

Information Memorandum



**Nederlandse Waterschapsbank N.V.**

(Incorporated in the Netherlands with its statutory seat in The Hague)

**A\$10,000,000,000  
Debt Issuance Programme**

**Arranger**

Royal Bank of Canada (ABN 86 076 940 880)

**Dealers**

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

Citigroup Global Markets Australia Pty Limited (ABN 64 003 114 832)

Commonwealth Bank of Australia (ABN 48 123 123 124)

Daiwa Capital Markets Europe Limited

Deutsche Bank AG, Sydney Branch (ABN 13 064 165 162)

The Hongkong and Shanghai Banking Corporation Limited, Sydney Branch (ABN 65 117 925 970)

J.P. Morgan Securities plc

National Australia Bank Limited (ABN 12 004 044 937)

Nomura International plc

Royal Bank of Canada (ABN 86 076 940 880)

The Toronto-Dominion Bank

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

Westpac Banking Corporation (ABN 33 007 457 141)

Under the Debt Issuance Programme described in this Information Memorandum ("**Programme**"), Nederlandse Waterschapsbank N.V. ("**Issuer**"), subject to compliance with all relevant laws and directives, may from time to time issue debt securities ("**Notes**"). The aggregate principal amount of Notes issued under the Programme may be up to A\$10,000,000,000, or its equivalent in other currencies, outstanding at any one time, subject to increase in accordance with the terms of the Dealer Agreement (as defined herein).

**Nederlandse Waterschapsbank N.V. is neither a bank nor an authorised deposit-taking institution which is authorised under the Banking Act 1959 of the Commonwealth of Australia ("Banking Act") nor a registered bank under the Reserve Bank of New Zealand Act 1989. The Notes are not the obligations of any government and, in particular, are not guaranteed by the Commonwealth of Australia or the Government of New Zealand. The Issuer is not supervised by the Australian Prudential Regulation Authority or the Reserve Bank of New Zealand. An investment in any Notes issued by the Issuer will not be covered by the depositor protection provisions in section 13A of the Banking Act and will not be covered by the Australian Government's bank deposit guarantee (also commonly referred to as the Financial Claims Scheme).**

14 September 2018

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## Important Notice

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***This Information Memorandum supersedes in its entirety the Information Memorandum issued by Nederlandse Waterschapsbank N.V. dated 28 January 2016.***

### Introduction

This Information Memorandum relates to a debt issuance programme (“**Programme**”) established by Nederlandse Waterschapsbank N.V. (“**Issuer**”) under which short-term notes (“**STNs**”) and medium term notes (“**MTNs**”, and together with the STNs, “**Notes**”) may be issued from time to time, up to a maximum aggregate amount equal to the Programme Limit (as defined in the section entitled “Summary of the Programme” below) outstanding at any one time. Subject to any applicable laws and directives, the Issuer may issue Notes in Australia (“**Australian Domestic Notes**”) and MTNs in New Zealand (“**New Zealand Domestic Notes**”) or in any country outside Australia and New Zealand. This Information Memorandum relates solely to Notes which may be issued in the wholesale debt capital markets of Australia or New Zealand by the Issuer under the Programme. Potential investors in other debt instruments which may be issued by the Issuer under the Programme should refer to any disclosure document relevant to the issue of those debt instruments.

Terms used in this Information Memorandum but not otherwise defined have the meaning given to them in the Conditions (as defined below).

Each issue of Notes will be made pursuant to such documentation as the Issuer may determine. The Issuer may publish additional disclosure or offering documentation which describe the issue of Notes (or particular classes of Notes or other debt instruments) not described in this Information Memorandum.

### Banking legislation

The Issuer is neither a bank nor an authorised deposit-taking institution which is authorised under the Banking Act 1959 of Australia (“**Banking Act**”) nor a registered bank under the Reserve Bank of New Zealand Act 1989 (“**Reserve Bank of NZ Act**”). The Notes are not the obligations of any government and, in particular, are not guaranteed by the Commonwealth of Australia or the Government of New Zealand. The Issuer is not supervised by the Australian Prudential Regulation Authority or the Reserve Bank of New Zealand. An investment in any Notes issued by the Issuer will not be covered by the depositor protection provisions in section 13A of the Banking Act and will not be covered by the Australian Government’s bank deposit guarantee (also commonly referred to as the Financial Claims Scheme).

### Terms and conditions of issue

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

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

The terms and conditions applicable to a Tranche or Series of Notes (“**Conditions**”) will be as set out in the sections of this Information Memorandum entitled “Conditions of the STNs” and “Conditions of the MTNs” as such may be supplemented, amended, modified or replaced by the applicable Supplement for those Notes. The terms and conditions applicable to other debt instruments will be as set out in any applicable additional disclosure or offering documentation or Supplement.

Except as may otherwise be specified in the applicable Supplement, each Series of Notes issued on or after the date of this Information Memorandum will be issued in registered form pursuant to a deed poll executed by the Issuer including, as applicable, the Third Note Deed Poll dated 28 January 2016 (“**Note Deed Poll**”).

The Notes may be lodged in the Austraclear System or the NZClear System (each as defined below). Interests in Notes may also be transacted through Euroclear Bank SA/NV (“**Euroclear**”), Clearstream Banking S.A. (“**Clearstream**”), and/or any other clearing system specified in the relevant Supplement (each a “**Clearing System**”).

### **Issuer’s responsibility**

This Information Memorandum has been prepared by, and issued with the authority of, the Issuer. The Issuer accepts responsibility for the information contained in this Information Memorandum other than the information provided by the Arranger, the Dealers and the Agents in relation to their respective descriptions in the sections entitled “Summary of the Programme” and “Directory” below.

### **Place of issuance**

The distribution and use of this Information Memorandum and any Supplement and the subscription, offer, sale or transfer of Notes may be restricted by law in certain jurisdictions. None of the Issuer, the Arranger, the Dealers or the Agents represents that this Information Memorandum may be lawfully distributed, or that any Notes may be lawfully subscribed for, offered, sold or transferred in compliance with any applicable law in any such jurisdiction, or under an exemption available in that jurisdiction, or assumes any responsibility for facilitating any distribution or offering.

In particular:

- this Information Memorandum is not a prospectus or other disclosure document for the purposes of the Corporations Act 2001 of Australia (“**Corporations Act**”) or the Financial Markets Conduct Act 2013 of New Zealand (“**NZ FMCA**”). Neither this Information Memorandum nor any other disclosure document in relation to the Notes has been, or will be, lodged with the Australian Securities and Investments Commission (“**ASIC**”) or the Registrar of Financial Service Providers or the Financial Markets Authority in New Zealand; and
- no action has been taken, or will be taken, by the Issuer, the Arranger, the Dealers or the Agents in any jurisdiction which would permit a public offering of any Notes or distribution of this Information Memorandum in any jurisdiction where action for that purpose is required (including circumstances that would require disclosure under Part 6D.2 or 7.9 of the Corporations Act or under the NZ FMCA).

No person may (directly or indirectly) offer for subscription or purchase or issue invitations to subscribe for, buy or sell the Notes, nor distribute this Information Memorandum in the Commonwealth of Australia, its territories or possessions or to any resident of Australia except in accordance with the Corporations Act and any other applicable laws and directives and in compliance with Banking exemption No. 1 of 2018 dated 21 March 2018 promulgated by the Australian Prudential Regulation Authority (“**APRA**”) as if it applied to the Issuer *mutatis mutandis* (and which, at the date of this Information Memorandum, requires all offers and transfers of any parcels of Notes in Australia to be for an aggregate principal amount of at least A\$500,000).

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (“**Securities Act**”) or the securities laws of any state in the United States of America. The Notes may not be offered, sold, delivered or transferred within the United States of America or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act), unless those Notes are registered under the Securities Act or an exemption from the registration requirements of the Securities Act is available.

See the section of the Information Memorandum entitled “Selling Restrictions” for a description of certain restrictions on offers, sales and deliveries of the Notes, and on distribution of this Information

Memorandum and any other information supplied in connection with the Programme or the issue of any Notes.

### **No independent verification or authorisation**

The only role of the Arranger, the Dealers and the Agents in the preparation of this Information Memorandum has been to confirm to the Issuer that their respective descriptions under “Summary of the Programme” and “Directory” are accurate as at the Preparation Date (as defined below).

No information contained in this Information Memorandum (other than information provided by the Arranger, the Dealers and the Agents as set out in the sections of the Information Memorandum entitled “Summary of the Programme” and “Directory” below) has been independently verified by the Arranger, any Dealer or an Agent as accurate as at the Preparation Date (as defined below). Accordingly, no representation, warranty or undertaking, express or implied, is made, and no liability is accepted, by the Arranger, any Dealer or any Agent as to the accuracy or completeness of this Information Memorandum or any further information supplied by the Issuer in connection with the Programme or any Notes.

The Arranger, the Dealers and the Agents expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Programme or to advise any holders of Notes or any other person of any information coming to their attention with respect to the Issuer and make no representations as to the ability of the Issuer to comply with its obligations under the Notes. None of the Arranger, the Dealers nor the Agents make any representation as to the performance of the Issuer, the maintenance of capital or any particular rate of return, nor do any of the Arranger, the Dealers and the Agents guarantee the payment of capital or any particular rate of capital or income return, in each case, on any Notes.

### **Investors to make independent investment decision and obtain professional advice**

***This Information Memorandum does not describe the risks of an investment in any Notes. Prospective investors should consult their own financial, legal, tax and other professional advisers about all the risks associated with an investment in any Notes and the suitability of investing in the Notes in light of their particular circumstances.***

This Information Memorandum contains only summary information concerning the Issuer and the Notes. Neither the information contained in this Information Memorandum nor any other information supplied in connection with the Programme or the issue of any Notes (1) is intended to provide the basis of any credit or other evaluation in respect of the Issuer or the Notes and should not be considered as a recommendation or a statement of opinion (or a report of either of these things) by the Issuer, the Arranger, the Dealers or the Agents that any recipient of this Information Memorandum or any other information supplied in connection with the Programme or the issue of any Notes should subscribe for, purchase or otherwise deal in any Notes or any rights in respect of any Notes, or (2) describes all the risks of an investment in any Notes.

Each recipient of this Information Memorandum and each person contemplating purchasing any Notes or any rights in respect of any Notes under the Programme should:

- make and rely upon (and shall be taken to have made and relied upon) its own independent investigation of the financial condition and affairs of, and its own appraisal of the creditworthiness of, the Issuer and the risks of an investment in any Notes;
- determine for themselves the relevance of the information contained in this Information Memorandum (including all information incorporated by reference and forming part of this Information Memorandum) and any other information supplied in connection with the Programme or the issue of any Notes, and must base their investment decision solely upon their independent assessment and such investigations as they consider necessary; and
- consult their own financial, legal and professional advisers about risks associated with an investment in any Notes and the suitability of investing in the Notes in light of their particular circumstances.

In addition, the Issuer makes filings with regulatory authorities from time to time, and such filings may include information material to investors. Copies of such filings are available from the Issuer on request.

No accounting, regulatory, investment, legal, tax or other professional advice is given in respect of an investment in any Notes or rights in respect of them.

### **No authorisation**

No person has been authorised to give any information or make any representation not contained in, or consistent with, this Information Memorandum in connection with the Issuer, the Programme or the issue or sale of the Notes and, if given or made, that information or representation must not be relied on as having been authorised by the Issuer, Arranger, Dealers or Agents.

### **Agency and distribution arrangements**

Each Dealer and Agent is acting solely as an arm's length contractual counterparty and not as an adviser or fiduciary. Furthermore, neither the receipt of this Information Memorandum or any other material relating to the Programme or the issue of any Notes by any person nor any other matter shall be deemed to create or give rise to an advisory or fiduciary duty or relationship between a Dealer or Agent and that person.

The Issuer has agreed to pay the Agents' fees for undertaking their respective roles and reimburse them for certain of their expenses incurred in connection with the Programme. The Issuer may also pay a Dealer a fee in respect of the Notes subscribed by it and has agreed to reimburse the Dealers for certain expenses incurred in connection with the Programme and indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes.

Each Dealer and Agent, their subsidiaries, directors and employees may have pecuniary or other interests in the Notes and may also have interests pursuant to other arrangements and may receive fees, brokerage and commissions and any Dealer may act as a principal in dealing in any Notes.

### **No offer**

This Information Memorandum does not, and is not intended to, constitute an offer or invitation by or on behalf of the Issuer, the Arranger, the Dealers or any Agent to any person to subscribe for, purchase or otherwise deal in any Notes.

### **References to credit ratings**

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

*Credit ratings are for distribution only to a person (a) who is not a "retail client" within the meaning of section 761G of the Corporations Act and is also a person in respect of whom disclosure is not required under Parts 6D.2 or 7.9 of the Corporations Act, and (b) who is otherwise permitted to receive credit ratings in accordance with applicable law in any jurisdiction in which the person may be located. Anyone who is not such a person is not entitled to receive this Information Memorandum and anyone who receives this Information Memorandum must not distribute it to any person who is not entitled to receive it.*

## **Documents incorporated by reference**

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

The following documents (including any that are published or issued from time to time after the date of this Information Memorandum) are incorporated in, and taken to form part of, this Information Memorandum:

- all amendments and supplements to this Information Memorandum published by the Issuer from time to time;
- the Articles of Association of the Issuer (as amended from time to time);
- the publicly available audited annual financial statements of the last two financial years and periods and any interim financial statements of the Issuer for the most recent financial year and period;
- all documents published by the Issuer and stated to be incorporated in this Information Memorandum by reference; and
- for an issue of Notes, the relevant Supplement and all documents stated therein to be incorporated in this Information Memorandum.

Any statement contained in this Information Memorandum or in any of the documents incorporated by reference in, and forming part of this Information Memorandum, shall be modified, replaced or superseded for the purpose of this Information Memorandum to the extent that a statement contained in any document subsequently incorporated by reference modifies, replaces or supersedes such statement (including whether expressly or by implication or in whole or in part).

Copies of documents incorporated by reference may be obtained from the Issuer.

No other information, including any information in any document incorporated by reference in a document incorporated herein or documents or information that is publicly filed, is incorporated by reference into this Information Memorandum unless otherwise expressly stated.

## **References to internet site addresses**

Any internet site addresses provided in this Information Memorandum are for reference only and, unless expressly stated otherwise, the content of any such internet site is not incorporated by reference into, and does not form part of, this Information Memorandum.

## **Accuracy of information**

The information in this Information Memorandum is prepared as of its Preparation Date. Neither the delivery of this Information Memorandum nor any offer, issue or sale made in connection with this Information Memorandum at any time implies that the information contained in this Information Memorandum (or any part thereof) is correct at any time subsequent to the Preparation Date or that any other information supplied in connection with the Programme is correct as of any time subsequent to the Preparation Date.

The Issuer is not under any obligation to any person to update this Information Memorandum at any time after an issue of Notes.

In this Information Memorandum, "**Preparation Date**" means, in relation to:

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

All references in this Information Memorandum to "**A\$**" or "**Australian dollars**" are to the lawful currency of Australia and references to "**NZ\$**" or "**New Zealand dollars**" are to the lawful currency of New Zealand.

### **Section 309B(1)(C) of the Securities and Futures Act (Chapter 289 of Singapore) Notification**

Unless otherwise stated in the Supplement in respect of any Notes, all Notes issued or to be issued under the Programme shall be "prescribed capital markets products" (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and "Excluded Investment Products" (as defined in the Monetary Authority Singapore ("**MAS**") Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

### **MiFID II product governance / target market**

The Supplement in respect of any Notes will include a legend entitled "MiFID II Product Governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the "**MiFID Product Governance Rules**"), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

### **Benchmark information**

Amounts payable under the Notes may be calculated by reference to certain reference rates. Any such reference rate may constitute a benchmark under the Regulation (EU) 2016/1011 (the "**Benchmark Regulation**"). If any such reference rate does constitute such a benchmark, the relevant Supplement will indicate whether or not the administrator thereof is included in the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority ("**ESMA**") pursuant to Article 36 (Register of administrators and benchmarks) of the Benchmark Regulation. Not every reference rate will fall within the scope of the Benchmark Regulation. Furthermore, transitional provisions in the Benchmark Regulation may have the result that an administrator and/or a benchmark is not required to appear in the register of administrators and benchmarks at the date of the relevant Supplement. The registration status of any administrator or benchmark under the Benchmark Regulation is a matter of public record and, save where required by applicable law, the Issuer does not intend to update any Supplement to reflect any change in the registration status of the administrator.

## Summary of the Programme

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*The following is a brief summary of the Programme only and should be read in conjunction with the rest of this Information Memorandum and, in relation to any Notes, the applicable Conditions of the Notes and any applicable Supplement. A term used below but not otherwise defined has the meaning given to it in the Conditions. A reference to a "Supplement" does not limit the provisions or features of this Programme which may be supplemented, amended, modified or replaced by a Supplement in relation to a particular Tranche or Series of Notes. If there is any inconsistency between the Summary of the Programme and the Conditions, the latter prevails.*

- Issuer:** Nederlandse Waterschapsbank N.V.
- Programme Description:** A non-underwritten debt issuance programme ("**Programme**") under which, subject to applicable laws and directives, the Issuer may issue STNs in the Australian wholesale domestic capital markets and MTNs in the Australian and New Zealand wholesale domestic capital markets.
- The features of the Notes are described in greater detail elsewhere in this Information Memorandum.
- The features of other debt instruments will be described in a disclosure document relevant to the issue of those debt instruments prior to their issuance.
- Programme Limit:** A\$10,000,000,000 (or its equivalent in other currencies).
- The Programme Limit may be increased by the Issuer from time to time.
- Arranger:** Royal Bank of Canada
- Dealers:** Australia and New Zealand Banking Group Limited  
Citigroup Global Markets Australia Pty Limited  
Commonwealth Bank of Australia  
Daiwa Capital Markets Europe Limited  
Deutsche Bank AG, Sydney Branch  
The Hongkong and Shanghai Banking Corporation Limited, Sydney Branch  
J.P. Morgan Securities plc  
National Australia Bank  
Nomura International plc  
Royal Bank of Canada  
The Toronto-Dominion Bank  
UBS AG, Australia Branch  
Westpac Banking Corporation
- Details of the Arranger's and each Dealer's Australian Business Number ("**ABN**") and Australian Financial Services Licence ("**AFSL**") number are set out in the section entitled "Directory" below.
- Additional Arrangers and/or Dealers may be appointed from time to time by the Issuer for any Tranche of Notes or to the Programme generally. The Issuer may also issue Notes directly to purchasers or investors (as applicable) procured by it.

**Registrar:**

For:

- (a) Australian Domestic Notes, Computershare Investor Services Pty Limited (ABN 48 078 279 277) ("**Australian Registrar**");
- (b) New Zealand Domestic Notes, Computershare Investor Services Limited ("**New Zealand Registrar**"); and
- (c) any other persons appointed by the Issuer under an Agency Agreement to establish and maintain a Register on the Issuer's behalf from time to time,

each, a "**Registrar**" and together, the "**Registrars**".

A Registrar may also provide issue and paying agency services with respect to each Series or Tranche of Notes initially lodged and held through or predominantly through the Austraclear System (in the case of Australian Domestic Notes) or the NZClear System (in the case of New Zealand Domestic Notes).

