which is of a formal, minor or technical nature or is made to correct a manifest error or to comply with any mandatory provisions of law.

The Bond Trust Deed contains provisions for convening meetings of the Covered Bondholders of any Series to consider any matter affecting their interests, including the modification by Extraordinary Resolution of these Conditions or the provisions of the Bond Trust Deed. The quorum at any such meeting in respect of the Covered Bonds of any Series for passing an Extraordinary Resolution is one or more persons holding or representing not less than a clear majority of the aggregate Principal Amount Outstanding of the Covered Bonds of such Series for the time being outstanding, or at any adjourned meeting one or more persons being or representing the Covered Bondholders of such Series whatever the Principal Amount Outstanding of the Covered Bonds of such Series so held or represented, except that at any meeting the business of which includes any Series Reserved Matter, the quorum shall be one or more persons holding or representing not less than two-thirds of the aggregate Principal Amount Outstanding of the Covered Bonds of such Series for the time being outstanding, or at any adjourned such meeting one or more persons holding or representing not less than one third of the aggregate Principal Amount Outstanding of the Covered Bonds of such Series for the time being outstanding. The expression **Extraordinary Resolution** when used in these Conditions means: (a) a resolution passed at a meeting of the Covered Bondholders duly convened and held in accordance with the Bond Trust Deed by a majority consisting of not less than three-fourths of the persons voting thereat upon a show of hands or if a poll is duly demanded by a majority consisting of not less than three fourths of the votes cast on such poll; or (b) a resolution in writing signed by or on behalf of Covered Bondholders holding not less than seventy five per cent. in Principal Amount Outstanding of the Covered Bonds then outstanding, which resolution in writing may be contained in one document or in several documents in like form each signed by or on behalf of one or more of the Covered Bondholders. An Extraordinary Resolution passed at any meeting of the Covered Bondholders of a Series shall, subject as provided below, be binding on all the Covered Bondholders of such Series, whether or not they are present at the meeting, and on all Couponholders in respect of such Series of Covered Bonds. Pursuant to the Bond Trust Deed, the Bond Trustee may convene a single meeting of the holders of Covered Bonds of more than one Series if in the opinion of the Bond Trustee there is no conflict between the respective interests of such Covered Bondholders, in which event the provisions of this paragraph shall apply thereto *mutatis mutandis*.

Notwithstanding the provisions of the immediately preceding paragraph, any Extraordinary Resolution to direct the Bond Trustee to accelerate the Covered Bonds pursuant to Condition 9(a) or to give a Covered Bond Guarantee Acceleration Notice pursuant to Condition 9(b) (*Events of Default and Enforcement*) or to direct the Bond Trustee or the Security Trustee or to direct the Bond Trustee to direct the Security Trustee to take any enforcement action or to direct the Bond Trustee to determine that any Issuer Event of Default, Potential Issuer Event of Default, Covered Bond Guarantor Event of Default or Potential Covered Bond Guarantor Event of Default shall not be treated as such for the purposes of the Bond Trust Deed (each a **Programme Resolution**) shall only be capable of being passed at a single meeting of the Covered Bondholders of all Series then outstanding. Any such meeting to consider a Programme Resolution may be convened by the Issuer, the Covered Bond Guarantor or the Bond Trustee or by the Covered Bondholders of any Series. The quorum at any such meeting for passing a Programme Resolution is one or more persons holding or representing at least a clear majority of the aggregate Principal Amount Outstanding of the Covered Bonds of all Series for

the time being outstanding or at any adjourned such meeting one or more persons holding or representing Covered Bonds whatever the Principal Amount Outstanding of the Covered Bonds of any Series so held or represented. A Programme Resolution passed at any meeting of the Covered Bondholders of all Series shall be binding on all the Covered Bondholders of all Series, whether or not they are present at the meeting, and on all related Couponholders.

In connection with any meeting of the holders of Covered Bonds of more than one Series where such Covered Bonds are not denominated in NZ Dollars, the Principal Amount Outstanding of the Covered Bonds of any Series not denominated in NZ Dollars shall be converted into NZ Dollars at the relevant Swap Rate.

The Bond Trustee may, without the consent or sanction of any of the Covered Bondholders of any Series, the related Couponholders and without the consent of the other Secured Creditors, at any time and time to time, concur with the Issuer, the Covered Bond Guarantor or any other party or direct the Security Trustee to concur with the Issuer, the Covered Bond Guarantor or any other party in making any modification of the Covered Bonds of one or more Series, the related Coupons or any Programme Document:

(a) which in the opinion of the Bond Trustee may be expedient to make provided the Bond Trustee is of the opinion that such modification is not materially prejudicial to the interests of the Covered Bondholders of any Series but such power does not extend to any such modification referred to in the definition of Series Reserved Matter; or

(b) which is in the opinion of the Bond Trustee of a formal, minor or technical nature, or in the opinion of the Bond Trustee is made to correct a manifest error or is made to comply with mandatory provisions of law (and for this purpose the Bond Trustee may disregard whether any such modification relates to a Series Reserved Matter); or

(c) (without prejudice to (a) and (b) above) which is made to enable Covered Bondholders and Secured Creditors to obtain the protection and/or other benefits of any legislation or regulations or any directive of any regulatory body including, without limitation, the RBNZ that are introduced in New Zealand for the purpose of regulating covered bonds provided that the Bond Trustee is of the opinion that such modification will not be materially prejudicial to the interests of the Covered Bondholders of any Series.

Notwithstanding the above the Bond Trustee and the Security Trustee shall not be obliged to agree to any amendment, which, in the sole opinion of the Bond Trustee or the Security Trustee, (as applicable), would have the effect of (i) exposing the Bond Trustee or the Security Trustee, (as applicable), to any liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or (ii) increasing the obligations or duties, or decreasing the protections, of the Bond Trustee or the Security Trustee, (as applicable), in the Bond Trust Deed, the other Programme Documents and/or the Conditions.

The Bond Trustee may without the consent of any of the Covered Bondholders of any Series, the related Couponholders and without the consent of any other Secured Creditor and without prejudice to its rights in respect of any subsequent breach, Issuer Event of Default, Potential Issuer Event of Default, Covered Bond Guarantor Event of Default or Potential Covered Bond Guarantor Event of Default from time to time and at any time but only if in so far as in its opinion the interests of the Covered Bondholders of any Series shall not be materially prejudiced thereby, waive or authorise, or direct the Security Trustee to waive or authorise, any breach or proposed breach by an Issuer or the Covered Bond Guarantor or any other person of any of the covenants or provisions contained in the Bond Trust Deed, the other Programme Documents or the Conditions or determine that any Issuer Event of Default, Potential Issuer Event of Default, Covered Bond Guarantor Event of Default or

Potential Covered Bond Guarantor Event of Default shall not be treated as such for the purposes of the Bond Trust Deed, provided always that the Bond Trustee shall not exercise any powers conferred on it in contravention of any express direction given by Extraordinary Resolution or by a request under Condition 9(a) or (b) (*Events of Default and Enforcement*) but so that no such direction or request shall affect any waiver, authorisation or determination previously given or made. Any such waiver, authorisation or determination may be given or made on such terms and subject to such conditions (if any) as the Bond Trustee may determine, shall be binding on the Covered Bondholders, the related Couponholders and, if, but only if, the Bond Trustee shall so require, shall be notified by the Issuer or the Covered Bond Guarantor (as the case may be) to the Covered Bondholders in accordance with Condition 13 (*Notices*) as soon as practicable thereafter.