**Calculation Agents:**

If a Calculation Agent is required for the purpose of calculating any amount or making any determination in respect of a Series or Tranche of Notes, that appointment will be notified in the relevant Supplement. The Issuer may terminate the appointment of the Calculation Agent, appoint additional or other Calculation Agents or elect to have no Calculation Agent. Where no Calculation Agent is appointed the calculation of interest, principal and other payments in respect of Notes will be made by the Issuer.

**Agents:**

Each Registrar, Calculation Agent and any other person appointed by the Issuer to perform other agency functions with respect to a Series or Tranche of Notes. Details of each appointment will be notified in the relevant Supplement.

**Programme Term:**

The Programme continues until terminated by the Issuer giving 30 days' notice to the Arranger and then current Dealers or earlier by agreement between the Issuer, the Arranger and the then current Dealers.

**Rating:**

As at the date of this Information Memorandum, the Programme has been assigned a credit rating of Aaa (in respect of MTNs) and P-1 (in respect of STNs) by Moody's Investors Service, Inc. and AAA (in respect of MTNs) and A-1+ (in respect of STNs) by S&P Global Ratings. Notes to be issued under the Programme may be rated as specified in the relevant Supplement.

Structured Notes may have a different credit rating to other Notes. Where an individual Tranche or Series of Notes is rated, the rating may not necessarily be the same as the ratings for another Tranche or Series of Notes.

*A rating is not a recommendation to buy, sell or hold Notes and is subject to revision, suspension or withdrawal at any time by the relevant rating agency.*

*Credit ratings are for distribution only to a person (a) who is not a "retail client" within the meaning of section 761G of the Corporations Act and is also a person in respect of whom disclosure is not required under Parts 6D.2 or 7.9 of the Corporations Act, and (b) who is otherwise permitted to receive credit ratings in accordance with*

*applicable law in any jurisdiction in which the person may be located. Anyone who is not such a person is not entitled to receive this Information Memorandum and anyone who receives this Information Memorandum must not distribute it to any person who is not entitled to receive it.*

**Offer and issue:** Notes will be issued in one or more Tranches within one or more Series. The Notes of each Series will all be subject to identical terms, except that the issue date, issue price and interest commencement date may be different in respect of different Tranches of a Series.

A Supplement will be issued for each Tranche of Notes issued under a particular Series and will contain details of the aggregate principal amount of the Tranche of Notes and the interest (if any) payable in respect thereof, the issue price, the issue date and the maturity date of the Tranche of Notes, together with any other terms and conditions and other information with respect to that Tranche which is not otherwise contained in this Information Memorandum or such other Information Memorandum issued in relation to such Notes.

**Form of Notes:** Except as may otherwise be specified in the applicable Supplement, each Series of Notes issued by the Issuer on or after the date of this Information Memorandum will be in registered uncertificated form and will be debt obligations of the Issuer which are constituted by, and owing under, the Third Note Deed Poll dated 28 January 2016 (as amended and/or supplemented from time to time) ("**Note Deed Poll**").

Notes will take the form of entries in a register maintained by a Registrar.

Notes may bear interest at a fixed or floating rate, be issued at a discount or premium to the face value or otherwise bear interest which is calculated by a formula or an index as specified in the relevant Supplement. The Notes of any Series may be described as "STNs", "MTNs", "Notes", "Bonds", "Instruments", "Indexed Notes", "Amortising Notes", "Credit Linked Notes", "FRNs", "Zero Coupon Notes" or by any other marketing name specified in the relevant Supplement.

**Method of Issue:** The Notes will be issued on a syndicated or non-syndicated basis.

**Interest Periods and Interest Rates:** The length of the interest periods and the applicable rate of interest or its method of calculation may differ from time to time or be constant for any Series as specified in the relevant Supplement. Notes may have a Maximum Interest Rate, a Minimum Interest Rate or both. The Minimum Interest Rate shall not be less than zero and if no Minimum Interest Rate is specified in the relevant Supplement, the Minimum Interest Rate shall be zero.

**Status and ranking:** The Notes will constitute unsubordinated and unsecured obligations of the Issuer, as described in Condition 4 ("Status") of the Notes.

Nederlandse Waterschapsbank N.V. is neither a bank nor an authorised deposit-taking institution which is authorised under the Banking Act nor a registered bank under the Reserve Bank of NZ Act. The Notes are not the obligations of any government and, in particular, are not guaranteed by the Commonwealth of Australia or the Government of New Zealand.

- Tenor:** As specified in the relevant Supplement. However:
- STNs must have a tenor of no less than 7 days and no more than 365 days; and
  - MTNs must have a tenor of more than 365 days (there is no maximum tenor for MTNs).
- Currencies:** In respect of Australian Domestic Notes, Australian dollars.
- In respect of New Zealand Domestic Notes, New Zealand dollars.
- Payments in respect of Notes may be made in, or limited to, a currency or currencies other than the currency in which the Notes are denominated, all as set out in the relevant Supplement.
- Issue Price:** Notes may be issued at any price on a fully or partly paid basis, as specified in the relevant Supplement.
- Settlement Price:** As specified in the relevant Supplement, or as otherwise agreed between the parties.
- Denominations:** Subject to all applicable laws and directives, Notes will be issued in the single denomination specified in the relevant Supplement, provided that:
- (a) in relation to Australian Domestic Notes offered in Australia:
    - (i) the offer or invitation for those Notes:
      - (A) is for an aggregate consideration payable of at least A\$500,000 (or its equivalent in another currency, disregarding moneys lent by the offeror or its associates);
      - (B) does not otherwise require disclosure to investors under Part 6D.2 or 7.9 of the Corporations Act; and
      - (C) is not to a “retail client” for the purposes of section 761G of the Corporations Act; and
    - (ii) the offer or invitation complies with Banking exemption No. 1 of 2018 dated 21 March 2018 promulgated by APRA as if it applied to the Issuer *mutatis mutandis* (and which, as at the date of this Information Memorandum, requires all offers and transfers of any parcels of Notes to be for an aggregate principal amount of at least A\$500,000);
  - (b) in relation to New Zealand Domestic Notes offered in New Zealand, unless otherwise specified in any applicable Supplement, New Zealand Domestic Notes may only be issued if each relevant subscriber is a “wholesale investor” within the meaning of clause 3(2)(a), (c) or (d) or clause 3(3)(b) of Schedule 1 to the NZ FMCA, which includes:
    - (i) a person who is an “investment business”, “large”, or a “government agency”, in each case as defined in Schedule 1 to the NZ FMCA, provided (for the

avoidance of doubt) that New Zealand Domestic Notes may not be issued to any “eligible investor” (as defined in clause 41 of Schedule 1 to the NZ FMCA) or to any person who, under clause 3(2)(b) of Schedule 1 to the NZ FMCA, meets the investment activity criteria specified in clause 38 of that Schedule; or

(ii) a person who is required to pay a minimum subscription price of at least NZ\$750,000 for those New Zealand Domestic Notes (disregarding any amount lent by the offeror, Issuer or any associated person of the offeror or Issuer) before the issuance of those New Zealand Domestic Notes; and

(c) the issue complies with all other applicable laws.

**Title:**

Entry of the name of the person in the Register in respect of a Note constitutes the obtaining and passing of title and it is conclusive evidence that the person so entered is the absolute owner of the Notes subject to correction for fraud or error. Title to those Notes passes when details of the transfer are entered in the Register.

Notes held in the Austraclear System will be registered in the name of Austraclear Ltd (ABN 94 002 060 773) (“**Austraclear**”).

Notes held in the NZClear System will be registered in the name of New Zealand Central Securities Depository Limited (“**NZCSD**”).

Title to Notes held in a Clearing System will be determined in accordance with the rules and regulations of that Clearing System.

No certificates or other evidence of title in respect of any Notes will be issued to holders of Notes unless the Issuer determines that certificates should be available or are required by any applicable law, regulation or directive.

**Clearing System:**

Notes may be transacted either within or outside any Clearing System.

The Issuer may apply to Austraclear for approval for the Australian Domestic Notes to be traded on the settlement system operated by Austraclear (“**Austraclear System**”). Upon approval by Austraclear, the Notes will be traded through the Austraclear System in accordance with the rules and regulations of the Austraclear System. Approval by Austraclear for the Notes to be traded on the Austraclear System is not a recommendation or endorsement by Austraclear of the Australian Domestic Notes.

The Issuer may apply to the Reserve Bank of New Zealand (“**RBNZ**”) for approval for the New Zealand Domestic Notes to be traded on the settlement system operated by RBNZ (“**NZClear System**”). Upon approval by the RBNZ, the Notes will be traded through the NZClear System in accordance with the rules, operating guidelines and regulations of the NZClear System. Approval by the RBNZ for the Notes to be traded on the NZClear System is not a recommendation or endorsement by RBNZ of the New Zealand Domestic Notes.

Interests in Notes may also be traded on the settlement system operated by Euroclear Bank SA/NV (“**Euroclear**”), the settlement system operated by Clearstream Banking S.A. (“**Clearstream**”) or any

other clearing system outside Australia and New Zealand specified in the relevant Supplement (together with the Austraclear System, the NZClear System, Euroclear and Clearstream, each a “**Clearing System**”).

Interests in the Australian Domestic Notes traded in the Austraclear System may be held for the benefit of Euroclear or Clearstream. In these circumstances, entitlements in respect of holdings of interests in Australian Domestic Notes in Euroclear would be held in the Austraclear System by a nominee of Euroclear (currently HSBC Custody Nominees (Australia) Limited) while entitlements in respect of holdings of interests in Australian Domestic Notes in Clearstream would be held in the Austraclear System by a nominee of J.P. Morgan Chase Bank, N.A. as custodian for Clearstream. Similarly, entitlements in respect of holdings of interests in New Zealand Domestic Notes in Euroclear would be held in the NZClear System by a nominee of Euroclear (currently HSBC Nominees (New Zealand) Limited) while entitlements in respect of holdings of interests in New Zealand Domestic Notes in Clearstream would be held in the NZClear System by a nominee of Clearstream (currently J.P. Morgan Chase Bank, N.A.).

The rights of a holder of interests in a Note held through Euroclear or Clearstream are subject to the respective rules and regulations for accountholders of Euroclear and Clearstream, the terms and conditions of agreements between Euroclear and Clearstream and their respective nominee and the rules and regulations of the Austraclear System. In addition, any transfer of interests in a Note, which is held through Euroclear or Clearstream will, to the extent such transfer will be recorded on the Austraclear System, be subject to the Corporations Act and the requirements for minimum consideration as set out in the Conditions.

The Issuer will not be responsible for the operation of the settlement arrangements which is a matter for the settlement institutions, their nominees, their participants and the investors.

<b>Negative pledge:</b>	See Condition 5 (“Negative pledge”) of the MTN Conditions.
<b>Cross default:</b>	None.
<b>Governing law:</b>	The Notes and all related documents will be governed by the laws in force in New South Wales, except for the Agency Agreement entered into with the New Zealand Registrar, which will be governed by the laws of New Zealand.
<b>Use of proceeds:</b>	The net proceeds from the issue of Notes will be used by the Issuer for its general corporate purposes.
<b>Transfer procedure:</b>	Notes may only be transferred in whole and in accordance with the Conditions.  Notes may only be transferred if the transfer is in compliance with the laws of the jurisdiction in which the transfer takes place.  Notes not held in a Clearing System may only be transferred by completing and delivering to the Registrar a signed transfer form in compliance with all applicable laws.  Interests in respect of Notes held in a Clearing System are

transferable only in accordance with the rules and regulations of the relevant Clearing System.

**Redemption:**

Notes may be redeemed before their stated maturity as described in the Conditions and the relevant Supplement.

Notes held in a Clearing System will be redeemed through that Clearing System in a manner consistent with the rules and regulations of that Clearing System.

**Payments and Record Date:**

In relation to Australian Domestic Notes:

- (a) Payments will be made to the persons whose names are entered in the Register as at 5.00pm (Sydney time) on the relevant Record Date. In relation to Australian Domestic Notes, the Record Date is the eighth calendar day before a payment date, or, any other date so specified in the relevant Supplement.
- (b) Payments to persons who hold Notes through the Austraclear System will be made by transfer to their relevant account in accordance with the Austraclear Regulations.

In relation to New Zealand Domestic Notes:

- (a) Payments will be made to the persons whose names are entered in the Register at the close of business on the relevant Record Date. In relation to New Zealand Domestic Notes, the Record Date is the tenth calendar day before a payment date or such other period specified in the relevant Supplement.
- (b) Payments to persons who hold Notes through the NZClear System will be made by transfer to their relevant account in accordance with the NZClear Regulations.

If Notes are not held in a Clearing System, payments will be made to the account of the registered holder noted in the Register. If the registered holder has not notified an account by the relevant time, then payments will be made by cheque mailed on the payment date to the registered holder at its address appearing in the Register at the close of business on the Record Date.

**Stamp duty:**

Any stamp duty incurred at the time of issue of the Notes will be for the account of the Issuer. Any stamp duty incurred on a transfer of Notes will be for the account of the relevant investors.

As at the date of this Information Memorandum, no Australian or New Zealand stamp duty is payable on the issue, transfer or redemption of the Notes. Investors are advised to seek independent advice regarding any stamp duty or other taxes imposed by another jurisdiction upon the transfer or redemption of Notes, or interests in Notes.

**Taxes, withholdings and deductions:**

All payments with respect to the Notes will be made free and clear of withholding or deduction for or on account of any taxes or other charges imposed by any governmental authority or agency in the Netherlands, except as provided in Condition 9 (“Taxation”) of the STNs and Condition 14 (“Taxation”) of the MTNs.

A brief overview of the Australian, New Zealand and Netherlands taxation treatment of payments of interest on the Notes and certain other matters is set out under the section entitled “Taxation” below. A brief overview of the impact of the United States Foreign Account Tax Compliance Act and the OECD Common Reporting Standard is set out in the section entitled “U.S. Foreign Account Tax Compliance Act and OECD Common Reporting Standard” below.

***Investors should obtain their own taxation advice regarding the taxation and other fiscal status of investing in any Notes.***

**Selling restrictions:**

There are selling restrictions in relation to the offer or sale of the Notes in Australia, the Netherlands, European Economic Area, the United Kingdom, the United States of America, Hong Kong, Japan, New Zealand and Singapore (which are set out in the section entitled “Selling Restrictions” below) and there may be other selling restrictions set out in connection with the offering and sale of a particular Tranche or Series of Notes as may be set out in a relevant Supplement.

**Listing:**

The Issuer does not currently intend to list the Notes on any stock exchange.

However, the Issuer may elect to apply to list one or more Tranches of the Australian Domestic Notes on the Australian Securities Exchange operated by ASX Limited (ABN 98 008 624 691) (“**ASX**”) or the New Zealand Domestic Notes on the NZX Debt Market operated by NZX Limited (“**NZX**”) or any other stock exchange specified in the relevant Supplement.

Australian Domestic Notes listed on the ASX will not be transferred through or registered on the Clearing House Electronic Sub-Register System (“**CHES**”) operated by ASX Settlement Pty Limited (ABN 49 008 504 532) and will not be “Approved Financial Products” for the purposes of CHES. If an interface between the Register and CHES is established the documents relating to the Programme may be amended to facilitate settlement on CHES and the Notes will become “Approved Financial Products” for the purposes of CHES.

New Zealand Domestic Notes which are listed on the NZX will be transferred and registered through the settlement system operated by New Zealand Clearing and Depository Corporation Limited.

**Investment Risks:**

This Information Memorandum does not describe all of the risks of an investment in any Notes. Prospective investors or purchasers should consult their own professional financial, legal and tax advisers about risks associated with an investment in a particular Tranche of Notes and the suitability of investing in the Notes in light of their particular circumstances.

An investment in certain types of structured Notes, the premium and/or the interest on or principal of which is determined by reference to one or more values of currencies, commodities, interest rates or other indices or formulae, either directly or indirectly, may entail significant risks not associated with similar investments in a conventional debt security, including the risks that the resulting interest rate will be less than that payable on a conventional debt security purchased at the same time and/or that an investor could lose all or a substantial portion of the principal of those Notes.

Neither the current nor the historical value of the relevant currencies, commodities, interest rates or other indices or formulae should be taken as an indication of future performance of such currencies, commodities, interest rates or other indices or formulae during the term of any Notes.

## The Issuer

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The Issuer is a specialised lender to the public sector primarily in the Netherlands, providing short term and long term financing to water authorities (*waterschappen*), municipal (*gemeenten*) and provincial authorities as well as to other public sector institutions such as social housing corporations, healthcare and educational institutions. The Issuer believes it is a key bank for the Dutch public sector, fulfilling a critical role supported by the Dutch State.

### History and Corporate Organisation

The Issuer was incorporated as a public limited liability company (*naamloze vennootschap*) under the laws of the Netherlands on 5 May 1954. Its legal name is Nederlandse Waterschapsbank N.V. and its trade name is NWB Bank. The Issuer was established as a specialised lending institution to provide Dutch water authorities with long-term and short-term funding at cost-efficient levels. The water authorities, some of which date from the thirteenth century, are amongst the oldest public authorities in the Netherlands. Within their jurisdiction the water authorities levy specific taxes on landowners and leaseholders.

The duration of the Issuer is unlimited. It is registered in the trade register of the Chamber of Commerce (*Kamer van Koophandel*) for The Hague under No. 27049562. The Issuer's shares are held by 21 water authorities (81%), 9 Dutch provinces (*provincies*) (2%) and the State of The Netherlands (17%). The Issuer is established in The Hague and has no branches. The Issuer's business operations are entirely conducted by the Issuer and the Issuer does not have any subsidiaries. The Issuer's registered office is at Rooseveltplantsoen 3, 2517 KR The Hague, the Netherlands. Its telephone number is + 31 70 416 62 66.

### Supervision

The Issuer is authorized by De Nederlandsche Bank N.V. ("**DNB**") to pursue the business of a credit institution (*kredietinstelling*) in the Netherlands and is consequently supervised by DNB. As the Issuer is considered a 'significant credit institution' under the Single Supervisory Mechanism ("**SSM**"), it is subject to direct supervision from the European Central Bank ("**ECB**"). In addition, for purposes of market conduct supervision, the Issuer is supervised by the Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*).

### Purpose

The Issuer's activities are characterised by its specialised purpose as a leading lender for the Dutch public sector. As the Issuer's shareholders are public authorities, the Issuer is positioned as part of and plays an important role in the Dutch public sector. The Issuer's principal business activities include providing loans to municipal, provincial and other public authorities such as water authorities, and other legal entities which are guaranteed and/or controlled by central or other public authorities. The Issuer also provides its shareholders with funds transfer and electronic banking services.

Pursuant to Article 2 of its Articles of Association, the object of the Issuer is to engage in banking operations for the benefit of the public sector by granting loans and other corollary financial services to (i) provinces, municipalities, water authorities, (ii) other bodies governed by public law and equivalent bodies, (iii) legal entities and other bodies operating publicly which are guaranteed and/or controlled by public bodies as referred to under (i) or (ii), or (iv) legal entities and other bodies operating within the context of, among other things, public-private partnerships of which the operating income is solely or substantially provided or guaranteed by public bodies or entities as referred to under (i), (ii) or (iii). The Articles of Association limit the lending activities of the Issuer to granting loans to public bodies and entities as referred to under (i) to (iv). The Issuer is empowered to perform all acts which may be conducive to its object. Thus the Issuer's Articles of Association prevent it from granting loans to the private sector.