Subject to as provided below, the Bond Trustee shall be bound to waive or authorise, or direct the Security Trustee to waive or authorise, any breach or proposed breach by the Issuer or the Covered Bond Guarantor or any other person of any of the covenants or provisions contained in the Bond Trust Deed, the other Programme Documents or the Conditions or determine that any Issuer Event of Default, Potential Issuer Event of Default, Covered Bond Guarantor Event of Default or Potential Covered Bond Guarantor Event of Default shall not be treated as such for the purposes of the Bond Trust Deed if it is: (i) in the case of such waiver or authorisation, (a) so directed by Extraordinary Resolution of the Covered Bondholders of the relevant one or more Series (with the Covered Bonds of all such Series taken together as a single Series in the circumstances provided in the Bond Trust Deed and, if applicable, converted into NZ Dollars at the relevant Swap Rate) or (b) requested to do so in writing by the holders of not less than 25 per cent. of the Principal Amount Outstanding of the Covered Bonds of the relevant one or more Series (with the Covered Bonds of all such Series taken together as a single Series in the circumstances provided in the Bond Trust Deed and, if applicable, converted into NZ Dollars at the relevant Swap Rate) or (ii), in the case of any such determination, (a) so directed by an Extraordinary Resolution of the Covered Bondholders of all Series then outstanding (with the Covered Bonds of all Series taken together as a single Series and, if applicable, converted into NZ Dollars at the relevant Swap Rate) or (b) requested to do so in writing by the holders of not less than 25 per cent. of the Principal Amount Outstanding of the Covered Bonds of all Series then outstanding with the Covered Bonds of all Series taken together as a single Series and, if applicable, converted into NZ Dollars as aforesaid, and at all times then only if it shall be indemnified and/or secured and/or pre-funded to its satisfaction against all Liabilities to which it may thereby render itself liable or which it may incur by so doing.

The Security Trustee may, without the consent of the Secured Creditors (other than any Secured Creditor who is a party to the relevant document) and without prejudice to its right in respect of any further or other breach, from time to time and at any time, but only if so directed by (a) the Bond Trustee, so long as there are any Covered Bonds outstanding or (b) all of the other Secured Creditors, if there are no Covered Bonds outstanding, authorise or waive any proposed or actual breach of any of the covenants or provisions contained in any Programme Document and/or agree to any modification to any Programme Document. Any such authorisation or waiver or modification shall be binding on the Secured Creditors and, unless the Bond Trustee otherwise agrees, notice thereof shall be given by the Issuer or the Covered Bond Guarantor (as the case may be) to the Secured Creditors as soon as practicable thereafter.

Any such modification, waiver, authorisation or determination shall be binding on all the Covered Bondholders of all Series of Covered Bonds for the time being outstanding, the related Couponholders and the other Secured Creditors, and unless the Bond Trustee otherwise agrees, any such modification shall be notified by the Issuer, to the Covered Bondholders of all Series of Covered Bonds for the time being outstanding and the other Secured Creditors in accordance with Condition 13 (*Notices*) as soon as practicable thereafter.

In connection with the exercise by it of any of its trusts, powers, authorities and discretions (including, without limitation, any modification, waiver, authorisation or determination), the Bond Trustee and the Security Trustee shall have regard to the general interests of the Covered Bondholders of each Series as a class (but shall not have regard to any interests arising from circumstances particular to individual Covered Bondholders or Couponholders whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise for individual Covered Bondholders, the related Couponholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof and the Bond Trustee and the Security Trustee shall not be entitled to require, nor shall any Covered Bondholder or Couponholder be entitled to claim, from the Issuer, the Covered Bond Guarantor, the Bond Trustee, the Security Trustee or any other person any indemnification or payment in respect of any tax consequences of any such exercise upon individual Covered Bondholders and/or Couponholders, except to the extent already provided for in Condition 7 (*Taxation*) and/or in any undertaking or covenant given in addition to, or in substitution for, Condition 7 (*Taxation*) pursuant to the Bond Trust Deed.

Prior to the Bond Trustee and/or the Security Trustee making or granting any waiver, authorisation or determination pursuant to this Condition, the Issuer must send written confirmation to the Bond Trustee and Security Trustee that: (i) any such waiver, authorisation or determination would not require the RBNZ to be notified; or (ii) if such waiver, authorisation or determination would require the RBNZ to be notified, the Issuer has provided all information required to be provided to the RBNZ and, if consent or confirmation of non-objection is required, the RBNZ has given its consent or confirmed its non-objection to the proposed waiver, authorisation or determination.

Subject to any required RBNZ consent, the Bond Trustee and Security Trustee shall concur in and effect any modifications to the Programme Documents that are requested by the Covered Bond Guarantor or the Trust Manager to accommodate the accession of a new Servicer, new Swap Provider or new Agent to the Programme provided that (a) each of the Swap Providers provide written confirmation to the Bond Trustee and the Security Trustee consenting to such modification of those documents to which they are a party (such consent not to be unreasonably withheld); (b) the Covered Bond Guarantor or the Trust Manager, as the case may be, has certified to the Security Trustee and the Bond Trustee in writing that such modifications are required in order to accommodate the addition of the new Servicer, new Swap Provider or new Agent to the Programme; and (c) all other conditions precedent to the accession of the new Servicer, new Swap Provider or new Agent to the Programme set out in the Programme Documents have been satisfied at the time of the accession.

In addition, the Bond Trustee and the Security Trustee shall be obliged to concur with the Issuer in effecting any Benchmark Amendments or Benchmark Replacement Conforming Changes (as applicable) in the circumstances and as otherwise set out in Condition 4(b)(ii)(B)(5) or 4(d)(iii) (as applicable) without the consent of the Covered Bondholders or Couponholders and the reference in the second paragraph of this Condition 14 to meetings of the Covered Bondholders shall not apply to any Benchmark Amendments made pursuant to Condition 4(d)(iii) or Benchmark Replacement Conforming Changes made pursuant to Condition 4(b)(ii)(B)(5) (as applicable), which, in each case, shall be made without Covered Bondholders' or Couponholders' consent as specified therein. In addition, the Bond Trustee shall at the direction and expense of the Issuer, and having received a certificate from the Issuer, signed by two Authorised Signatories of the Issuer, confirming that the Issuer has made the relevant determinations in accordance with Condition 4(b)(ii)(F) and specifying the proposed BBSW Rate Amendments, be obliged to concur, and shall be obliged to direct the Security Trustee to concur, with the Issuer in effecting any BBSW Rate Amendments in the circumstances and as otherwise set out in Condition 4(b)(ii)(F)(3) without the consent of the Covered Bondholders and the Bond Trustee shall not be liable to any person for any consequences thereof, save as provided in the Bond Trust Deed. The reference in the second paragraph of this Condition 14 to meetings of the Covered Bondholders shall not apply to BBSW Rate Amendments made pursuant to

Condition 4(b)(ii)(F)(3), which, in each case, shall be made without Covered Bondholders' consent as specified therein. The Bond Trustee shall not be obliged to agree to any BBSW Rate Amendments which in the sole opinion of the Bond Trustee would have the effect of: (a) exposing the Bond Trustee to any liability against which it has not been indemnified and/or secured and/or prefunded to its satisfaction; or (b) increasing the obligations or duties, or decreasing the rights or protection, of the Bond Trustee in the Programme Documents and/or these Conditions.

Substitution

The Bond Trust Deed provides that the Bond Trustee may, without the consent of the Covered Bondholders or Couponholders agree with the Issuer to the substitution in place of the Issuer (or of any previous substitute under this Condition) as the principal debtor under the Covered Bonds, Coupons and the Bond Trust Deed of another company, being a subsidiary of the Issuer, subject to (a) the Bond Trustee being satisfied that the interests of the Covered Bondholders will not be materially prejudiced by the substitution and (b) certain other conditions set out in the Bond Trust Deed being complied with.

The Bond Trust Deed provides that in connection with any scheme of amalgamation or reconstruction of the Issuer not involving the bankruptcy or insolvency of the Issuer and (A) where the Issuer does not survive the amalgamation or reconstruction or (B) where all or substantially all of the assets and business of the Issuer will be disposed of to, or succeeded by, another entity (whether by operation of law or otherwise), the Bond Trustee shall, if requested by the Issuer be obliged, without the consent of the Covered Bondholders or Couponholders, at any time to agree to the substitution in the place of the Issuer as principal debtor under the Covered Bonds, Coupons and the Bond Trust Deed of another company (the **Substituted Debtor**) being the entity with and into which the Issuer amalgamates or the entity to which all or substantially all of the business and assets of the Issuer is transferred, or succeeded to, pursuant to such scheme of amalgamation or reconstruction (whether by operation of law or otherwise), subject to, *inter alia*:

(i) the Substituted Debtor entering into a supplemental trust deed in form and manner satisfactory to the Bond Trustee agreeing to be bound by the Bond Trust Deed with any consequential amendments which the Bond Trustee may deem appropriate as fully as if the Substituted Debtor had been named in the Bond Trust Deed as principal debtor in place of the Issuer;

(ii) the Substituted Debtor acquiring or succeeding to pursuant to such scheme of amalgamation or reconstruction all or substantially all of the assets and business of the Issuer; and

(iii) confirmations being received by the Bond Trustee from each Rating Agency that the substitution will not adversely affect the rating of the Covered Bonds.