### **Managing Board and Supervisory Board**

The Managing Board of the Issuer currently consists of two members, and the Supervisory Board currently consists of seven members. The members of the Supervisory Board and the Managing Board are appointed by the Annual General Meeting of Shareholders on the nomination of the Supervisory Board.

### **Website**

Any material press release, annual reports, articles of association, or any summary thereof, issued by the Issuer can be obtained from the website of the Issuer at <https://www.nwbbank.com>. Information on this website does not form part of this Information Memorandum and may not be relied upon in connection with any decision to invest in the Notes.

## Dutch Bail-In Power

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The Bank Recovery and Resolution Directive (“**BRRD**”) and the Single Resolution Mechanism Regulation (“**SRM Regulation**”) provide for the European framework for the recovery and resolution of (amongst others) ailing banks, certain investment firms and certain of their group companies.

The BRRD has been transposed into Netherlands law pursuant to the Act implementing the European framework for the recovery and resolution of banks and investment firms (*Implementatiewet Europees kader voor herstel en afwikkeling van banken en beleggingsondernemingen*), which entered into force on 26 November 2015. The Issuer is subject to the BRRD as implemented in Netherlands law.

The SRM Regulation applies to banks subject to the SSM pursuant to Council Regulation (EU) No 1024/2013 and Regulation (EU) No 1022/2013, such as the Issuer, and provides for a single resolution framework (“**SRM**”) in respect of such banks. The SRM Regulation has been applicable since 1 January 2016 and prevails over the implementation in national law of the BRRD where it concerns the resolution of such banks. The SRM Regulation also provides for the establishment of a Single Resolution Board (“**SRB**”), which will be responsible for the effective and consistent functioning of the SRM. The SRB acts as the competent resolution authority for significant banks under the SSM, such as the Issuer, and is in that capacity responsible for adopting resolution decisions in respect of such banks.

The BRRD, as implemented under Netherlands law, provides DNB in its capacity as competent national resolution authority with the powers necessary to implement the resolution decisions taken by the SRB in respect of significant banks in the Netherlands, such as the Issuer. In addition, the ECB, as the competent supervisory authority in respect of significant banks, is allowed to take certain recovery measures in the event the financial condition of a bank is deteriorating (subject to further conditions). Such measures could pertain, amongst others, to a change of the legal or operational structure, the removal of (individuals within) senior management or the management body and the appointment of a temporary administrator.

If the Issuer is deemed no longer viable (or one or more other conditions apply) the SRB may decide to write-down, cancel or convert relevant capital instruments of the Issuer into shares or other instruments of ownership, independently or in combination with a resolution action. The SRB shall ensure that DNB will exercise the write-down and conversion powers pursuant to the BRRD, as implemented under Netherlands law, in order to write-down, cancel or convert the relevant capital instruments into shares or other instruments of ownership, and in accordance with a certain order of priority.

If the Issuer is deemed failing or likely to fail and the other resolution conditions are also met, the SRB may decide to place the Issuer under resolution. As part of the resolution scheme to be adopted by the SRB, it may decide to apply certain resolution tools, subject to the general resolution objectives and principles laid down in the SRM Regulation. These resolution tools include the sale of business tool, the bridge institution tool and the asset separation tool, each of which, in summary, provides for a transfer of certain assets and/or liabilities of the institution under resolution to a third party. In addition, the SRM provides for the “**bail-in tool**”. The bail-in tool may be applied to recapitalise the Issuer or convert to equity or reduce the principal amount of claims or debt instruments (such as the Notes) of the Issuer that have been transferred pursuant to one of the aforementioned transfer tools. The bail-in tool extends further than the relevant capital instruments of the Issuer, and may also result in the write-down or conversion of eligible liabilities of the Issuer (such as the Notes) in accordance with a certain order of priority. In order to ensure the effectiveness of the bail-in tool, the SRM prescribes at all times a minimum requirement for own funds and eligible liabilities (“**MREL**”) which may be subject to the bail-in tool.

According to the SRM Regulation, the national resolution authorities shall take the necessary action to implement decisions of the SRB. They shall exercise their powers granted to them under the BRRD, as implemented in national law. In addition to the resolution powers described above, DNB has been granted certain other resolution and ancillary powers to implement any resolution decision by the SRB in respect of the Issuer. It may for instance decide to terminate or amend any agreement (including a debt instrument such as the Notes) to which the Issuer is a party or replace the Issuer as a party

thereto. Furthermore, DNB may, subject to certain conditions, suspend the exercise of certain rights of counterparties vis-à-vis the Issuer or suspend the performance of payment or delivery obligations of the Issuer. In addition, pursuant to Netherlands law, certain counterparty rights may be excluded in the event such rights come into existence or become enforceable as a result of any recovery or resolution measure or any event in connection therewith (subject to further conditions).

The EU Banking Reforms include various amendments to the BRRD and SRM framework. Among others, the EU Banking Reforms contain a proposal for the implementation of the total loss-absorbing capacity (“**TLAC**”) standards as well as an amendment of the MREL framework to align it with the TLAC standard. The TLAC standard adopted by the Financial Stability Board aims to ensure that global systemically important banks (“**G-SIBs**”) have sufficient loss-absorbing and recapitalisation capacity available in resolution. To maintain coherence between the MREL rules (which apply to both G-SIBs and non-G-SIBs), the EU Banking Reforms also propose a number of changes to the MREL rules applicable to non-G-SIBs, such as the Issuer, including (without limitation) the criteria for the eligibility of liabilities for MREL. The EU Banking Reforms further provide for the resolution authorities to give guidance to an institution to have own funds and eligible liabilities in excess of the requisite levels for certain purposes. Furthermore, the EU Banking Reforms also include a directive which entered into force on 28 December 2017 amending the BRRD (the “**BRRD Amendment Directive**”). The BRRD Amendment Directive provides for an EU harmonised approach on bank creditors’ insolvency ranking that would enable banks to issue debt in a new statutory category of unsecured debt, ranking just below the most senior debt and other senior liabilities for the purposes of resolution, while still being part of the senior unsecured debt category. The EU Banking Reforms also propose a moratorium tool allowing for the suspension of certain contractual obligations for a short period of time in resolution as well as in the early intervention phase. As such, the EU Banking Reforms may affect the Issuer (including with regard to the MREL it must maintain) and the Notes (including with regard to their ranking in insolvency and their being at risk of being bailed-in). The BRRD Amending Directive must be implemented by the Member States by 29 December 2018. The other reforms under the EU Banking Reforms are still subject to debate and approval at the EU level as well as implementation and entry into force in the member states. Finally, until the EU Banking Reforms are in such final form, it is uncertain how the proposals will affect the Issuer or holders of Notes.

Finally, the Dutch Intervention Act (*Wet bijzondere maatregelen financiële ondernemingen or Interventiewet*) (“**Dutch Intervention Act**”) provides the Dutch Minister of Finance with certain powers to intervene in a bank or its parent undertaking established in the Netherlands, such as the Issuer, if the Minister of Finance deems that the stability of the financial system is in serious and immediate danger due to the situation that bank is in. These powers may result in the expropriation by the Dutch State of assets or liabilities of the Issuer, and securities issued by or with the cooperation of the Issuer. Also, the Minister of Finance may take certain immediate measures which may deviate from statutory provisions or from the articles of association of the Issuer. As a result of the entry into force of the SRM and the implementation of the BRRD, the foregoing powers have been referred to by the Dutch legislator as constituting state emergency regulations and it is expected that these will only be applied if the SRM and BRRD regime would not be effective. The exclusion of certain rights against the Issuer, as discussed above, applies similarly in this context.

### **Risk factors**

***The rights of the holders of the Notes may be directly or indirectly affected as a result of the exercise by the competent resolution authority of any Dutch Bail-in Power or other recovery or resolution power in respect of the Issuer.***

With the implementation of the BRRD into Netherlands law, the entry into force of the SRM Regulation and the Dutch Intervention Act, the competent resolution authority may decide to take certain measures and exercise certain powers thereunder, including any Dutch Bail-in Power or other recovery or resolution power, in such a manner that could result in debt instruments or other liabilities of the Issuer, including the Notes, absorbing losses. The taking of such measures and the exercise of such powers could negatively affect the rights of the holders of the Notes or the enforcement thereof, and could result in losses being incurred by the holders of the Notes to the extent that the holder of the Notes could lose part or all of its investment in the Notes, including any accrued but unpaid interest. The taking of any recovery or resolution measures or exercise of any power pursuant thereto could also indirectly negatively affect the position of the holders of the Notes. Even if no measures are taken

or powers are exercised directly in respect of the Notes, any remedies by the holders of the Notes may be restricted, the market value of the Notes may be affected and the powers could increase the Issuer's cost of funding and thereby have an adverse impact on the Issuer's financial position.

In addition, whether all or part of the principal amount of the Notes will be subject to the Dutch Bail-in Power is unpredictable and may depend on a number of factors which may be outside the Issuer's control. Trading behaviour in respect of Notes which are subject to the Dutch Bail-in Power is not necessarily expected to follow trading behaviour associated with other types of securities. Any indication herein that the Notes may become subject to the Dutch Bail-in Power could have an adverse effect on the market price of the relevant Notes.

***The circumstances under which the competent resolution authority would take any recovery or resolution measure are uncertain.***

Despite there being certain conditions for the taking of recovery or resolution measures, and the exercise of any powers to implement such measures, there is uncertainty regarding the specific factors which the competent resolution authority would consider in deciding whether to take any recovery or resolution measure, and how to implement such measure, with respect to the Issuer and its assets or liabilities, such as the Notes. The criteria that the competent resolution authority would consider provide it with considerable discretion. Holders of the Notes may not be able to refer to publicly available criteria in order to anticipate a potential taking of any recovery or resolution measure or the exercise of any power pursuant thereto, and consequently its potential effect on the Issuer and the Notes.

***The rights of holders of the Notes to challenge the exercise of any Dutch Bail-in Power or other recovery or resolution power by the competent resolution authority are likely to be limited.***

Holders of the Notes may have limited rights to challenge, to demand compensation for losses, seek a suspension or nullification of any decision of the competent resolution authority to take certain recovery or resolution measures, and exercise any Dutch Bail-in Power or other recovery or resolution power to implement such measures, to have that decision reviewed by a judicial or administrative process or otherwise, or to exercise any other remedy in this context.

***Future bank recovery and resolution regimes may affect the rights of holders of the Notes even further***

It is possible that under the BRRD, the SRM Regulation, the Dutch Intervention Act, the EU Banking Reforms or any other future similar proposals, any new resolution powers granted by way of statute to the SRB, DNB, the ECB, the Dutch Minister of Finance and/or any other relevant authority could be used in such a way as to result in the debt instruments of the Issuer, such as the Notes, absorbing losses or otherwise affecting the rights of holders of Notes in the course of any resolution of the Issuer.

For the purposes of this section:

**“Bank Recovery and Resolution Directive”** or **“BRRD”** means Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms and amending Council Directive 82/891/EEC, and Directives 2001/24/EC, 2002/47/EC, 2004/25/EC, 2005/56/EC, 2007/36/EC, 2011/35/EU, 2012/30/EU and 2013/36/EU, and Regulations (EU) No 1093/2010 and (EU) No 648/2012, of the European Parliament and of the Council;

**“EU Banking Reforms”** means the package of reforms to the Capital Requirements Regulation (Regulation 575/2013), Capital Requirements Directive (Directive 2013/36/EU), the BRRD and the SRM Regulation announced by the European Commission on 23 November 2016; and

**“Single Resolution Mechanism Regulation”** or **“SRM Regulation”** means Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund.

## Conditions of the STNs

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*The following are the Conditions which, as supplemented, amended, modified or replaced by the relevant STN Supplement, will apply to each STN constituted by the Note Deed Poll (specified in the STN Supplement). References to "STN Supplement" in these Conditions do not limit the provisions which may be supplemented, amended, modified or replaced by the STN Supplement in relation to a particular Series of Notes.*

*Each STN Holder, prospective STN Holder and any person claiming through or under an STN Holder is deemed to have notice of, and is bound by, these Conditions, the Note Deed Poll, the relevant STN Supplement and/or other supplement and the Information Memorandum.*

*The Issuer is not a bank or an authorised deposit-taking institution which is authorised under the Banking Act nor is it a registered bank under the Reserve Bank of NZ Act. The STNs are not the obligations of any government and, in particular, are not guaranteed by the Commonwealth of Australia or the Government of New Zealand.*

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### 1 Interpretation

#### 1.1 Definitions

In these Conditions the following expressions have the following meanings:

**Additional Amount** means an additional amount payable by the Issuer under Condition 9.2 ("Withholding tax").

**Agency Agreement** means:

- (a) the agreement entitled "Amended and Restated Registrar and Paying Agency Services Agreement" dated 14 September 2018 between the Issuer and the Registrar in relation to the STNs;
- (b) any other agreement between the Issuer and the Registrar specified in any applicable STN Supplement; and
- (c) any other agency agreement entered into by the Issuer in relation to an issue of STNs.

**Agent** means the Registrar and any additional agent appointed under an Agency Agreement.

**Austraclear** means Austraclear Ltd (ABN 94 002 060 773).

**Austraclear Regulations** means the regulations known as the "Austraclear Regulations", together with any instructions or directions (as amended or replaced from time to time), established by Austraclear to govern the use of the Austraclear System and binding on the participants in that system.

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

**Banking Act** means the Banking Act 1959 of Australia.

**BRRD** means Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms and amending Council Directive 82/891/EEC, and Directives 2001/24/EC, 2002/47/EC, 2004/25/EC, 2005/56/EC, 2007/36/EC, 2011/35/EU, 2012/30/EU and 2013/36/EU, and Regulations (EU) No 1093/2010 and (EU) No 648/2012, of the European Parliament and of the Council.

**Business Day** means a day on which commercial banks are open for general banking business in Sydney and in each (if any) Relevant Financial Centre specified in any applicable STN Supplement (not being a Saturday, Sunday or public holiday in that place) and, if an STN is to be issued or paid on that day, a day on which each Clearing System is operating.

**Clearing System** means:

- (a) the Austraclear System; or
- (b) any other clearing system specified in any applicable STN Supplement.

**Code** means the United States of America Internal Revenue Code of 1986 (as amended).

**Corporations Act** means the Corporations Act 2001 of Australia.

**Dutch Bail-in Power** means any write-down or conversion power of a resolution authority existing from time to time under any laws, regulations, rules or requirements in effect and applicable to banks established in the Netherlands, such as the Issuer, and including but not limited to any laws, regulations, rules or requirements that are applicable, implemented, adopted or enacted relating to the implementation of the BRRD (such as Sections 3A:21 and 3A:41 of the NFSA) or under the SRM Regulation, each as may be amended from time to time, or otherwise, and the instruments, rules, standards, decrees and regulations created thereunder, pursuant to which relevant capital instruments issued by or with the cooperation of such bank or eligible liabilities of such bank (or other entity to which such eligible liabilities have been transferred pursuant to a resolution measure), may be (i) reduced (including to zero), (ii) cancelled, or (iii) in whole or in part converted into common equity tier 1 instruments (such as ordinary shares) or other instruments of ownership of such bank or any other person, or any agreement (including debt instruments such as the Notes) to which such bank is a party may be amended or terminated.

**Dutch Intervention Act** means the *Wet bijzondere maatregelen financiële ondernemingen or Interventiewet*.

**FATCA** means:

- (a) sections 1471 to 1474 of the Code or any associated regulations or other official guidance;
- (b) any treaty, law, regulation or other official guidance enacted in any other jurisdiction, or relating to an intergovernmental agreement between the United States of America and any other jurisdiction, which (in either case) facilitates the implementation of paragraph (a) above; and
- (c) any agreement pursuant to the implementation of paragraphs (a) or (b) above with the United States of America Internal Revenue Service, the United States of America government or any governmental or taxation authority in any other jurisdiction.

**Information Memorandum** in respect of an STN means:

- (a) the information memorandum, disclosure document (as defined in the Corporations Act) or other offering document referred to in any applicable STN Supplement; or
- (b) if there is no applicable STN Supplement, the most recent information memorandum, disclosure document or other offering document which describes the debt issuance programme referred to in Condition 2.1 (“Programme”).

**Issue Date** means the date on which an STN is issued, as recorded in the Register.

**Issuer** means Nederlandse Waterschapsbank N.V.

**Maturity Date** means, the date on which an STN matures, as recorded in the Register.

**NFSA** means the Netherlands Financial Supervision Act (*Wet op het financieel toezicht*).

**Note Deed Poll** means the deed poll so entitled “Third Note Deed Poll” executed by the Issuer on 28 January 2016.

**Register** means the register, including any branch register, of holders of STNs established and maintained by or on behalf of the Issuer under an Agency Agreement.

**Registrar** means Computershare Investor Services Pty Limited (ABN 48 078 279 277) or any other person appointed by the Issuer under an Agency Agreement to maintain the Register and perform any payment and other duties as specified in that agreement.

**Related Entity** has the meaning it has in the Corporations Act.

**Relevant Tax Jurisdiction** means the European territory of the Kingdom of the Netherlands or political sub-division of it.

**Series** means an issue of STNs made up of one or more Tranches all of which form a single Series and are issued on the same Conditions except that the Issue Date may be different in respect of different Tranches of a Series.

**Specified Office** means the office specified in the Information Memorandum or any other address notified to STN Holders from time to time.

**SRM Regulation** means Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund.

**STN** means a short term debt obligation issued or to be issued by the Issuer which is constituted by, and owing under the Note Deed Poll, the details of which are recorded in, and evidenced by, entry in, the Register.

**STN Holder** means, in respect of an STN, each person whose name is entered in the Register as the holder of that STN.

*For the avoidance of doubt, where an STN is held in a Clearing System, references to an STN Holder include the operator of that system or a nominee for that operator or a common depository for one or more Clearing Systems (in each case acting in accordance with the rules and regulations of the Clearing System or Systems).*

**STN Supplement** means, in respect of a Tranche, the STN supplement specifying the relevant issue details in relation to that Tranche.

**Taxes** means taxes, levies, imposts, charges and duties (including stamp and transaction duties) imposed by any authority together with any related interest, penalties, fines and expenses in connection with them except those imposed on, or calculated having regard to, the net income of an STN Holder.

**Tranche** means an issue of STNs specified as such in any applicable STN Supplement issued on the same Issue Date and on the same Conditions.