Any such supplemental trust deed or undertaking shall, if so expressed, operate to release the Issuer or the previous substitute as aforesaid from all of its obligations as principal debtor under the Bond Trust Deed.

In addition, subject as further provided in the Bond Trust Deed, the Bond Trustee may without the consent of the Covered Bondholders or Couponholders at any time agree with the Issuer to the substitution in place of the Issuer (or any previous substitute under this Condition) as the principal debtor under the Covered Bonds, Coupons and the Bond Trust Deed of any Subsidiary of the Issuer subject to (a) the Bond Trustee being satisfied that the interests of the Covered Bondholders will not be materially prejudiced by the substitution and (b) certain other conditions set out in the Bond Trust Deed being complied with.

Any substitution pursuant to this Condition 14 shall be binding on the Covered Bondholders and the Couponholders and, unless the Bond Trustee agrees otherwise, shall be notified by the Issuer to the Covered Bondholders not later than 14 days after any such substitution in accordance with Condition 13 (*Notices*).

It shall be a condition of any substitution pursuant to this Condition 14 that the Covered Bond Guarantee shall remain in place or be modified to apply *mutatis mutandis* and continue in full force and effect in relation to any Substituted Debtor.

Rating Agencies

If:

(a) a confirmation or affirmation of rating or other response by a Rating Agency is a condition to any action or step under any Programme Document; and

(b) a written request for such confirmation or response is delivered to that Rating Agency by any of the Covered Bond Guarantor, the Issuer, the Seller, the Servicer, the Bond Trustee and/or the Security Trustee, as applicable (each a **Requesting Party**) and the Rating Agency indicates that it does not consider such confirmation, affirmation or response necessary in the circumstances,

the Requesting Party shall be entitled to assume for the purposes of the Programme Documents that the then current ratings of the Covered Bonds in issue will not be downgraded or withdrawn by such Rating Agency as a result of such action or step.

The Bond Trustee shall be entitled to treat as conclusive a certificate signed by an Authorised Signatory of the Issuer or the Covered Bond Guarantor as to any matter referred to in (b) above and the Bond Trustee shall not be responsible for any loss, liabilities, costs, damages, expenses or inconvenience that may be caused as a result.

For the purposes of this Condition 14:

Potential Covered Bond Guarantor Event of Default means any condition, event or act which, with the lapse of time and/or the issue, making or giving of any notice, certification, declaration, demand, determination and/or request and/or the taking of any similar action and/or the fulfilment of any similar condition, would constitute a Covered Bond Guarantor Event of Default;

Potential Issuer Event of Default means any condition, event or act which, with the lapse of time and/or the issue, making or giving of any notice, certification, declaration, demand, determination and/or request and/or the taking of any similar action and/or the fulfilment of any similar condition, would constitute an Issuer Event of Default; and

Series Reserved Matter in relation to Covered Bonds of a Series means: (i) reduction or cancellation of the amount payable or, where applicable, modification of the method of calculating the amount payable or modification of the date of payment or, where applicable, modification of the method of calculating the date of payment in respect of any principal or interest in respect of the Covered Bonds; (ii) alteration of the currency in which payments under the Covered Bonds and Coupons are to be made, other than pursuant to Condition 5(h) (*Redenomination*); (iii) alteration of the quorum or majority required to pass an Extraordinary Resolution; (iv) any amendment to the Covered Bond Guarantee or the Security Deed; (v) except in accordance with Condition 6(h) (*Cancellation*) or the provision relating to substitution in this Condition 14, the sanctioning of any scheme or proposal for the exchange or sale of the Covered Bonds for or the conversion of the Covered Bonds into, or the

cancellation of the Covered Bonds in consideration of, shares, stock, Covered Bonds, bonds, debentures, debenture stock and/or other obligations and/or securities of the Issuer or any other company formed or to be formed, or for or into or in consideration of cash, or partly for or into or in consideration of such shares, stock, bonds, Covered Bonds, debentures, debenture stock and/or other obligations and/or securities as aforesaid and partly for or into or in consideration of cash and for the appointment of some person with power on behalf of the Covered Bondholders to execute an instrument of transfer of the Registered Covered Bonds held by them in favour of the persons with or to whom the Covered Bonds are to be exchanged or sold respectively; and (vi) alteration of the proviso to paragraph 5 or paragraph 6 of Schedule 4 to the Bond Trust Deed or the alteration of this definition.

15. Indemnification of the Bond Trustee and the Security Trustee and the Bond Trustee and Security Trustee contracting with the Issuer and/or the Covered Bond Guarantor

If, in connection with the exercise of its powers, trusts, authorities or discretions the Bond Trustee is of the opinion that the interests of the Covered Bondholders of any one or more series would be materially prejudiced thereby, the Bond Trustee shall not exercise such power, trust, authority or discretion without the approval of such Covered Bondholders of the relevant Series by Extraordinary Resolution or by a direction in writing of such Covered Bondholders of at least 25 per cent. of the Principal Amount Outstanding of Covered Bonds of the relevant Series then outstanding or as otherwise required under the Programme Documents.

The Bond Trust Deed and the Security Deed contain provisions for the indemnification of the Bond Trustee and the Security Trustee and for their relief from responsibility, including provisions relieving them from taking any action unless indemnified and/or secured and/or prefunded to their satisfaction.

The Bond Trust Deed and the Security Deed also contain provisions pursuant to which each of the Bond Trustee and Security Trustee, respectively, is entitled, *inter alia*: (i) to enter into business transactions with the Issuer, the Covered Bond Guarantor and/or any of their respective Subsidiaries and affiliates and to act as trustee for the holders of any other securities issued or guaranteed by, or relating to, the Issuer, the Covered Bond Guarantor and/or any of their respective Subsidiaries and affiliates; (ii) to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such transactions or, as the case may be, any such trusteeship without regard to the interests of, or consequences for, the Covered Bondholders or Couponholders or the other Secured Creditors and (iii) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

Neither the Bond Trustee nor the Security Trustee will be responsible for any loss, expense or liability which may be suffered as a result of any Mortgage Loans or Related Security, or any deeds or documents of title thereto, being uninsured or inadequately insured or being held by clearing organisations or their operators or by intermediaries such as banks, brokers or other similar persons whether or not on behalf of the Bond Trustee and/or the Security Trustee. Neither the Bond Trustee nor the Security Trustee will be responsible for *inter alia*: (i) supervising the performance by the Issuer or any other party to the Programme Documents or, in relation to Condition 4(d) only, any Independent Adviser, of their respective obligations under the Programme Documents and the Bond Trustee and the Security Trustee will be entitled to assume, until they each have written notice to the contrary, that all such persons are properly performing their duties; (ii) considering the basis on which approvals or consents are granted by the Issuer or any other party to the Programme Documents under the Programme Documents; (iii) monitoring the Mortgage Loan Portfolio, including, without limitation, whether the Mortgage Loan Portfolio is in compliance with the Asset Coverage Test, the Pre-Maturity Test or the Amortisation Test; or (iv) monitoring whether Mortgage Loans and Related Security satisfy the Eligibility Criteria. Neither the Bond Trustee nor the Security Trustee will be liable to any Covered Bondholder or other Secured Creditor (a) for any failure to make or to cause to be made on their behalf the searches, investigations and enquiries which would normally be made by a prudent secured creditor

in relation to the Security and have no responsibility in relation to the legality, validity, sufficiency and enforceability of the Security and the Programme Documents or (b) in relation to Condition 4(d) only, the acts or omissions of any Independent Adviser.