## 1.2 References to certain general terms

Unless the contrary intention appears, a reference in these Conditions to:

- (a) a group of persons is a reference to any two or more of them jointly and to each of them individually;
- (b) a document (including these Conditions) includes any variation or replacement of it;
- (c) a “**law**” includes common law, principles of equity, decree and any statute or other laws made by any parliament (where a “**statute**” or “**other law**” made by parliament includes any regulation and other instrument under it, and any consolidation, amendment, re-enactment or replacement of any of it);
- (d) a “**directive**” includes a treaty, official directive, request, regulation, guideline or policy (whether or not having the force of law) with which responsible participants in the relevant market generally comply;
- (e) “**Australian dollars**” or “**A\$**” is a reference to the lawful currency of the Commonwealth of Australia;
- (f) a time of day is a reference to that time in Sydney;
- (g) a “**person**” includes an individual, corporation, company, firm, tribunal, undertaking, association, partnership, joint venture, trust, limited liability company, an unincorporated organisation or government or any agency, instrumentality or political subdivision thereof; in each case whether or not being a separate legal entity;
- (h) a particular person includes a reference to the person’s executors, administrators, successors, substitutes (including persons taking by novation) and assigns;
- (i) an agreement, representation or warranty in favour of two or more persons is for the benefit of them jointly and each of them individually;
- (j) any thing (including any amount) is a reference to the whole and each part of it; and
- (k) the words “**including**”, “**for example**” or “**such as**” when introducing an example, do not limit the meaning of the words to which the example relates to that example or examples of a similar kind.

## 1.3 References to particular terms

Unless the contrary intention appears, in these Conditions:

- (a) a reference to the Issuer, the Registrar, or another Agent is a reference to the person so specified in the STN Supplement;
- (b) a reference to the Agency Agreement is a reference to the Agency Agreement applicable to the STNs of the relevant Series;
- (c) a reference to an STN is a reference to an STN of a particular Series issued by the Issuer;
- (d) a reference to an STN Holder is a reference to the holder of STNs of a particular Series; and
- (e) a reference to a particular date that is not a Business Day is a reference to that date adjusted by being postponed to the first following day that is a Business Day (or by being adjusted in accordance with any other convention specified in any applicable STN Supplement).

#### **1.4 References to principal and interest**

Unless the contrary intention appears, in these Conditions any reference to “principal” is taken to include, any additional amounts in respect of principal which may be payable under Condition 9 (“Taxation”) and any other amount in the nature of principal payable in respect of the STNs under these Conditions.

#### **1.5 Number**

The singular includes the plural and vice versa.

#### **1.6 Headings**

Headings (including those in brackets at the beginning of paragraphs) are for convenience only and do not affect the interpretation of these Conditions.

#### **1.7 Terms defined in STN Supplement**

Terms which are defined in any applicable STN Supplement as having a defined meaning have the same meaning when used in these Conditions but if the applicable STN Supplement gives no meaning or specifies that the definition is “Not Applicable”, then that definition is not applicable to the STNs.

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## **2 Introduction**

### **2.1 Programme**

STNs are issued under a debt issuance programme established by the Issuer.

### **2.2 STN Supplement**

STNs are issued in Series. A Series may comprise one or more Tranches having one or more Issue Dates and on conditions otherwise identical. A Tranche may be the subject of a STN Supplement which supplements, amends or replaces these Conditions. If there is any inconsistency between these Conditions and any applicable STN Supplement, the applicable STN Supplement prevails.

Copies of any applicable STN Supplement are available for inspection or on request by an STN Holder or prospective STN Holder during normal business hours at the Specified Office of the Issuer or the Registrar.

### **2.3 Types of STNs**

An STN is a short term debt obligation issued at a discount to its principal amount.

### **2.4 Denomination**

STNs are issued in a single denomination of A\$10,000 unless otherwise specified in any applicable STN Supplement.

### **2.5 Currency**

STNs are denominated in Australian dollars unless otherwise specified in any applicable STN Supplement.

### **2.6 Clearing Systems**

STNs may be held in a Clearing System, in which case the rights of a person holding an interest in the STNs lodged in the Clearing System are subject to the rules and regulations of the Clearing System.

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### **3 Form**

#### **3.1 Constitution under Note Deed Poll**

STNs are debt obligations of the Issuer constituted by, and owing under, the Note Deed Poll.

#### **3.2 Form**

STNs are issued in registered form by entry in the Register. Each entry in the Register constitutes a separate and individual acknowledgement to the relevant STN Holder of the indebtedness of the Issuer to the relevant STN Holder.

#### **3.3 No certificates**

No certificates or other evidence of title will be issued to STN Holders by, or on behalf of, the Issuer to evidence title to an STN unless the Issuer determines that certificates should be available or the Issuer is required to do so pursuant to any applicable law or directive.

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### **4 Status**

#### **4.1 Status of STNs**

STNs constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer.

#### **4.2 Ranking**

STNs rank equally without any preference among themselves and at least equally with all other unsubordinated and unsecured obligations of the Issuer, except for liabilities mandatorily preferred by law.

#### **4.3 Dutch Bail-in Power**

- (a) By acquiring any STNs, each STN Holder and beneficial owner of STNs or any interest therein acknowledges and accepts:
- (i) to be bound by the effect of an application of, any Dutch Bail-in Power by the relevant resolution authority;
  - (ii) that, in the exercise of such Dutch Bail-in Power by the relevant resolution authority, STNs may be subject to:
    - (A) the reduction of all, or a portion, of the principal amount or outstanding amount due of, or accrued but unpaid interest in respect of, the STNs;
    - (B) the conversion of all, or a portion, of the principal amount or outstanding amount due of, or accrued but unpaid interest in respect of, the STNs into common equity tier 1 instruments (such as ordinary shares) or other instruments of ownership; and/or
    - (C) a variation of the terms of the STNs as necessary to give effect to the exercise by the relevant resolution authority of such Dutch Bail-in Power and such variation shall be binding on each STN Holder and beneficial owner; and/or
  - (iii) that common equity tier 1 instruments (such as ordinary shares) or other instruments of ownership may be issued to or conferred on such STN Holder, in each case to give effect to the exercise by the relevant resolution authority of such Dutch Bail-in Power.

- (b) Each STN Holder and beneficial owner of STNs or any interest therein further acknowledges and accepts that any liability of the Issuer is subject to the exercise of any Dutch Bail-in Power by the relevant resolution authority and that this Condition 4.3 is exhaustive on the matters described herein to the exclusion of any other agreements, arrangements or understandings between the Issuer and such STN Holder and beneficial owner in relation to the STNs.
- (c) In addition, the exercise of any Dutch Bail-in Power may require interests in the STNs and/or other actions implementing any Dutch Bail-in Power to be held or taken, as the case may be, through clearing systems, intermediaries or persons other than the preferred or agreed clearing system.
- (d) To the extent permitted by law, the Issuer shall provide a written notice directly to the relevant Registrar as soon as practicable of any exercise of the Dutch Bail-in Power with respect to the STNs by the relevant resolution authority for purposes of notifying STN Holders of such occurrence.
- (e) No repayment of the principal amount or outstanding amount due of the STNs or payment of accrued but unpaid interest on the STNs will become due and payable after the exercise of any Dutch Bail-in Power with respect to the STNs by the relevant resolution authority unless, at the time that such repayment or payment, respectively, is scheduled to become due, such repayment or payment would be permitted to be made by the Issuer, and has not been suspended by the relevant resolution authority, under the laws and regulations of the Netherlands and the European Union applicable to the Issuer.

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## **5 Title and transfer of STNs**

### **5.1 Title**

Title to STNs passes when details of the transfer are entered in the Register.

### **5.2 Effect of entries in Register**

Each entry in the Register in respect of an STN constitutes:

- (a) an unconditional and irrevocable undertaking by the Issuer to the STN Holder to pay principal and any other amounts in accordance with these Conditions; and
- (b) an entitlement to the other benefits given to STN Holders under these Conditions in respect of the relevant STN.

### **5.3 Register conclusive as to ownership**

Entries in the Register in relation to an STN constitute conclusive evidence that the person so entered is the registered owner of the STN subject to correction for fraud or error.

### **5.4 Non-recognition of interests**

Except as required by law, the Issuer and the Registrar must treat the person whose name is entered in the Register as the holder of an STN as the absolute owner of that STN. This Condition applies whether or not an STN is overdue and despite any notice of ownership, trust or interest in the STN.

### **5.5 Joint holders**

Where two or more persons are entered in the Register as the joint holders of an STN then they are taken to hold the STN as joint tenants with rights of survivorship, but the Registrar is not bound to register more than four persons as joint holders of an STN.

## **5.6 Transfers in whole**

STNs may be transferred in whole but not in part.

## **5.7 Compliance with laws**

STNs, or interests in them, may only be transferred if the offer or invitation giving rise to the transfer is in compliance with the laws of the jurisdiction in which the transfer takes place and:

- (a) the aggregate consideration payable at the time of transfer is at least A\$500,000;
- (b) the transferee is not a “retail client” as that term is defined in section 761G of the Corporations Act;
- (c) does not constitute an offer or invitation for which disclosure is required to be made to investors under Part 6D.2 or 7.9 of the Corporations Act; and
- (d) the transfer complies with any applicable law or directive of the jurisdiction where the transfer takes place.

## **5.8 Transfer procedures**

Interests in STNs held in a Clearing System are transferable only in accordance with the rules and regulations of that Clearing System.

Application for the transfer of STNs not held in a Clearing System must be made by the lodgment of a transfer form with the Registrar at its Specified Office. Transfer forms must be in the form available from the Registrar. Each transfer form must be:

- (a) duly completed;
- (b) accompanied by any evidence (if any) as the Registrar may require to establish that the transfer form has been duly executed; and
- (c) signed by, or on behalf of, both the transferor and the transferee.

Transfers will be registered without charge provided all applicable Taxes have been paid by the transferor or the transferee (as the case may be) in respect of the transferred STNs.

## **5.9 Effect of transfer**

Upon registration and entry of the transferee in the Register the transferor ceases to be entitled to future benefits under these Conditions in respect of the transferred STNs and the transferee becomes so entitled in accordance with Condition 5.2 (“Effect of entries in Register”).

## **5.10 Austraclear as STN Holder**

If Austraclear is recorded in the Register as the STN Holder, each person in whose Security Record (as defined in the Austraclear Regulations) an STN is recorded is taken to acknowledge in favour of the Issuer, the Registrar and Austraclear that:

- (a) the Registrar’s decision to act as the Registrar of that STN is not a recommendation or endorsement by the Registrar or Austraclear in relation to that STN, but only indicates that the Registrar considers that the holding of the STN is compatible with the performance by it of its obligations as Registrar under an Agency Agreement; and
- (b) the relevant STN Holder does not rely on any fact, matter or circumstance contrary to paragraph (a).

### **5.11 Estates**

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

### **5.12 Unincorporated associations**

A transfer of STNs to an unincorporated association is not permitted.

### **5.13 Transfer of unidentified STNs**

Where the transferor executes a transfer of less than all STNs registered in its name, and the specific STNs to be transferred are not identified, the Registrar may (subject to the limit on minimum holdings) register the transfer in respect of such of the STNs registered in the name of the transferor as the Registrar thinks fit, provided the aggregate principal amount of the STNs registered as having been transferred equals the aggregate principal amount of the STNs expressed to be transferred in the transfer.

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## **6 Redemption**

### **6.1 Redemption**

Each STN is redeemable by the Issuer on the Maturity Date at its outstanding principal amount unless:

- (a) the STN has been previously redeemed; or
- (b) the STN has been purchased and cancelled.

### **6.2 Purchase**

The Issuer and any of its Related Entities may at any time purchase STNs in the open market or otherwise and at any price. If purchases are made by tender, tenders must be available to all STN Holders alike. STNs purchased under this Condition 6.2 may be held, resold or cancelled by notice to the Registrar at the discretion of the purchaser and (if the STNs are to be cancelled, the Issuer), subject to compliance with any applicable law.

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## **7 General provisions**

### **7.1 Summary of payment provisions**

Payments in respect of STNs must be made in accordance with Condition 8 ("Payments").

### **7.2 Payments subject to law**

All payments are subject to:

- (a) any applicable fiscal or other laws in the place of payment, but without prejudice to the provisions of Condition 9 ("Taxation"); and
- (b) any withholding or deduction made under or in connection with, or in order to ensure compliance with FATCA.

### **7.3 Payments on business days**

If a payment is due on a day which is not a Business Day then the due date for payment is the next Business Day.

The STN Holder is not entitled to any additional payment in respect of that delay.

### **7.4 Currency indemnity**

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

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

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## **8 Payments**

### **8.1 Payment of principal**

Payments of principal in respect of an STN will be made to each person registered at 10.00am on the payment date as the holder of an STN.

### **8.2 Payments to accounts**

Payments in respect of STNs will be made:

- (a) if the STNs are held in the Austraclear System, by crediting on the payment date, the amount then due to:
  - (i) the account of Austraclear (as the STN Holder) in the country of the currency in which the STN is denominated previously notified to the Issuer and the Registrar; or
  - (ii) if requested by Austraclear, the accounts of the persons in whose Security Record (as defined in the Austraclear Regulations) an STN is recorded in the country of the currency in which the STN is denominated as previously notified by Austraclear to the Issuer and the Registrar in accordance with Austraclear Regulations;
- (b) if the STNs are not held in the Austraclear System, by crediting on the payment date, the amount then due under each STN to an account in the country of the currency in which the STN is denominated previously notified by the STN Holder to the Issuer and the Registrar.

If a payment in respect of the STNs is prohibited by law from being made in Australia, such payment will be made in an international finance centre for the account of the relevant payee, and on the basis that the relevant amounts are paid in immediately available funds, freely transferable at the order of the payee.

### **8.3 Payments by cheque**

If the STN Holder has not notified the Registrar of an account to which payments to it must be made by the close of business on the Business Day immediately before the Maturity Date, payments in respect of the STN will be made by cheque sent by prepaid post on the payment date, at the risk of the registered STN Holder, to the STN Holder (or to the first named joint holder of the STN) at its address appearing in the Register at the close of business on that Business Day. Cheques sent to the nominated address of an STN Holder are taken to have been received by the STN Holder on the payment date and, no further amount is payable by the Issuer in respect of the STNs as a result of the STN Holder not receiving payment on the due date.

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## **9 Taxation**

### **9.1 No set-off, counterclaim or deductions**

All payments in respect of the STNs must be made in full without set-off or counterclaim, and without any withholding or deduction in respect of Taxes, unless such withholding or deduction is required by law.

### **9.2 Withholding tax**

Subject to Condition 9.3 (“Withholding tax exemptions”), if a law requires the Issuer to withhold or deduct an amount in respect of Taxes from a payment in respect of the STNs such that the STN Holder would not actually receive on the due date the full amount provided for under the STNs, then:

- (a) the Issuer agrees to deduct or withhold the amount for the Taxes (and any further withholding or deduction applicable to any further payment due under paragraph (b) below); and
- (b) if the amount deducted or withheld is in respect of Taxes imposed by a Relevant Tax Jurisdiction, the amount payable is increased so that, after making the deduction and further deductions applicable to additional amounts payable under this Condition 9.2, each STN Holder is entitled to receive (at the time the payment is due) the amount it would have received if no deductions or withholdings had been required to be made.

### **9.3 Withholding tax exemptions**

The Issuer is not required to pay an Additional Amount under Condition 9.2(b) (“Withholding tax”) if the obligation to do so arises as a result of any one or more of the following:

- (a) the deduction is required in respect of Taxes by reason of the STN Holder having some connection with a Relevant Tax Jurisdiction other than the mere holding of the STN or receipt of payment in respect of the STN;
- (b) the deduction is required as a result of Taxes which would not be required to be deducted by the STN Holder (or the person making a payment on its behalf) if they:
  - (i) provided the Issuer, its agent or any tax authority with their name, address, registration number or similar details or any relevant tax exemption or similar details; or
  - (ii) ensured that any third party complied with any other statutory requirements (such as making a declaration of non-residence or similar claim) for any relevant tax exemption;
- (c) where such withholding or deduction is in respect of any estate, inheritance, gift, sales, transfer, capital gains, excise or personal property Taxes or any similar Taxes, assessments or governmental charges;

- (d) the deduction is required as a result of Taxes by reason of giving effect to the exercise by the relevant resolution authority of any Dutch Bail-in Power;
- (e) to, or to a third party on behalf of an Australian resident STN Holder or a non-resident STN Holder carrying on business in Australia at or through a permanent establishment of the non-resident in Australia, if that STN Holder has not supplied an appropriate tax file number an Australian business number or other exemption details; or
- (f) in any other circumstances specified in any applicable STN Supplement.

Notwithstanding any other provision in these Conditions, if the Issuer, or any other person through whom payments on the STNs are made, is required to withhold or deduct amounts under or in connection with, or in order to ensure compliance with FATCA, the Issuer shall be entitled to make such withholding or deduction and shall have no obligation to gross up any payment under these Conditions or to pay any Additional Amount or other amount for such withholding or deduction.

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## **10 Time limit for claims**

A claim against the Issuer for a payment under an STN is void unless such claim is made within 10 years from the date on which payment first became due.

Any moneys paid by the Issuer to the Registrar for payment of principal or interest in respect of the STNs and remaining unclaimed when the obligation to make such payment becomes extinguished will be repaid to the Issuer without undue delay and all liability with respect to such payment will thereafter cease.

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## **11 Agents**

### **11.1 Role of Agents**

In acting under an Agency Agreement, each Agent acts solely as agent of the Issuer and does not assume any obligations towards or relationship of agency or trust for or with any STN Holder.

### **11.2 Appointment and replacement of Agents**

Subject to Condition 11.4 (“Required Agents”), the Issuer reserves the right at any time to vary or terminate the appointment of any Agent and to appoint a successor.

### **11.3 Change of Agent**

Notice of any change of an Agent or its Specified Offices must promptly be given to the STN Holders by the Issuer or the Agent on its behalf.

### **11.4 Required Agents**

The Issuer must at all times maintain a Registrar.

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## **12 Variation**

Any Condition may be amended without the consent of the STN Holders if the amendment:

- (a) is of a formal, minor or technical nature;
- (b) is made to correct a manifest error;

- (c) is made to cure any ambiguity or correct or supplement any defective or inconsistent provision;
- (d) is to comply with mandatory provisions of the law of the jurisdiction in which the Issuer is incorporated;
- (e) in the reasonable opinion of the Issuer, is not materially prejudicial to the interests of the STN Holders; or
- (f) only applies to STNs issued by it after the date of amendment.

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**13 Further issues**

The Issuer may from time to time, without the consent of the STN Holders, issue further STNs having the same Conditions as the STNs of any Series in all respects (or in all respects except for the first payment of interest) so as to form a single series with the STNs of that Series.

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**14 Notices****14.1 Notices to STN Holders**

All notices and other communications to STN Holders must be in writing and must be left at the address of or sent by prepaid post (airmail, if appropriate) to the address of the STN Holder (as shown in the Register at the close of business on the day which is 3 Business Days before the date of the notice or communication).

They may also be:

- (a) given by an advertisement published in the Australian Financial Review or The Australian; or
- (b) if any applicable STN Supplement specifies an additional or alternate newspaper, given by an advertisement published in that newspaper.

**14.2 Notices to the Issuer and the Agents**

All notices and other communications to the Issuer or an Agent must be in writing and may be left at the address of, or sent by prepaid post (airmail, if appropriate) to, the Specified Office of the Issuer or the Agent (as the case may be).

**14.3 When effective**

Unless a later time is specified in it, a notice or communication takes effect from the time it is received, except that if it is received after 5.00pm in the place of receipt or on a day that is not a Business Day in that place, it is taken to be received at 9.00am on the next succeeding Business Day in that place.

**14.4 Proof of receipt**

Subject to Condition 14.3 ("When effective"), proof of posting a letter, dispatch of a facsimile, sending of an email or publication of a notice is proof of receipt:

- (a) in the case of a letter, on the fifth day (seventh if outside Australia) day after posting;
- (b) in the case of a facsimile, on receipt by the sender of a successful transmission report;

- (c) in the case of an email, at the time the sender receives an automated message confirming delivery or four hours after the time sent (as recorded on the device from which the sender sent the email) unless the sender receives an automated message that the email has not been delivered; and
- (d) in the case of publication in a newspaper, on the date of such publication.

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## **15 Governing law and jurisdiction**

### **15.1 Governing law**

STNs are governed by, and construed in accordance with, the law in force in New South Wales, Australia.

### **15.2 Jurisdiction**

The Issuer submits, and each STN Holder is taken to have submitted, to the non-exclusive jurisdiction of the courts of New South Wales, Australia and courts of appeal from them. The Issuer waives any right it has to object to an action being brought in those courts including by claiming that the action has been brought in an inconvenient forum or that those courts do not have jurisdiction.

### **15.3 Serving documents**

Without preventing any other method of service, any document in any action in the courts of New South Wales, Australia or courts of appeal from them (including, without limitation, any writ of summons or other originating process or any third or other party notice) may be served on the Issuer or an STN Holder by being delivered or left at its registered office or principal place of business (as the case may be).

# Conditions of the MTNs

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*The following are the Conditions which, as supplemented, amended, modified or replaced by the relevant Pricing Supplement, apply to each MTN constituted by the Note Deed Poll (specified in the Pricing Supplement). References to the "Pricing Supplement" in these conditions do not limit the provisions which may be supplemented, amended, modified or replaced by the Pricing Supplement in relation to a particular Series of MTNs.*

*Each MTN Holder, prospective MTN Holder and any person claiming through or under an MTN Holder, is deemed to have notice of, and is bound by, these Conditions, the Note Deed Poll, the relevant Pricing Supplement and/or other supplement and the Information Memorandum.*

*The Issuer is not a bank or an authorised deposit-taking institution which is authorised under the Banking Act nor is it a registered bank under the Reserve Bank of NZ Act. The MTNs are not the obligations of any government and, in particular, are not guaranteed by the Commonwealth of Australia or the Government of New Zealand.*

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## 1 Interpretation

### 1.1 Definitions

In these Conditions the following expressions have the following meanings:

**Additional Amount** means an additional amount payable by the Issuer under Condition 14.2 ("Withholding tax").

**Agency Agreement** means:

- (a) the Australian Agency Agreement;
- (b) the New Zealand Agency Agreement;
- (c) any other agreement between the Issuer and the Registrar specified in the Pricing Supplement; and
- (d) any other agency agreement entered into by the Issuer in relation to an issue of MTNs.

**Agent** means:

- (a) in the case of Australian Domestic Notes, the Australian Registrar;
- (b) in the case of New Zealand Domestic Notes, the New Zealand Registrar;
- (c) the Calculation Agent; and
- (d) any additional agent appointed under an Agency Agreement.

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

- (a) the issue price specified in the Pricing Supplement; and
- (b) the amount resulting from the application of the amortisation yield specified in the Pricing Supplement (compounded annually) to the issue price (as specified in the Pricing Supplement) from (and including) the Issue Date specified in the Pricing Supplement to (but excluding) the date fixed for redemption or (as the case may be) the date the MTN becomes due and repayable.

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

**APRA** means the Australian Prudential Regulation Authority.

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

**Austraclear Regulations** means the regulations known as “Austraclear Regulations”, together with any instructions or directions, (as amended or replaced from time to time) established by Austraclear to govern the use of the Austraclear System and binding on the participants in that system.

**Austraclear Services** means Austraclear Services Limited (ABN 28 003 284 419).

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

**Australian Agency Agreement** means the agreement entitled “Amended and Restated Registrar and Paying Agency Services Agreement” dated 14 September 2018 between the Issuer and the Australian Registrar.

**Australian Domestic Notes** means an MTN denominated in Australian dollars, which may be cleared through the Austraclear System and specified in the applicable Pricing Supplement.

**Australian Registrar** means, in relation to Australian Domestic Notes, Computershare Investor Services Pty Limited (ABN 48 078 279 277) or such other person appointed by the by the Issuer pursuant to an Agency Agreement to maintain a Register in respect of Australian Domestic Notes and perform such payment and other duties specified in that agreement.

**BRRD** means Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms and amending Council Directive 82/891/EEC, and Directives 2001/24/EC, 2002/47/EC, 2004/25/EC, 2005/56/EC, 2007/36/EC, 2011/35/EU, 2012/30/EU and 2013/36/EU, and Regulations (EU) No 1093/2010 and (EU) No 648/2012, of the European Parliament and of the Council.

**Business Day** means a day on which commercial banks are open for general banking business in:

- (a) for Australian Domestic Notes, Sydney; and
- (b) for New Zealand Domestic Notes, Auckland and Wellington,

and each (if any) Relevant Financial Centre specified in the Pricing Supplement (not being a Saturday, Sunday or public holiday in that place) and, if an MTN is to be issued or paid on that day, a day on which each Clearing System is operating.

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

- (a) **Floating Rate Convention** means that the date is postponed to the next following day which is a Business Day unless that day falls in the next calendar month, in which event:
  - (i) that date is brought forward to the first preceding day that is a Business Day; and

- (ii) each subsequent Interest Payment Date is the last Business Day in the month which falls the number of months or other period specified as the Interest Period in the Pricing Supplement after the preceding applicable Interest Payment Date occurred;
- (b) **Following Business Day Convention** means that the date is postponed to the first following day that is a Business Day;
- (c) **Modified Following Business Day Convention or Modified Business Day Convention** means that the date is postponed to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date is brought forward to the first preceding day that is a Business Day;
- (d) **Preceding Business Day Convention** means that the date is brought forward to the first preceding day that is a Business Day; and
- (e) **No Adjustment** means that the relevant date must not be adjusted in accordance with any Business Day Convention.

If no convention is specified in the Pricing Supplement, the Following Business Day Convention applies. Different conventions may be specified in relation to, or apply to, different dates.

**Calculation Agent** means:

- (a) for Australian Domestic Notes, Austraclear Services;
- (b) for New Zealand Domestic Notes, Computershare Investor Services Limited; or
- (c) any other person specified in the relevant Pricing Supplement as the party responsible for calculating the Interest Rate and other amounts required to be calculated under these Conditions.

**Clearing System** means:

- (a) the Austraclear System;
- (b) the NZClear System; or
- (c) any other clearing system specified in the Pricing Supplement.

**Code** means the United States of America Internal Revenue Code of 1986 (as amended).

**Corporations Act** means the Corporations Act 2001 of Australia.

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

- (a) if "**Actual/Actual (ICMA)**" is so specified, means:
  - (i) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods normally ending in any year; and
  - (ii) where the Calculation Period is longer than one Regular Period, the sum of:

- (A) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
  - (B) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods normally ending in any year;
- (b) if “**Actual/365**” or “**Actual/Actual (ISDA)**” is so specified, means the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of:
  - (i) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366; and
  - (ii) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (c) if “**Actual/365 (Fixed)**” is so specified, means the actual number of days in the Calculation Period divided by 365;
- (d) if “**Actual/360**” is so specified, means the actual number of days in the Calculation Period divided by 360;
- (e) if “**30/360**” is so specified, means the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with twelve 30-day months unless:
  - (i) the last day of the Calculation Period is the 31st day of a month but the first day of the Calculation Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day is not considered to be shortened to a 30-day month; or
  - (ii) the last day of the Calculation Period is the last day of the month of February, in which case the month of February is not considered to be lengthened to a 30-day month);
- (f) if “**30E/360**” or “**Eurobond Basis**” is so specified means, the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with twelve 30-day months, without regard to the date of the first day or last day of the Calculation Period unless, in the case of a Calculation Period ending on the Maturity Date, the Maturity Date is the last day of the month of February, in which case the month of February is not considered to be lengthened to a 30-day month);
- (g) if “**RBA Bond Basis**” or “**Australian Bond Basis**” is so specified, means one divided by the number of Interest Payment Dates in a year (or where the Calculation Period does not constitute an Interest Period, the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of:
  - (i) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366; and
  - (ii) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365));

- (h) if “**RBNZ Bond Basis**” or “**NZ Govt Bond Basis**” is so specified, means one divided by the number of Interest Payment Dates in a year; and
- (i) any other day count fraction specified in the Pricing Supplement.

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

**Depository** means New Zealand Central Securities Depository Limited or any other entity appointed from time to time by the Operator, under the NZClear Regulations, as custodian trustee to hold securities on the NZClear System.

**Dutch Bail-in Power** means any write-down or conversion power of a resolution authority existing from time to time under any laws, regulations, rules or requirements in effect and applicable to banks established in the Netherlands, such as the Issuer, and including but not limited to any laws, regulations, rules or requirements that are applicable, implemented, adopted or enacted relating to the implementation of the BRRD (such as Sections 3A:21 and 3A:41 of the NFSA) or under the SRM Regulation, each as may be amended from time to time, or otherwise, and the instruments, rules, standards, decrees and regulations created thereunder, pursuant to which relevant capital instruments issued by or with the cooperation of such bank or eligible liabilities of such bank (or other entity to which such eligible liabilities have been transferred pursuant to a resolution measure), may be (i) reduced (including to zero), (ii) cancelled, or (iii) in whole or in part converted into common equity tier 1 instruments (such as ordinary shares) or other instruments of ownership of such bank or any other person, or any agreement (including debt instruments such as the Notes) to which such bank is a party may be amended or terminated.

**Dutch Intervention Act** means the *Wet bijzondere maatregelen financiële ondernemingen or Interventiewet*.

**Encumbrance** means any security for the payment of money or the performance of obligations including a mortgage, charge, lien or pledge.

**Event of Default** means an event so described in Condition 16 (“Events of Default”).

**Extraordinary Resolution** has the meaning given in the Meetings Provisions.

**FATCA** means:

- (a) sections 1471 to 1474 of the Code or any associated regulations or other official guidance;
- (b) any treaty, law, regulation or other official guidance enacted in any other jurisdiction, or relating to an intergovernmental agreement between the United States of America and any other jurisdiction, which (in either case) facilitates the implementation of paragraph (a) above; and
- (c) any agreement pursuant to the implementation of paragraphs (a) or (b) above with the United States of America Internal Revenue Service, the United States of America government or any governmental or taxation authority in any other jurisdiction.

**Fixed Rate MTN** means an MTN on which interest is calculated at a fixed rate payable in arrear on a fixed date or fixed dates in each year and on redemption or on any other dates as specified in the Pricing Supplement.

**Floating Rate MTN** means an MTN on which interest is calculated at a floating rate payable 1, 2, 3, 6, or 12 monthly or in respect of any other period or on any date specified in the Pricing Supplement.

**Index Linked MTN** means an MTN in respect of which the amount payable in respect of interest is calculated by reference to an index or a formula or both as specified in the Pricing Supplement.

**Information Memorandum** in respect of an MTN means the information memorandum, disclosure document (as defined in the Corporations Act) or other offering document referred to in the Pricing Supplement.

**Instalment Amounts** has the meaning given in the Pricing Supplement.

**Instalment MTN** means an MTN which is redeemable in one or more instalments, as specified in the Pricing Supplement.

**Interest Commencement Date** means, for an MTN, the Issue Date of the MTN or any other date so specified in the Pricing Supplement.

**Interest Determination Date** has the meaning given in the Pricing Supplement.

**Interest Payment Date** means each date so specified in, or determined in accordance with, the Pricing Supplement.

**Interest Period** means each period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next Interest Payment Date. However:

- (a) the first Interest Period commences on (and includes) the Interest Commencement Date; and
- (b) the final Interest Period ends on (but excludes) the Maturity Date.

**Interest Rate** means, for an MTN, the interest rate (expressed as a percentage per annum) payable in respect of that MTN specified in the relevant Pricing Supplement or calculated or determined in accordance with these Conditions and the relevant Pricing Supplement.

**ISDA Definitions** means the 2000 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. (as supplemented, amended and updated as at the Issue Date of the first Tranche of the MTNs of the Series).

**Issue Date** means the date on which an MTN is, or is to be issued, as specified in, or determined in accordance with, the relevant Pricing Supplement.

**Issuer** means Nederlandse Waterschapsbank N.V.

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

**Maturity Date** means, the date so specified in, or determined in accordance with, the Pricing Supplement.

**Meetings Provisions** means the provisions relating to meetings of MTN Holders set out in the schedule to the Note Deed Poll.

**MTN** means a medium term debt obligation issued or to be issued by the Issuer which is constituted by, and owing under the Note Deed Poll, the details of which are recorded in, and evidenced by, entry in, the Register and includes any Australian Domestic Note and any New Zealand Domestic Note.

**MTN Holder** means, in respect of an MTN, each person whose name is entered in the Register as the holder of that MTN.

*For the avoidance of doubt, where an MTN is held in a Clearing System, references to an MTN Holder include the operator of that system or a nominee for that operator or a common depository for one or more Clearing Systems (in each case acting in accordance with the rules and regulations of the Clearing System or Systems).*

**New Zealand Agency Agreement** means the agreement entitled “Amended and Restated New Zealand Agency and Registry Agreement” dated 14 September 2018 between the Issuer and the New Zealand Registrar.

**New Zealand Domestic Note** means a Note denominated in New Zealand dollars, which may be cleared through the NZClear System and specified as such in the applicable Pricing Supplement.

**New Zealand Registrar** means, in relation to New Zealand Domestic Notes, Computershare Investor Services Limited or such other person appointed by the Issuer pursuant to the New Zealand Agency Agreement to maintain a Register in relation to New Zealand Domestic Notes and perform such payment and other duties as specified in that agreement.

**NFSA** means the Netherlands Financial Supervision Act (*Wet op het financieel toezicht*).

**Note Deed Poll** means the deed poll entitled “Third Note Deed Poll” executed by the Issuer on 28 January 2016.

**NZ FMCA** means the Financial Markets Conduct Act 2013 of New Zealand.

**NZClear Regulations** means the regulations known as the “NZClear System Rules” established by the Reserve Bank of New Zealand to govern the use of the NZClear System and includes the operating guidelines deemed to form part of these rules.

**NZClear System** means the system operated by the Reserve Bank of New Zealand in New Zealand for holding securities and electronic recording and settling of transactions in those securities between members of that system.

**Operator** means the Reserve Bank of New Zealand or its successor or replacement from time to time in its capacity as operator of the NZClear System.

**Partly Paid MTN** means an MTN in relation to which the initial subscription moneys are payable to the Issuer in two or more instalments.

**Pricing Supplement** means, in respect of a Tranche, the pricing supplement specifying the relevant issue details in relation to it.

**Record Date** means, in respect of any payment date (including the Maturity Date):

- (a) for Australian Domestic Notes, the close of business in the place where the Register is maintained on the eighth calendar day before the payment date;
- (b) for New Zealand Domestic Notes, the close of business in the place where the Register is maintained on the tenth calendar day before the payment date; or
- (c) any other date so specified in the applicable Pricing Supplement.

**Redemption Amount** means:

- (a) for an MTN (other than a Zero Coupon MTN or a Structured MTN), the outstanding principal amount as at the date of redemption;
- (b) for a Zero Coupon MTN, the Amortised Face Amount calculated as at the date of redemption; and
- (c) for a Structured MTN, the amount determined by the Calculation Agent in the manner specified in the Pricing Supplement,

and also includes any final instalment and any other amount in the nature of a redemption amount specified in, or determined in accordance with, the Pricing Supplement or these Conditions.

**Reference Rate** has the meaning given in the Pricing Supplement.

**Register** means the register, including any branch register, of holders of MTNs established and maintained by or on behalf of the Issuer under an Agency Agreement.

**Registrar** means:

- (a) for Australian Domestic Notes, the Australian Registrar;
- (b) for New Zealand Domestic Notes, the New Zealand Registrar; or
- (c) any other person appointed by the Issuer under an Agency Agreement to maintain the Register in respect of a Tranche of Notes and perform any payment and other duties as specified in that agreement.

**Regular Period** means:

- (a) in the case of MTNs where interest is scheduled to be paid only by means of regular payments, each Interest Period;
- (b) in the case of MTNs where, apart from the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where "**Regular Date**" means the day and month (but not the year) on which any Interest Payment Date falls; and
- (c) in the case of MTNs where, apart from one Interest Period other than the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where "**Regular Date**" means the day and month (but not the year) on which any Interest Payment Date falls other than the Interest Payment Date falling at the end of the irregular Interest Period.

**Related Entity** has the meaning it has in the Corporations Act.

**Relevant Screen Page** means:

- (a) the page, section or other part of a particular information service (including the Reuters Monitor Money Rates Service and the Dow Jones Telerate Service) specified as the Relevant Screen Page in the Pricing Supplement; or
- (b) any other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate.

**Relevant Tax Jurisdiction** means the European Territory of the Kingdom of the Netherlands or political sub-division of it.

**Relevant Time** has the meaning given in the Pricing Supplement.

**Security Record:**

- (a) for Australian Domestic Notes, has the meaning given to it in the Austraclear Regulations; and
- (b) for New Zealand Domestic Notes, has the meaning given to the term “Security Account” in the NZClear Regulations.

**Series** means an issue of MTNs made up of one or more Tranches all of which form a single Series and are issued on the same Conditions except that the Issue Date and Interest Commencement Date may be different in respect of different Tranches of a Series.

**Specified Office** means the office specified in the Information Memorandum or any other address notified to MTN Holders from time to time.

**SRM Regulation** means Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund.

**Structured MTN** means:

- (a) an Index Linked MTN; or
- (b) an Instalment MTN.

**Taxes** means taxes, levies, imposts, charges and duties (including stamp and transaction duties) imposed by any authority together with any related interest, penalties, fines and expenses in connection with them except if imposed on, or calculated having regard to, the net income of an MTN Holder.

**Tranche** means an issue of MTNs specified as such in the relevant Pricing Supplement issued on the same Issue Date and on the same Conditions.

**Zero Coupon MTN** means an MTN which does not carry entitlement to periodic payment of interest before the redemption date of the MTN and which is issued at a discount to its principal amount.

## 1.2 References to certain general terms

Unless the contrary intention appears, a reference in these Conditions to:

- (a) a group of persons is a reference to any two or more of them jointly and to each of them individually;
- (b) a document (including these Conditions) includes any variation or replacement of it;
- (c) a “**law**” includes common law, principles of equity, decree and any statute or other law made by any parliament (where a “**statute**” or “**other law**” made by parliament includes any regulation and other instrument under it, and any consolidation, amendment, re-enactment or replacement of any of it);

- (d) a “**directive**” includes a treaty, official directive, request, regulation, guideline or policy (whether or not having the force of law) with which responsible participants in the relevant market generally comply;
- (e) “**Australian dollars**” or “**A\$**” is a reference to the lawful currency of the Commonwealth of Australia;
- (f) “**New Zealand dollars**” or “**NZ\$**” is a reference to the lawful currency of New Zealand;
- (g) a time of day is a reference to that time in Sydney unless otherwise specified;
- (h) a “**person**” includes an individual, corporation, company, firm, tribunal, undertaking, association, partnership, joint venture, trust, limited liability company, unincorporated organisation or government or any agency, instrumentality or political subdivision thereof; in each case whether or not being a separate legal entity;
- (i) a particular person includes a reference to the person’s executors, administrators, successors, substitutes (including persons taking by novation) and assigns;
- (j) an agreement, representation or warranty in favour of two or more persons is for the benefit of them jointly and each of them individually;
- (k) any thing (including any amount) is a reference to the whole and each part of it; and
- (l) the words “**including**”, “**for example**” or “**such as**” when introducing an example, do not limit the meaning of the words to which the example relates to that example or examples of a similar kind.