The Bond Trustee may refrain from taking any action or exercising any right, power, authority or discretion vested in it relating to the transactions contemplated in the Programme Documents until it has been indemnified and/or secured and/or prefunded to its satisfaction against any and all actions, charges, claims, costs, damages, demands, expenses, liabilities, losses and proceedings which might be sustained by it as a result and will not be required to do anything which may cause it to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties or in the exercise of any of its rights, powers, authorities or discretions if it has reasonable grounds for believing that repayment of such funds or adequate indemnity, security or prefunding against such liability is not assured to it.

16. Further Issues

The Issuer shall be at liberty from time to time without the consent of the Covered Bondholders or the Couponholders to create and issue further bonds having terms and conditions the same as the Covered Bonds of any Series or the same in all respects save for the amount and date of the first payment of interest thereon, issue date and/or purchase price and so that the same shall be consolidated and form a single Series with the outstanding Covered Bonds of such Series.

17. Limited Recourse, Covered Bond Guarantee and non-petition

(a) Only the Security Trustee may pursue the remedies available under the general law or under the Security Deed to enforce the Security and no Transaction Party shall be entitled to proceed directly against the Covered Bond Guarantor to enforce the Security. In particular, each Transaction Party (other than the Covered Bond Guarantor and the Security Trustee) has agreed with and acknowledges to each of the Covered Bond Guarantor and the Security Trustee, and the Security Trustee agreed with and acknowledged to the Covered Bond Guarantor, that:

(i) none of the Transaction Parties (nor any person on their behalf, other than the Security Trustee where appropriate) is entitled, otherwise than as permitted by the Programme Documents, to direct the Security Trustee to enforce the Security or take any proceedings against the Covered Bond Guarantor to enforce the Security;

(ii) none of the Transaction Parties (other than the Security Trustee) shall have the right to take or join any person in taking any steps against the Covered Bond Guarantor for the purpose of obtaining payment of any amount due from the Covered Bond Guarantor to any of such Transaction Parties;

(iii) until the date falling two years after the Vesting Date none of the Transaction Parties nor any person on their behalf shall initiate or join any person in initiating an Insolvency Event in relation to the Trust other than a Receiver appointed under clause 15 of the Security Deed; and

(iv) none of the Transaction Parties shall be entitled to take or join in the taking of any corporate action, legal proceedings or other procedure or step which would result in the Priorities of Payments not being complied with.

(b) The Covered Bondholders agree with and acknowledge to each of the Covered Bond Guarantor and the Security Trustee, and the Security Trustee has agreed with and acknowledged to the Covered Bond Guarantor, that notwithstanding any other provision of any Programme Document, all obligations of

the Covered Bond Guarantor to such party including, without limitation, the Secured Obligations, are limited in recourse to the Covered Bond Guarantor as set out below:

(i) it will have a claim only in respect of the Charged Property and will not have any claim, by operation of law or otherwise, against, or recourse to, any of the Covered Bond Guarantor's other assets;

(ii) sums payable to each party in terms of the Covered Bond Guarantor's obligations to such party shall be limited to the lesser of (a) the aggregate amount of all sums due and payable to such party and (b) the aggregate amounts received, realised or otherwise recovered and immediately available for payment by or for the account of the Covered Bond Guarantor in respect of the Charged Property whether pursuant to enforcement of the Security or otherwise, net of any sums which are payable by the Covered Bond Guarantor in accordance with the Priorities of Payments in priority to or *pari passu* with sums payable to such party; and

(iii) upon the Security Trustee giving written notice to the relevant party that it has determined in its opinion, and the Servicer having certified to the Security Trustee, that there is no reasonable likelihood of there being any further realisations in respect of the Charged Property (whether arising from an enforcement of the Security or otherwise) which would be available to pay unpaid amounts outstanding under the relevant Programme Document, the relevant party shall have no further claim against the Covered Bond Guarantor in respect of any such unpaid amounts and the obligations to pay such unpaid amounts shall be discharged in full.