### 1.3 References to particular terms

Unless the contrary intention appears, in these Conditions:

- (a) a reference to the Issuer, the Registrar, the Calculation Agent or another Agent is a reference to the person so specified in the Pricing Supplement;
- (b) a reference to the Agency Agreement is a reference to the Agency Agreement applicable to the MTNs of the relevant Series;
- (c) a reference to an MTN is a reference to an MTN of a particular Series issued by the Issuer specified in the Pricing Supplement;
- (d) a reference to an MTN Holder is a reference to the holder of MTNs of a particular Series;
- (e) if the MTNs are Zero Coupon MTNs or Structured MTNs which do not bear interest, references to interest are not applicable; and
- (f) a reference to a particular date is a reference to that date adjusted in accordance with the applicable Business Day Convention.

### 1.4 References to principal and interest

Unless the contrary intention appears, in these Conditions:

- (a) any reference to “principal” is taken to include the Redemption Amount, any additional amounts in respect of principal which may be payable under Condition 14 (“Taxation”), any premium payable in respect of an MTN, and any other amount in the nature of principal payable in respect of the MTNs under these Conditions;

- (b) the principal amount of an MTN issued at a discount is to be taken as at any time to equal the lesser of:
  - (i) its Denomination; and
  - (ii) if specified in the Pricing Supplement, its Amortised Face Amount at that time;
- (c) the principal amount of an MTN which is to vary by reference to a schedule or formula (where such determination has been previously made in accordance with these Conditions) is to be taken as at any time to equal its varied amount;
- (d) the principal amount of a Partly Paid MTN is to be taken to equal its paid up principal amount;
- (e) the principal amount of an Instalment MTN at any time is to be taken to be its Denomination less the total instalments repaid to the extent that such instalments relate to a repayment of principal; and
- (f) any reference to “interest” is taken to include any Additional Amounts and any other amount in the nature of interest payable in respect of the MTNs under these Conditions.

## **1.5 Number**

The singular includes the plural and vice versa.

## **1.6 Headings**

Headings (including those in brackets at the beginning of paragraphs) are for convenience only and do not affect the interpretation of these Conditions.

## **1.7 Terms defined in Pricing Supplement**

Terms which are defined in the Pricing Supplement as having a defined meaning have the same meaning when used in these Conditions but if the Pricing Supplement gives no meaning or specifies that the definition is "Not Applicable", then that definition is not applicable to the MTNs.

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## **2 Introduction**

### **2.1 Programme**

MTNs are issued under a debt issuance programme established by the Issuer.

### **2.2 Pricing Supplement**

MTNs are issued in Series. A Series may comprise one or more Tranches having one or more Issue Dates and on conditions otherwise identical (other than in respect of the first payment of interest). A Tranche may be the subject of a Pricing Supplement which supplements, amends or replaces these Conditions. If there is any inconsistency between these Conditions and the Pricing Supplement, the Pricing Supplement prevails.

Copies of the Pricing Supplement are available for inspection or on request by an MTN Holder or prospective MTN Holder during normal business hours at the Specified Office of the Issuer or the Registrar.

### 2.3 Types of MTNs

An MTN is either:

- (a) a Fixed Rate MTN;
- (b) a Floating Rate MTN;
- (c) a Zero Coupon MTN; or
- (d) a Structured MTN (being either an Index Linked MTN or an Instalment MTN),

or a combination of the above (or any other type of debt obligation including a certificate of deposit), as specified in the relevant Pricing Supplement.

### 2.4 Denomination

MTNs are issued in a single Denomination as specified in the Pricing Supplement.

### 2.5 Currency

MTNs are denominated in Australian dollars, New Zealand dollars or any other currency specified in the Pricing Supplement.

### 2.6 Clearing Systems

MTNs may be held in a Clearing System, in which case the rights of a person holding an interest in the MTNs lodged in the Clearing System are subject to the rules and regulations of the Clearing System.

### 2.7 Issue restrictions

Unless otherwise specified in any relevant Pricing Supplement, MTNs may only be issued:

- (a) if, in the case of:
  - (i) Australian Domestic Notes, in the case of MTNs issued in Australia:
    - (A) the aggregate consideration payable to the Issuer by the relevant MTN Holder is at least A\$500,000 (or its equivalent in another currency, disregarding moneys lent by the offeror or its associates); and
    - (B) the offer or invitation for the issue of the MTNs does not require disclosure to investors under Part 6D.2 or 7.9 of the Corporations Act; and
    - (C) the offer or invitation is not a “retail client” for the purposes of section 761G of the Corporations Act; and
    - (D) the offer or invitation complies with Banking exemption No. 1 of 2018 dated 21 March 2018 promulgated by APRA as if it applied to the Issuer *mutatis mutandis* (and which requires all offers and transfers of any parcels of Notes to be for an aggregate principal amount of at least A\$500,000); or

- (ii) New Zealand Domestic Notes, in the case of MTNs issued in New Zealand, each relevant subscriber is a “wholesale investor” within the meaning of clause 3(2)(a), (c) or (d) or clause 3(3)(b) of Schedule 1 to the NZ FMCA, which includes:
  - (A) a person who is an “investment business”, “large”, or a “government agency”, in each case as defined in Schedule 1 to the NZ FMCA, provided (for the avoidance of doubt) that New Zealand Domestic Notes may not be issued to any “eligible investor” (as defined in clause 41 of Schedule 1 to the NZ FMCA) or to any person who, under clause 3(2)(b) of Schedule 1 to the NZ FMCA, meets the investment activity criteria specified in clause 38 of that Schedule; or
  - (B) a person who is required to pay a minimum subscription price of at least NZ\$750,000 for those New Zealand Domestic Notes (disregarding any amount lent by the offeror, Issuer or any associated person of the offeror or Issuer) before the issuance of those New Zealand Domestic Notes; and
- (b) if the issue complies with other applicable laws or directives of the jurisdiction where the transfer takes place.

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### **3 Form**

#### **3.1 Constitution under Note Deed Poll**

MTNs are debt obligations of the Issuer constituted by, and owing under, the Note Deed Poll.

#### **3.2 Form**

MTNs are issued in registered form by entry in the Register. Each entry in the Register constitutes a separate and individual acknowledgement to the relevant MTN Holder of the indebtedness of the Issuer to the relevant MTN Holder.

#### **3.3 No certificates**

No certificate or other evidence of title will be issued to MTN Holders by, or on behalf of, the Issuer to evidence title to an MTN unless the Issuer determines that certificates should be available or the Issuer is required to do so pursuant to any applicable law or directive.

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### **4 Status**

#### **4.1 Status**

MTNs constitute direct, unconditional, unsubordinated and (subject to Condition 5 (“Negative pledge”)) unsecured obligations of the Issuer.

#### **4.2 Ranking**

MTNs rank equally without any preference among themselves and at least equally with all other unsubordinated and unsecured obligations of the Issuer, except for liabilities mandatorily preferred by law.

### 4.3 Dutch Bail-in Power

- (a) By acquiring any MTNs, each MTN Holder and beneficial owner of MTNs or any interest therein acknowledges and accepts:
  - (i) to be bound by the effect of an application of any Dutch Bail-in Power by the relevant resolution authority;
  - (ii) that, in the exercise of such Dutch Bail-in Power by the relevant resolution authority, MTNs may be subject to:
    - (A) the reduction of all, or a portion, of the principal amount or outstanding amount due of, or accrued but unpaid interest in respect of, the MTNs;
    - (B) the conversion of all, or a portion, of the principal amount or outstanding amount due of, or accrued but unpaid interest in respect of, the MTNs into common equity tier 1 instruments (such as ordinary shares) or other instruments of ownership; and/or
    - (C) a variation of the terms of the MTNs as necessary to give effect to the exercise by the relevant resolution authority of such Dutch Bail-in Power and such variation shall be binding on each MTN Holder and beneficial owner; and/or
  - (iii) that common equity tier 1 instruments (such as ordinary shares) or other instruments of ownership may be issued to or conferred on such MTN Holder, in each case to give effect to the exercise by the relevant resolution authority of such Dutch Bail-in Power.
- (b) Each MTN Holder and beneficial owner of MTNs or any interest therein further acknowledges and accepts that any liability of the Issuer is subject to the exercise of any Dutch Bail-in Power by the relevant resolution authority and that this Condition 4.3 is exhaustive on the matters described herein to the exclusion of any other agreements, arrangements or understandings between the Issuer and such MTN Holder and beneficial owner in relation to the MTNs.
- (c) In addition, the exercise of any Dutch Bail-in Power may require interests in the MTNs and/or other actions implementing any Dutch Bail-in Power to be held or taken, as the case may be, through clearing systems, intermediaries or persons other than the preferred or agreed clearing system.
- (d) To the extent permitted by law, the Issuer shall provide a written notice directly to the relevant Registrar as soon as practicable of any exercise of the Dutch Bail-in Power with respect to the MTNs by the relevant resolution authority for purposes of notifying MTN Holders of such occurrence.
- (e) No repayment of the principal amount or outstanding amount due of the MTNs or payment of accrued but unpaid interest on the MTNs will become due and payable after the exercise of any Dutch Bail-in Power in respect to the MTNs by the relevant resolution authority unless, at the time that such repayment or payment, respectively, is scheduled to become due, such repayment or payment would be permitted to be made by the Issuer, and has not been suspended by the relevant resolution authority, under the laws and regulations of the Netherlands and the European Union applicable to the Issuer.

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**5 Negative pledge**

So long as the MTNs remain outstanding the Issuer will not secure any present or future indebtedness (whether being principal, premium, interest or other amounts) represented by notes, bonds or other debt securities which are for the time being quoted, listed or ordinarily dealt in on any stock exchange, over-the-counter or other securities market without securing the MTNs equally and rateably except that the foregoing shall not apply to:

- (a) presently existing security which may be used to secure other obligations;
- (b) security arising by operation of law;
- (c) security to finance the purchase price of assets;
- (d) security for tax and other governmental levies which may be paid after their due date without penalty; and
- (e) repurchase agreements.

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**6 Title and transfer of MTNs****6.1 Title**

Title to MTNs passes when details of the transfer are entered in the Register.

**6.2 Effect of entries in Register**

Each entry in the Register in respect of an MTN constitutes:

- (a) an unconditional and irrevocable undertaking by the Issuer to the MTN Holder to pay principal and (if applicable) interest and any other amount in accordance with these Conditions; and
- (b) an entitlement to the other benefits given to MTN Holders under these Conditions in respect of the relevant MTN.

**6.3 Register conclusive as to ownership**

Entries in the Register in relation to an MTN constitute conclusive evidence that the person so entered is the registered owner of the MTN subject to correction for fraud or error.

**6.4 Non-recognition of interests**

Except as required by law, the Issuer and the Registrar must treat the person whose name is entered in the Register as the holder of an MTN as the absolute owner of that MTN. This Condition applies whether or not an MTN is overdue and despite any notice of ownership, trust or interest in the MTN.

**6.5 Joint holders**

Where two or more persons are entered in the Register as the joint holders of an MTN then they are taken to hold the MTN as joint tenants with rights of survivorship, but the Registrar is not bound to register more than four persons as joint holders of an MTN.

**6.6 Transfers in whole**

MTNs may be transferred in whole but not in part.

## 6.7 Compliance with laws

MTNs, or interests in them, may only be transferred if:

- (a) in the case of:
  - (i) Australian Domestic Notes, in the case of MTNs to be transferred in, or into, Australia:
    - (A) the aggregate consideration payable is at least A\$500,000;
    - (B) the transferee is not a “retail client” as that term is defined in section 761G of the Corporations Act;
    - (C) the offer or invitation for the transfer of the MTNs does not require disclosure to investors under Part 6D.2 of the Corporations Act;
    - (D) the offer or invitation for the transfer of the MTNs complies with Banking exemption No. 1 of 2018 dated 21 March 2018 promulgated by APRA as if it applied to the Issuer *mutatis mutandis* (and which requires all offers and transfers of any parcels of Notes to be for an aggregate principal amount of at least A\$500,000); or
    - (E) for transfers of MTNs, or interests in them, not subject to the Corporations Act, the consideration payable at the time of the transfer is for such minimum amount as specified in the relevant Pricing Supplement.
  - (ii) New Zealand Domestic Notes, in the case of MTNs to be transferred in, or into, New Zealand, the MTNs are transferred to persons who are “wholesale investors” within the meaning of clause 3(2)(a), (c) or (d) or clause 3(3)(b) of Schedule 1 to the NZ FMCA, which includes:
    - (A) a person who is an “investment business”, “large”, or a “government agency”, in each case as defined in Schedule 1 to the NZ FMCA, provided (for the avoidance of doubt) that New Zealand Domestic Notes may not be issued to any “eligible investor” (as defined in clause 41 of Schedule 1 to the NZ FMCA) or to any person who, under clause 3(2)(b) of Schedule 1 to the NZ FMCA, meets the investment activity criteria specified in clause 38 of that Schedule; or
    - (B) a person who is required to pay a minimum amount of at least NZ\$750,000 for those New Zealand Domestic Notes (disregarding any amount lent by the offeror, Issuer or any associated person of the offeror or Issuer) before the transfer of those New Zealand Domestic Notes; and
- (b) the transfer complies with any applicable law or directive of the jurisdiction where the transfer takes place.

## 6.8 Transfer procedures

Interests in MTNs held in a Clearing System are transferable only in accordance with the rules and regulations of that Clearing System.

In particular, where the Depository is the MTN Holder and the MTN is lodged in the NZClear System, the Operator may, in its absolute discretion and, to the extent not prohibited by the NZClear Regulations, instruct the New Zealand Registrar to transfer the MTN to the person in whose Security Record that MTN is recorded without any consent or action of such transferee and, as a consequence, remove that MTN from the NZClear System.

Application for the transfer of MTNs not held in a Clearing System must be made by the lodgment of a transfer form with the Registrar at its Specified Office. Transfer forms must be in the form available from the Registrar. Each transfer form must be:

- (a) duly completed and stamped (if applicable);
- (b) accompanied by any evidence (if any) as the Registrar may require to establish that the transfer form has been duly executed; and
- (c) signed by, or on behalf of, both the transferor and the transferee.

Transfers will not be registered during the period from the Record Date until the Maturity Date.

Transfers will be registered without charge provided all applicable Taxes have been paid by the transferor or transferee (as the case may be) in respect of the transferred MTNs.

### **6.9 Effect of transfer**

Upon registration and entry of the transferee in the Register the transferor ceases to be entitled to future benefits under these Conditions in respect of the transferred MTNs and the transferee becomes so entitled in accordance with Condition 6.2 (“Effect of entries in Register”).

### **6.10 CHES**

MTNs listed on the stock exchange operated by ASX Limited (ABN 98 008 624 691) will not be transferred through, or registered on, the Clearing House Electronic Subregister System operated by ASX Settlement Pty Limited (ABN 49 008 504 532) and will not be “Approved Financial Products” for the purposes of that system.

### **6.11 Austraclear or Depository as MTN Holder**

If Austraclear or the Depository is recorded in the Register as the MTN Holder, each person in whose Security Record an MTN is recorded is taken to acknowledge in favour of the Issuer, the Registrar and the MTN Holder (and, if the MTN Holder is the Depository, the Operator) that:

- (a) the Registrar’s decision to act as the Registrar of that MTN is not a recommendation or endorsement by the Registrar or the relevant MTN Holder (or, if the MTN Holder is the Depository, the Operator) in relation to that MTN, but only indicates that the Registrar considers that the holding of the MTN is compatible with the performance by it of its obligations as Registrar under an Agency Agreement; and
- (b) the relevant MTN Holder does not rely on any fact, matter or circumstance contrary to paragraph (a).

### **6.12 Estates**

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

### **6.13 Unincorporated associations**

A transfer of MTNs to an unincorporated association is not permitted.

#### **6.14 Transfer of unidentified MTNs**

Where the transferor executes a transfer of less than all MTNs registered in its name, and the specific MTNs to be transferred are not identified, the Registrar may (subject to the limit on minimum holdings) register the transfer in respect of such of the MTNs registered in the name of the transferor as the Registrar thinks fit, provided the aggregate principal amount of the MTNs registered as having been transferred equals the aggregate principal amount of the MTNs expressed to be transferred in the transfer.

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### **7 Fixed Rate MTNs**

*This Condition 7 ("Fixed Rate MTNs") applies to the MTNs only if the Pricing Supplement states that it applies.*

#### **7.1 Interest on Fixed Rate MTNs**

Each Fixed Rate MTN bears interest on its outstanding principal amount from (and including) its Interest Commencement Date to (but excluding) its Maturity Date at the Interest Rate. Interest is payable in arrear on each Interest Payment Date.

#### **7.2 Fixed Coupon Amount**

Unless otherwise specified in the Pricing Supplement, the amount of interest payable on each Interest Payment Date in respect of the preceding Interest Period is the Fixed Coupon Amount specified in the Pricing Supplement.

#### **7.3 Calculation of interest payable**

The amount of interest payable in respect of a Fixed Rate MTN for any period for which a Fixed Coupon Amount is not specified in the Pricing Supplement is calculated by multiplying the Interest Rate for that period, the outstanding principal amount of the Fixed Rate MTN and the applicable Day Count Fraction.

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### **8 Floating Rate MTNs**

*This Condition 8 ("Floating Rate MTNs") applies to the MTNs only if the Pricing Supplement states that it applies.*

#### **8.1 Interest on Floating Rate MTNs**

Each Floating Rate MTN bears interest on its outstanding principal amount from (and including) its Interest Commencement Date to (but excluding) its Maturity Date at the Interest Rate.

Interest is payable in arrear:

- (a) on each Interest Payment Date; or
- (b) if no Interest Payment Date is specified in the Pricing Supplement, each date which falls the number of months or other period specified as the Specified Period in the Pricing Supplement after the preceding Interest Payment Date (or in the case of the first Interest Payment Date, after the Interest Commencement Date).

#### **8.2 Interest Rate determination**

The Interest Rate payable in respect of a Floating Rate MTN must be determined by the Calculation Agent in accordance with these Conditions.

### 8.3 Fallback Interest Rate

Unless otherwise specified in the Pricing Supplement, if, in respect of an Interest Period, the Calculation Agent is unable to determine a rate in accordance with Condition 8.2 (“Interest Rate determination”), the Interest Rate for the Interest Period is the Interest Rate applicable to the Floating Rate MTNs during the immediately preceding Interest Period.

### 8.4 ISDA Determination

If ISDA Determination is specified in the Pricing Supplement as the manner in which the Interest Rate is to be determined, the Interest Rate applicable to the Floating Rate MTNs for each Interest Period is the sum of the Margin and the ISDA Rate.

In this Condition:

- (a) **“ISDA Rate”** means for an Interest Period, a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction if the Calculation Agent for the Floating Rate MTNs were acting as Calculation Agent for that Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:
  - (i) the Floating Rate Option, the Designated Maturity and the Reset Date are as specified in the Pricing Supplement; and
  - (ii) the Period End Dates are each Interest Payment Date, the Spread is the Margin and the Floating Rate Day Count Fraction is the Day Count Fraction; and
- (b) **“Swap Transaction”, “Floating Rate”, “Calculation Agent”** (except references to **“Calculation Agent for the Floating Rate MTNs”**), **“Floating Rate Option”, “Designated Maturity”, “Reset Date”, “Period End Date”, “Spread”** and **“Floating Rate Day Count Fraction”** have the meanings given to those terms in the ISDA Definitions.

### 8.5 Screen Rate Determination

If Screen Rate Determination is specified in the Pricing Supplement as the manner in which the Interest Rate is to be determined, the Interest Rate applicable to the Floating Rate MTNs for each Interest Period is the sum of the Margin and the Screen Rate.

In this Condition, **“Screen Rate”** means, for an Interest Period, the quotation offered for the Reference Rate appearing on the Relevant Screen Page at the Relevant Time on the Interest Determination Date. However:

- (a) if there is more than one offered quotation displayed on the Relevant Screen Page at the Relevant Time on the Interest Determination Date, the **“Screen Rate”** means the rate calculated by the Calculation Agent as the average of the offered quotations. If there are more than five offered quotations, the Calculation Agent must exclude the highest and lowest quotations (or in the case of equality, one of the highest and one of the lowest quotations) from its calculation;
- (b) if an offered quotation is not displayed by the Relevant Time on the Interest Determination Date or if it is displayed but the Calculation Agent determines that there is an obvious error in that rate, the **“Screen Rate”** means:
  - (i) the rate the Calculation Agent calculates as the average mean of the Reference Rates that each Reference Bank quoted to the leading banks in the Relevant Financial Centre specified in the Pricing Supplement at the Relevant Time on the Interest Determination Date; or

- (ii) where the Calculation Agent is unable to calculate a rate under paragraph (i) because it is unable to obtain at least two quotes, the rate the Calculation Agent calculates as the average of the rates (being the nearest equivalent to the Reference Rate) quoted by two or more banks chosen by the Calculation Agent in the Relevant Financial Centre at approximately the Relevant Time on the Interest Determination Date for a period equivalent to the Interest Period to leading banks carrying on business in the Relevant Financial Centre in good faith; or
- (c) if the Pricing Supplement specifies an alternative method for the determination of the Screen Rate Determination, then that alternative method applies.

## 8.6 BBSW Determination

If BBSW Determination is specified in the Pricing Supplement as the manner in which the Interest Rate is to be determined, the Interest Rate applicable to the Floating Rate MTNs for each Interest Period is the sum of the Margin and the BBSW Rate.

In this Condition:

- (a) **BBSW Rate** means, for an Interest Period, the rate for prime bank eligible securities having a tenor closest to the Interest Period which is designated as the "AVG MID" on the Reuters Screen BBSW Page (or any designation which replaces that designation on that page, or any replacement page) at approximately 10.30am (or such other time at which such rate customarily appears on that page) on the first day of that Interest Period.

However, if such rate does not appear on the Reuters Screen BBSW Page (or any replacement page) by 10.45am on that day (or such other time that is 15 minutes after the then prevailing time), or if it does appear but the Calculation Agent determines that there is an obvious error in that rate, "**BBSW Rate**" means the rate determined by the Calculation Agent having regard to comparable indices then available. The rate calculated or determined by the Calculation Agent will be expressed as a percentage rate per annum and will be rounded up, if necessary, to the next higher one ten-thousandth of a percentage point (0.0001 per cent.).

## 8.7 Interpolation

If the Pricing Supplement states that "Linear Interpolation" applies to an Interest Period, the Interest Rate for that Interest Period is determined through the use of straight line interpolation by reference to two ISDA Rates, Screen Rates, BBSW Rates or other floating rates specified in the Pricing Supplement.

The first rate must be determined as if the Interest Period were the period of time for which rates are available next shorter than the length of the Interest Period (or any alternative Interest Period specified in the Pricing Supplement).

The second rate must be determined as if the Interest Period were the period of time for which rates are available next longer than the length of the Interest Period (or any alternative Interest Period specified in the Pricing Supplement).

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**9 Structured MTNs**

*This Condition 9 (“Structured MTNs”) applies to the MTNs only if the Pricing Supplement states that it applies.*

**9.1 Interest on Structured MTNs**

Each interest bearing Structured MTN bears interest on its outstanding principal amount from (and including) its Interest Commencement Date to (but excluding) its Maturity Date at the Interest Rate.

Interest is payable in arrear:

- (a) on each Interest Payment Date; or
- (b) if no Interest Payment Date is specified in the Pricing Supplement, each date which falls the number of months or other period specified as the Specified Period in the Pricing Supplement after the preceding Interest Payment Date (or in the case of the first Interest Payment Date, after the Interest Commencement Date).

**9.2 Interest Rate**

The Interest Rate payable in respect of an interest bearing Structured MTN must be determined in the manner specified in the Pricing Supplement.

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**10 General provisions applicable to interest****10.1 Maximum or Minimum Interest Rate**

If the Pricing Supplement specifies a Maximum Interest Rate or Minimum Interest Rate for any Interest Period then, the Interest Rate for the Interest Period must not be greater than the maximum, or be less than the minimum, so specified. The Minimum Interest Rate shall not be less than zero and if no Minimum Interest Rate is specified in the relevant Pricing Supplement, the Minimum Interest Rate shall be zero.

**10.2 Calculation of Interest Rate and interest payable**

The Calculation Agent must, as soon as practicable after determining the Interest Rate in relation to each Interest Period for each Floating Rate MTN and interest bearing Structured MTN, calculate the amount of interest payable for the Interest Period in respect of the outstanding principal amount of that MTN.

Unless otherwise specified in the Pricing Supplement, the amount of interest payable is calculated by multiplying the product of the Interest Rate for the Interest Period and the outstanding principal amount of the MTN by the applicable Day Count Fraction.

The rate determined by the Calculation Agent must be expressed as a percentage rate per annum.

**10.3 Calculation of other amounts**

If the Pricing Supplement specifies that any other amount is to be calculated by the Calculation Agent, the Calculation Agent must, as soon as practicable after the time at which that amount is to be determined, calculate the amount in the manner specified in the Pricing Supplement.

#### **10.4 Notification of Interest Rate, interest payable and other items**

The Calculation Agent must notify the Issuer, the Registrar, the MTN Holders, each other Agent and any stock exchange or other relevant authority on which the MTNs are listed of:

- (a) each Interest Rate, the amount of interest payable and each other amount, item or date calculated or determined by it together with the Interest Payment Date; and
- (b) any amendment to any amount, item or date referred to in paragraph (a) arising from any extension or reduction in any Interest Period or calculation period.

The Calculation Agent must give notice under this Condition as soon as practicable after it makes its determination. However, it must give notice of each Interest Rate, the amount of interest payable and each Interest Payment Date by the fourth day of the Interest Period.

The Calculation Agent may amend its determination of any amount, item or date (or make appropriate alternative arrangements by way of adjustment) as a result of the extension or reduction of the Interest Period or calculation period without prior notice but must notify the Issuer, the Registrar, the MTN Holders, each other Agent and each stock exchange or other relevant authority on which the MTNs are listed after doing so.

#### **10.5 Determination final**

The determination by the Calculation Agent of all amounts, rates and dates falling to be determined by it under these Conditions is, in the absence of manifest error, final and binding on the Issuer, the Registrar, each MTN Holder and each other Agent.

#### **10.6 Rounding**

For the purposes of any calculations required under these Conditions (unless otherwise specified in the Pricing Supplement):

- (a) all percentages resulting from the calculations must be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.00005 per cent. being rounded up to 0.0001 per cent.);
- (b) all figures resulting from the calculations must be rounded to four decimal places (with halves being rounded up); and
- (c) all amounts that are due and payable must be rounded (with halves being rounded up) to:
  - (i) in the case of Australian dollars, New Zealand dollars or euro, the nearest cent; and
  - (ii) in the case of any other currency, the lowest amount of that currency available as legal tender in the country of that currency.

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### **11 Redemption**

#### **11.1 Scheduled redemption**

Each MTN is redeemable by the Issuer on the Maturity Date at its Redemption Amount unless:

- (a) the MTN has been previously redeemed;
- (b) the MTN has been purchased and cancelled; or
- (c) the Pricing Supplement states that the MTN has no fixed maturity date.

## 11.2 Partly paid MTNs

Each Partly Paid MTN is redeemable on the Maturity Date in accordance with the Pricing Supplement.

## 11.3 Instalment MTNs

Each Instalment MTN is partially redeemable in the Instalment Amounts and on the Instalment Dates specified in the Pricing Supplement. The principal amount of each Instalment MTN is reduced by the Instalment Amount with effect from the related Instalment Date.

## 11.4 Early redemption for taxation reasons

The Issuer may redeem all (but not some) of the MTNs of a Series in whole before their Maturity Date at the Redemption Amount and any interest accrued on it to (but excluding) the redemption date (i) if the Issuer is required under Condition 14.2 (“Withholding tax”) to increase the amount of a payment in respect of an MTN or (ii) if the Issuer will not obtain full or substantially full relief for the purposes of Dutch corporation tax for any interest payable, in each case in respect of an MTN.

However, the Issuer may only do so if:

- (a) the Issuer has given at least 15 days’ (and no more than 60 days’) (or any other period specified in the Pricing Supplement) notice to the Registrar, the MTN Holders, each other Agent and any stock exchange or other relevant authority on which the MTNs are listed, quoted and/or traded;
- (b) before the Issuer gives the notice under paragraph (a), the Registrar has received:
  - (i) a certificate signed by two directors of the Issuer; and
  - (ii) an opinion of independent legal advisers of recognised standing in the jurisdiction of incorporation of the Issuer,  
  
that the Issuer would be required under Condition 14.2 (“Withholding tax”) to increase the amount of the next payment due in respect of the MTNs or, in the event the Issuer will not obtain full or substantially full relief for the purposes of Dutch corporation tax for any interest payable in respect of an MTN, that the Issuer will not obtain such full or substantially full relief;
- (c) in the case of Fixed Rate MTNs, no notice of redemption is given earlier than 90 days before the earliest date on which the Issuer would be obliged to pay Additional Amounts or the Issuer would not obtain full or substantially full relief for the purposes of Dutch corporation tax for any interest payable in respect of the MTNs; and
- (d) in the case of Floating Rate MTNs and Structured MTNs bearing a floating rate of interest:
  - (i) the proposed redemption date is an Interest Payment Date; and
  - (ii) no notice of redemption is given earlier than 60 days before the Interest Payment Date occurring immediately before the earliest date on which the Issuer would be obliged to pay Additional Amounts or the Issuer would not obtain full or substantially full relief for the purposes of Dutch corporation tax for any interest payable in respect of the MTNs.

### **11.5 Early redemption at the option of MTN Holders (MTN Holder put)**

If the Pricing Supplement states that an MTN Holder may require the Issuer to redeem all or some of the MTNs of a Series held by that MTN Holder before their Maturity Date, the Issuer must redeem the MTNs specified by the MTN Holder at the Redemption Amount and any interest accrued on it to (but excluding) the redemption date if the following conditions are satisfied:

- (a) the amount of MTNs to be redeemed is a multiple of their Denomination;
- (b) the MTN Holder has given at least 30 days' (and no more than 60 days') (or any other period specified in the Pricing Supplement) notice, to the Issuer and the Registrar by delivering to the Specified Office of the Registrar during normal business hours a completed and signed redemption notice in the form obtainable from the Specified Office of the Registrar together with any evidence the Registrar may require to establish title of the MTN Holder to the MTN; and
- (c) the notice referred to in paragraph (b) specifies an account in the country of the currency in which the MTN is denominated to which the payment should be made or an address to where a cheque for payment should be sent; and
- (d) the redemption date is an Early Redemption Date (Put) specified in the Pricing Supplement; and
- (e) any other condition specified in the Pricing Supplement is satisfied.

An MTN Holder may not require the Issuer to redeem any MTN under this Condition 11.5 if the Issuer has given notice that it will redeem that MTN under Condition 11.4 ("Early redemption for taxation reasons") or Condition 11.6 ("Early redemption at the option of the Issuer (Issuer call)").

### **11.6 Early redemption at the option of the Issuer (Issuer call)**

If the Pricing Supplement states that the Issuer may redeem all or some of the MTNs of a Series before their Maturity Date under this Condition, the Issuer may redeem so many of the MTNs specified in the Pricing Supplement at the Redemption Amount and any interest accrued on it to (but excluding) the redemption date.

However, the Issuer may only do so if:

- (a) the amount of MTNs to be redeemed is, or is a multiple of, their Denomination;
- (b) the Issuer has given at least 30 days' (and no more than 60 days') (or any other period specified in the Pricing Supplement) notice to the Registrar, the MTN Holders, each other Agent and any stock exchange or other relevant authority on which the MTNs are listed;
- (c) the proposed redemption date is an Early Redemption Date (Call) specified in the Pricing Supplement; and
- (d) any other condition specified in the Pricing Supplement is satisfied.

### **11.7 Partial redemptions**

If only some of the MTNs are to be redeemed under Condition 11.6 (“Early redemption at the option of the Issuer (Issuer call)”), the MTNs to be redeemed must be specified in the notice and selected:

- (a) in a fair and reasonable manner; and
- (b) in compliance with any applicable law, directive or requirement of any stock exchange or other relevant authority on which the MTNs are listed.

### **11.8 Effect of notice of redemption**

Any notice of redemption given under this Condition 11 (“Redemption”) is irrevocable.

### **11.9 Late payment**

If an amount is not paid under this Condition 11 (“Redemption”) when due, then:

- (a) for an MTN (other than a Zero Coupon MTN or a Structured MTN), interest continues to accrue on the unpaid amount (both before and after any demand or judgment) at the default rate specified in the Pricing Supplement (or, if no default rate is specified, the last applicable Interest Rate) until the date on which payment is made to the MTN Holder;
- (b) for a Zero Coupon MTN, the obligation to pay the amount is replaced by an obligation to pay the Amortised Face Amount recalculated as at the date on which payment is made to the MTN Holder; and
- (c) for a Structured MTN as specified in the Pricing Supplement:
  - (i) interest continues to accrue at the default rate specified in the Pricing Supplement (or, if no default rate is specified, the last applicable Interest Rate) until the date on which payment is made to the MTN Holder; or
  - (ii) the obligation to pay the amount is replaced by an obligation to pay an amount determined in the manner specified in the Pricing Supplement.

### **11.10 Purchase**

The Issuer and any of its Related Entities may at any time purchase MTNs in the open market or otherwise and at any price. If purchases are made by tender, tenders must be available to all MTN Holders alike. MTNs purchased under this Condition 11.10 may be held, resold or cancelled by notice to the Registrar at the discretion of the purchaser and (if the MTNs are to be cancelled) the Issuer, subject to compliance with any applicable law or requirement of any stock exchange or other relevant authority on which the MTNs are listed.

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## **12 General provisions**

### **12.1 Summary of payment provisions**

Payments in respect of MTNs must be made in accordance with Condition 13 (“Payments”).

### **12.2 Payments subject to law**

All payments are subject to:

- (a) any applicable fiscal or other laws in the place of payment, but without prejudice to the provisions of Condition 14 (“Taxation”); and

- (b) any withholding or deduction made under or in connection with, or in order to ensure compliance with FATCA.

### **12.3 Payments on business days**

If a payment is due on a day which is not a Business Day then the due date for payment is adjusted in accordance with the applicable Business Day Convention.

The MTN Holder is not entitled to any additional payment in respect of that delay.

### **12.4 Currency indemnity**

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

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

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## **13 Payments**

### **13.1 Payment of principal**

Payments of principal and any final Instalment Amount in respect of an MTN will be made to each person registered at the close of business on the Record Date as the holder of that MTN.

### **13.2 Payment of interest**

Payments of interest and Instalment Amounts (other than the final Instalment Amount) in respect of an MTN will be made to each person registered at the close of business on the Record Date as the holder of that MTN.

### **13.3 Payments to accounts**

Payments in respect of MTNs will be made:

- (a) if the MTNs are held in the Austraclear System, by crediting on the payment date, the amount then due to:
  - (i) the account of Austraclear (as the MTN Holder) in the country of the currency in which the MTN is denominated previously notified to the Issuer and the Registrar; or
  - (ii) if requested by Austraclear, the accounts of the persons in whose Security Record (as defined in the Austraclear Regulations) an MTN is recorded in the country of the currency in which the MTN is denominated as previously notified by Austraclear to the Issuer and the Registrar in accordance with Austraclear Regulations;

- (b) if the MTNs are held in the NZClear System, by crediting on the payment date, the amount due to:
  - (i) the account of the Depository (as the MTN Holder) in New Zealand; or
  - (ii) if requested by the Operator, the accounts of the persons in whose Security Record a MTN is recorded in New Zealand as previously notified by the Operator to the Issuer and the Registrar in accordance with the NZClear Regulations;
- (c) if the MTNs are not held in a Clearing System, by crediting on the payment date, the amount then due under each MTN to an account in the country of the currency in which the MTN is denominated previously notified by the relevant MTN Holder to the Issuer and the Registrar; and
- (d) if a payment in respect of the MTNs is prohibited by law from being made in Australia, such payment will be made in an international finance centre for the account of the relevant payee, and on the basis that the relevant amounts are paid in immediately available funds, freely transferable at the order of the payee.

#### **13.4 Payments by cheque**

If the MTN Holder has not notified the Registrar of an account to which payments to it must be made by the close of business on the Record Date, payments in respect of the MTN will be made by cheque sent by prepaid post on the payment date, at the risk of the registered MTN Holder, to the MTN Holder (or to the first named joint holder of the MTN) at its address appearing in the Register at the close of business on the Record Date. Cheques sent to the nominated address of an MTN Holder are taken to have been received by the MTN Holder on the payment date and, no further amount is payable by the Issuer in respect of the MTNs as a result of the MTN Holder not receiving payment on the due date.

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## **14 Taxation**

### **14.1 No set-off, counterclaim or deductions**

All payments in respect of the MTNs must be made in full without set-off or counterclaim, and without any withholding or deduction in respect of Taxes, unless such withholding or deduction is required by law.

### **14.2 Withholding tax**

Subject to Condition 14.3 ("Withholding tax exemptions"), if a law requires the Issuer to withhold or deduct an amount in respect of Taxes from a payment in respect of the MTNs such that the MTN Holder would not actually receive on the due date the full amount provided for under the MTNs, then:

- (a) the Issuer agrees to deduct the amount for the Taxes (and any further withholding or deduction applicable to any further payment due under paragraph (b) below); and
- (b) if the amount deducted or withheld is in respect of Taxes imposed by a Relevant Tax Jurisdiction, the amount payable is increased so that, after making the deduction and further deductions applicable to additional amounts payable under this Condition, each MTN Holder is entitled to receive (at the time the payment is due) the amount it would have received if no deductions or withholdings had been required to be made.