(c) To the extent permitted by law, no recourse under any obligation, covenant, or agreement of any person contained in the Programme Documents shall be had against any shareholder, officer, agent or director of such person as such, by the enforcement of any assessment or by any legal proceeding, by virtue of any statute or otherwise; it being expressly agreed and understood that the Programme Documents are corporate obligations of each person expressed to be a party thereto and no personal liability shall attach to or be incurred by the shareholders, officers, agents or directors of such person as such, or any of them, under or by reason of any of the obligations, covenants or agreements of such person contained in the Programme Documents, or implied therefrom, and that any and all personal liability for breaches by such person of any of such obligations, covenants or agreements, either under any applicable law or by statute or constitution, of every such shareholder, officer, agent or director is expressly waived by each person expressed to be a party thereto as a condition of and consideration for execution of the Programme Documents.

18. Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of this Covered Bond under the Contracts (Rights of Third Parties) Act 1999 but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

19. Governing Law

The Bond Trust Deed (including the Covered Bond Guarantee), the Principal Agency Agreement, the Covered Bonds and the Coupons and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law unless specifically stated to the contrary. The NZ Agency Agreement and any non-contractual obligations arising out of or in connection with it are governed by, and shall be construed in accordance with New Zealand law.

SIGNATORIES

EXECUTED as a **DEED** for and on behalf of
BANK OF NEW ZEALAND
by its attorneys

Signature of Attorney

Liashui Zhang
Name of Attorney

In the presence of:

Signature of witness

Susanne Maree Taylor
Name of witness

Bank Officer
Occupation

Auckland
City/town of residence

Signature of Attorney

Peter Shane MacGillivray
Name of Attorney

In the presence of:

Signature of witness

Susanne Maree Taylor
Name of witness

Bank Officer
Occupation

Auckland
City/town of residence

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CERTIFICATE OF NON-REVOCATION OF POWER OF ATTORNEY

I, Xiaohui Zhang (Treasurer, Bank of New Zealand) of Auckland, New Zealand, certify that:

1. By deed dated 28 April 2026, Bank of New Zealand, of Level 4, 80 Queen Street, Auckland, New Zealand, appointed me as its attorney.

2. I have not received notice of any event revoking the power of attorney.

SIGNED in Auckland this 12th day of November 2026

DocuSigned by:

70C1D27A11E542F...

Xiaohui Zhang

bnz

CERTIFICATE OF NON-REVOCATION OF POWER OF ATTORNEY

I, Peter MacGillivray (Chief Financial Officer, Bank of New Zealand) of Auckland, New Zealand, certify that:

1. By deed dated 28 April 2026, Bank of New Zealand, of Level 4, 80 Queen Street, Auckland, New Zealand, appointed me as its attorney.

2. I have not received notice of any event revoking the power of attorney.

SIGNED in Auckland this 12th day of November 2026

Peter MacGillivray

EXECUTED as a **DEED** by

CBG TRUSTEE COMPANY LIMITED
in its capacity as Covered Bond Guarantor
acting by its duly authorised attorney

Elena Vinton
Head of Client Services (Auckland)
Corporate Trustee Services
Public Trust

in the presence of:

Witness Signature
Name:
Address:
Occupation:

Brian See
Senior Manager Client Services
Public Trust Corporate Trustee Services
Auckland

CERTIFICATE OF NON-REVOCATION OF POWER OF ATTORNEY

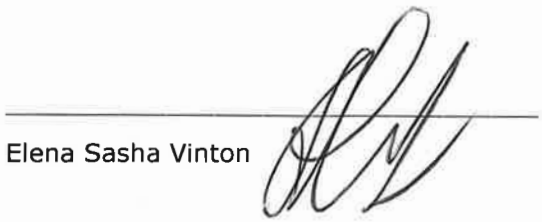
CBG Trustee Company Limited

I, Elena Sasha Vinton, Head of Client Services, Public Trust, certify:

1 That by deed dated 1 August 2018, CBG Trustee Company Limited of Level 16, SAP Tower, 151 Queen Street, Auckland, 1010, New Zealand appointed me its attorney.

2 That I have not received notice of any event revoking the power of attorney.

Signed at Auckland this 12th day of November 2026



Elena Sasha Vinton

EXECUTED as a **DEED** by affixing)

THE COMMON SEAL of)

DEUTSCHE TRUSTEE COMPANY LIMITED)

.....

Associate Director

.....

Associate Director