### 14.3 Withholding tax exemptions

The Issuer is not required to pay an Additional Amount under Condition 14.2(b) (“Withholding tax”) if the obligation to do so arises as a result of any one or more of the following:

- (a) the deduction is required in respect of Taxes by reason of the MTN Holder having some connection with a Relevant Tax Jurisdiction other than the mere holding of the MTN or receipt of payment in respect of the MTN;
- (b) the deduction is required as a result of Taxes which would not be required to be deducted by the MTN Holder (or the person making a payment on its behalf) if they:
  - (i) provided the Issuer, its agent or any tax authority with their name, address, registration number or similar details or any relevant tax exemption or similar details; or
  - (ii) ensured that any third party complied with any other statutory requirements (such as making a declaration of non-residence or similar claim) for any relevant tax exemption;
- (c) where such withholding or deduction is in respect of any estate, inheritance, gift, sales, transfer, capital gains, excise or personal property Taxes or any similar Taxes, assessments or governmental charges;
- (d) the deduction is required as a result of Taxes by reason of giving effect to the exercise by the relevant resolution authority of any Dutch Bail-in Power;
- (e) to, or to a third party on behalf of an Australian resident MTN Holder or a non-resident MTN Holder carrying on business in Australia at or through a permanent establishment of the non-resident in Australia, if that MTN Holder has not supplied an appropriate tax file number an Australian business number or other exemption details; or
- (f) in any other circumstances specified in the Pricing Supplement.

Notwithstanding any other provision in these Conditions, if the Issuer, or any other person through whom payments on the MTNs are made, is required to withhold or deduct amounts under or in connection with, or in order to ensure compliance with FATCA, the Issuer shall be entitled to make such withholding or deduction and shall have no obligation to gross up any payment under these Conditions or to pay any Additional Amount or other amount for such withholding or deduction.

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### 15 Time limit for claims

A claim against the Issuer for a payment under an MTN is void unless such claim is made within 10 years (in the case of principal) or 5 years (in the case of interest and other amounts) from the date on which payment first became due.

Any moneys paid by the Issuer to the Registrar for payment of principal or interest in respect of the MTNs and remaining unclaimed when the obligation to make such payment becomes extinguished will be repaid to the Issuer without undue delay and all liability with respect to such payment will thereafter cease.

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## 16 Events of Default

### 16.1 Event of Default

Any of the following events will constitute an Event of Default in relation to a Series of MTNs:

- (a) **(non-payment of principal or interest)** default is made for more than 14 days in the payment of interest or principal in respect of the MTNs;
- (b) **(non-performance of obligations)** the Issuer fails to perform or observe any of its other obligations under the MTNs and such failure has continued for the period of 30 days next following the service on the Issuer of notice requiring the same to be remedied;
- (c) **(bankruptcy)** an encumbrancer takes possession of the whole or a major part of the assets of the Issuer, or a distress or execution or other process is levied or enforced upon or sued out against the whole or a major part of the assets of the Issuer or an executory attachment (*executoriaal beslag*) is made on any major part of the Issuer's assets or a conservatory attachment (*conservatoir beslag*) is made thereof and in any of the foregoing cases it is not cancelled or withdrawn within 30 days; or
- (d) **(court order)** any order is made by any competent court or other authority or resolution passed for the dissolution or winding-up of the Issuer or for the appointment of a liquidator or receiver of the Issuer or of all or substantially all of its assets or the Issuer enters into a composition with its creditors, files a petition for a suspension of payments, admits in writing that it cannot pay its debts generally as they become due, initiates a proceeding in bankruptcy, or is adjudicated bankrupt.

For the avoidance of doubt, the exercise of any Dutch Bail-in Power does not constitute an Event of Default.

### 16.2 Consequences of an Event of Default

If an Event of Default occurs and is continuing, then an MTN Holder may, by written notice to the Issuer (with a copy to the Registrar), declare each MTN held by it to be redeemed at its Redemption Amount (together with any accrued interest) in which case those amounts become immediately due and payable.

### 16.3 Notification

If an Event of Default occurs, the Issuer must promptly after becoming aware of it notify the Registrar, the MTN Holders, each other Agent and any stock or securities exchange or other relevant authority on which the Notes are listed, quoted and/or traded, of the occurrence of the Event of Default (specifying details of it) and the Issuer must use its reasonable endeavours to ensure that the Registrar promptly notifies MTN Holders, each other Agent and any stock or securities exchange or other relevant authority on which the MTNs are listed, quoted and/or traded of the occurrence of the Event of Default.

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## 17 Agents

### 17.1 Role of Agents

In acting under an Agency Agreement, each Agent acts solely as agent of the Issuer and does not assume any obligations towards or relationship of agency or trust for or with any MTN Holder.

## **17.2 Appointment and replacement of Agents**

Each initial Agent for a Series of MTNs is specified in the Pricing Supplement. Subject to Condition 17.4 ("Required Agents"), the Issuer reserves the right at any time to vary or terminate the appointment of any Agent and to appoint a successor.

## **17.3 Change of Agent**

Notice of any change of an Agent or its Specified Offices must promptly be given to the MTN Holders by the Issuer or the Agent on its behalf.

## **17.4 Required Agents**

The Issuer must:

- (a) at all times maintain a Registrar; and
- (b) if a Calculation Agent is specified in the Pricing Supplement, at all times maintain a Calculation Agent.

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## **18 Meetings of MTN Holders**

The Meetings Provisions contain provisions (which have effect as if incorporated in these Conditions) for convening meetings of the MTN Holders of any Series to consider any matter affecting their interests, including any variation of these Conditions by Extraordinary Resolution.

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## **19 Variation**

### **19.1 Variation with consent**

Unless Condition 19.2 ("Variation without consent") applies, any Condition may be varied by the MTN Holders by Extraordinary Resolution in accordance with the Meetings Provisions.

### **19.2 Variation without consent**

Any Condition may be amended without the consent of the MTN Holders if the amendment:

- (a) is of a formal, minor or technical nature;
- (b) is made to correct a manifest error;
- (c) is made to cure any ambiguity or correct or supplement any defective or inconsistent provision;
- (d) is to comply with mandatory provisions of the law of the jurisdiction in which the Issuer is incorporated;
- (e) in the reasonable opinion of the Issuer, is not materially prejudicial to the interests of the MTN Holders; or
- (f) only applies to MTNs issued by it after the date of amendment.

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**20 Further issues**

The Issuer may from time to time, without the consent of the MTN Holders, issue further MTNs having the same Conditions as the MTNs of any Series in all respects (or in all respects except for the first payment of interest) so as to form a single series with the MTNs of that Series.

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**21 Notices****21.1 Notices to MTN Holders**

All notices and other communications to MTN Holders must be in writing and must be left at the address of or sent by prepaid post (airmail, if appropriate) to the address of the MTN Holder (as shown in the Register at the close of business on the day which is 3 Business Days before the date of the notice or communication).

They may also be:

- (a) given by an advertisement published in the Australian Financial Review or The Australian; or
- (b) if the Pricing Supplement specifies an additional or alternate newspaper, given by an advertisement published in that newspaper.

**21.2 Notices to the Issuer and the Agents**

All notices and other communications to the Issuer or an Agent must be in writing and may be left at the address of, or sent by prepaid post (airmail, if appropriate) to, the Specified Office of the Issuer or the Agent.

**21.3 When effective**

Unless a later time is specified in it, a notice or communication takes effect from the time it is received, except that if it is received after 5.00pm in the place of receipt or on a day that is not a Business Day in that place, it is taken to be received at 9.00am on the next Succeeding Business Day in that place.

**21.4 Proof of receipt**

Subject to Condition 21.3 ("When effective"), proof of posting a letter, dispatch of a facsimile, sending of an email or publication of a notice is proof of receipt:

- (a) in the case of a letter, on the fifth day (seventh if outside Australia) day after posting;
- (b) in the case of a facsimile, on receipt by the sender of a successful transmission report;
- (c) in the case of an email, at the time the sender receives an automated message confirming delivery or four hours after the time sent (as recorded on the device from which the sender sent the email) unless the sender receives an automated message that the email has not been delivered; and
- (d) in the case of publication in a newspaper, on the date of such publication.

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**22 Governing law****22.1 Governing law**

MTNs are governed by, and construed in accordance with, the law in force in New South Wales, Australia.

**22.2 Jurisdiction**

The Issuer submits, and each MTN Holder is taken to have submitted, to the non-exclusive jurisdiction of the courts of New South Wales, Australia and courts of appeal from them. The Issuer waives any right it has to object to an action being brought in those courts including by claiming that the action has been brought in an inconvenient forum or that those courts do not have jurisdiction.

**22.3 Serving documents**

Without preventing any other method of service, any document in any action in the courts of New South Wales or courts of appeal from them (including, without limitation, any writ of summons or other originating process or any third or other party notice) may be served on the Issuer or an MTN Holder by being delivered or left at its registered office or principal place of business (as the case may be).

## Form of Pricing Supplement

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

Series No.: [●]

Tranche No.: [●]



### **Nederlandse Waterschapsbank N.V.**

(Incorporated in the Netherlands with its statutory seat in The Hague)

### **A\$10,000,000,000 Debt Issuance Programme**

Issue of

**[A\$/NZ\$] [●]**  
**[Title of MTNs] ("MTNs")**

The date of this Pricing Supplement is [●].

This Pricing Supplement (as referred to in the Information Memorandum dated 14 September 2018 ("**Information Memorandum**") in relation to the above Programme) relates to the Tranche of MTNs referred to above. It is supplementary to, and should be read in conjunction with the Third Note Deed Poll executed by the Issuer dated 28 January 2016. Terms defined in the Conditions of the MTNs and the Information Memorandum have the same meaning when used in this Pricing Supplement.

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

*[The following alternative language applies if the first tranche of an issue which is being increased was issued under an Information Memorandum or Deed Poll with an earlier date.]*

[This Pricing Supplement (as referred to in the Information Memorandum dated 14 September 2018 ("**Current Information Memorandum**") in relation to the above Programme) relates to the Tranche of MTNs referred to above. The MTNs are to be consolidated and form a single Series with the *[insert Series details]*. However, the MTNs will be issued under the [First / Second / Third] Note Deed Poll dated [25 February 2005 / 22 April 2008 / 28 January 2016] ("**Deed Poll**"). That is, for the avoidance of doubt, the MTNs will be issued on the terms of this Pricing Supplement read together with the Conditions set out in the Information Memorandum dated [25 February 2005 / 22 April 2008 / 28 January 2016]. However, potential investors should still refer to the Current Information Memorandum which updates and replaces the Information Memorandum dated [4 March 2005 / 22 April 2008 / 28 January 2016] in all other respects.]

**The MTNs have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act"). MTNs may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons except in accordance with**

**Regulation S under the Securities Act or pursuant to an exemption from the registration requirements of the Securities Act and applicable U.S. tax law requirements are satisfied.**

**MiFID II product governance / Professional investors and ECPs only target market** – Solely for the purposes of [the / each] manufacturer’s product approval process, the target market assessment in respect of the MTNs has led to the conclusion that: (i) the target market for the MTNs is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, “**MiFID II**”); and (ii) all channels for distribution of the MTNs to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the MTNs (a “**distributor**”) should take into consideration the manufacturer[’s / s’] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the MTNs (by either adopting or refining the manufacturer[’s / s’] target market assessment) and determining appropriate distribution channels.

**For a description of certain restrictions on offers and sales of MTNs and on distribution of this Pricing Supplement and the Information Memorandum, see the section entitled “Selling Restrictions” in the Information Memorandum.**

**Nederlandse Waterschapsbank N.V. is neither a bank nor an authorised deposit-taking institution which is authorised under the Banking Act nor a registered bank under the Reserve Bank of NZ Act. The MTNs are not the obligations of any government and, in particular, are not guaranteed by the Commonwealth of Australia or the Government of New Zealand. The Issuer is not supervised by the Australian Prudential Regulation Authority or the Reserve Bank of New Zealand. An investment in any MTNs issued by the Issuer will not be covered by the depositor protection provisions in section 13A of the Banking Act and will not be covered by the Australian Government’s bank deposit guarantee (also commonly referred to as the Financial Claims Scheme).**

The particulars to be specified in relation to the Tranche of MTNs referred to above are as follows:

- |          |  |   |  |
|----------|--|---|--|
| <b>1</b> | <b>Issuer</b>  | : | Nederlandse Waterschapsbank N.V.   |
| <b>2</b> | <b>Dutch Bail-in Power</b>   | : | As set out more fully in Condition 4.3 (“Dutch Bail-in Power”), by subscribing or otherwise acquiring the MTNs, the MTN Holders shall be bound by the exercise of any Dutch Bail-in Power by the relevant resolution authority. See also the section entitled “Dutch Bail-In Power” on pages 18 to 20 of the Information Memorandum. |
| <b>3</b> | <b>Type of MTNs</b>  | : | [Fixed Rate / Floating Rate / Zero Coupon / Index Linked / Instalment / <i>Specify</i> ]   |
| <b>4</b> | <b>If to form a single Series with an existing Series, specify the existing Series and the date on which all MTNs of the Series become fungible, if not the Issue Date</b> | : | [ <i>Specify</i> ]   |
| <b>5</b> | <b>Method of distribution</b>  | : | [Private / Syndicated Issue]   |
| <b>6</b> | <b>[Joint] Lead Manager[s]</b>   | : | [ <i>Specify</i> ]   |
| <b>7</b> | <b>Purchasing Dealer[s]</b>  | : | [ <i>Specify</i> ]   |
| <b>8</b> | <b>Aggregate Principal Amount of Tranche</b>   | : | [ <i>Specify</i> ]   |

<b>9</b>	<b>Issue Date</b>	:	[Specify]
<b>10</b>	<b>Issue Price</b>	:	[Specify]
<b>11</b>	<b>Currency and denomination</b>	:	[A\$/NZ\$] [Specify amount]
<b>12</b>	<b>Maturity Date</b>	:	[Specify] [In the case of an amortising MTNs, insert the date on which the last instalment of principal is payable].
<b>13</b>	<b>If the MTNs are Fixed Rate MTNs</b>	:	Condition 7 applies: [Yes / No]
	<b>Fixed Coupon Amount</b>	:	[Specify]
	<b>Interest Rate</b>	:	[Specify]
	<b>Interest Commencement Date, if not Issue Date</b>	:	[Specify]
	<b>Interest Payment Dates</b>	:	[Specify]
	<b>Business Day Convention</b>	:	[Following Business Day Convention / Preceding Business Day Convention / No Adjustment / Specify]
	<b>Day Count Fraction</b>	:	[Specify]
<b>14</b>	<b>If the MTNs are Floating Rate MTNs</b>	:	Condition 8 applies: [Yes / No]
	<b>Interest Commencement Date</b>	:	[Specify / Not applicable]
	<b>Interest Rate</b>	:	[Specify method of calculation]
	<b>Interest Payment Dates</b>	:	[Specify dates or the Specified Period]
	<b>Business Day Convention</b>	:	[Floating Rate Convention (specify interest period) / Following Business Day Convention / Modified Following Business Day Convention / Preceding Business Day Convention / No Adjustment / Specify]
	<b>Margin</b>	:	[+ / -][Specify]
	<b>Day Count Fraction</b>	:	[Specify]
	<b>Fallback Interest Rate</b>	:	[Specify / Not applicable]
	<b>Interest Rate Determination</b>	:	[ISDA Determination / Screen Rate Determination / BBSW Rate Determination]
	<i>[If ISDA Determination applies, specify]</i>		
	<b>Floating Rate Option</b>	:	[Specify]
	<b>Designated Maturity</b>	:	[Specify]
	<b>Reset Date</b>	:	[Specify]

*[If Screen Rate Determination applies, specify]*

**Relevant Financial Centre** : *[Specify]*

**Relevant Screen Page** : *[Specify]*

**Relevant Time** : *[Specify]*

**Reference Rate** : *[Specify]*

**Reference Banks** : *[Specify]*

**Interest Determination Date** : *[Specify]*

*[If BBSW Rate Determination applies, specify]*

**BBSW Rate** : *[Yes / No] [Set out any variation to the Conditions]*

**15 Relevant Financial Centre** : *[Applicable (specify) / Not applicable]*

**16 Linear Interpolation** : *[Applicable / Not applicable] [If applicable, provide details]*

**17 If MTNs are Structured MTNs** : *Condition 9 applies: [Yes / No]*

*[Specify full interest determination provisions, including Interest Commencement Date, rate or calculation basis for interest or actual amounts of interest payable, amount and dates for payment, minimum / maximum rates / late payment default]*

**18 Amortisation Yield** : *[Specify] [In the case of Zero Coupon MTNs, specify the Reference Price]*

**19 If MTNs are Instalment MTNs** : *[Specify details of Instalments including Instalment Amount and Instalment Dates]*

**20 If MTNs are Partly Paid MTNs** : *[Specify details]*

**21 Redemption Amount** : *[Specify any variations to the Redemption Amount as defined in the Conditions]*

**22 Early Redemption Amount (Tax)**

**If Early Redemption Amount (Tax) is not the Redemption Amount plus interest accrued on each MTN to (but excluding) the redemption date insert amount or full calculation provisions** : *[Specify]*

- 23 **Early Redemption Amount (Default)** : [*Specify*]
- If Early Redemption Amount (Default) is not the Redemption Amount plus interest accrued on each MTN to (but excluding) the redemption date insert amount or full calculation provisions**
- 24 **[Events of Default]** : [*Specify any additional (or modifications to) Events of Default*]
- 25 **[Additional or alternate newspapers]** : [*Specify any additional or alternate newspapers for the purposes of Condition 21.1(b)*]
- 26 **[Taxation]** : [*Specify any additional circumstances in which an exception to the gross up obligation are to apply pursuant to Condition 14.3(d)*]
- 27 **Other relevant terms and conditions** : [*Specify any Conditions to be altered, varied, deleted otherwise than as provided above and also any additional Conditions to be included*]
- 28 **Registrar** : [*Name and address*]
- [If required, specify details of Agency Agreement]*
- [If required, specify any other Agents]*
- 29 **[Calculation Agent]** : [*Name and address*]
- [If required, specify details of Agency Agreement]*
- 30 **Clearing System(s)** : [*Austraclear / NZClear / Specify others*]
- 31 **ISIN** : [*Specify*]
- 32 **[Common Code]** : [*Specify*]
- 33 **[Selling restrictions]** : [*Specify any variation to the selling restrictions set out in the Information Memorandum*]
- 34 **Listing** : [*Unlisted / ASX or NZX / Specify some other stock exchange*]
- 35 **[Other amendments]** : [*Specify*]

**36 Credit ratings**

: [The Programme has been assigned the following ratings:

- [AAA] by S&P Global Ratings
- [Aaa] by Moody's Investors Service, Inc.]

[The MTNs to be issued have not been rated.]

[The MTNs to be issued [have been / are expected to be] assigned the following ratings:

- [Specify] by S&P Global Ratings
- [Specify] by Moody's Investors Service, Inc.]
- [Specify] by [Specify other rating agency]]

*A credit rating is not a recommendation to buy, sell or hold MTNs and may be subject to revision, suspension or withdrawal at any time by the relevant rating agency.*

*Credit ratings are for distribution only to a person who is (a) not a "retail client" within the meaning of section 761G of the Corporations Act and is also a sophisticated investor, professional investor or other investor in respect of whom disclosure is not required under Parts 6D.2 or 7.9 of the Corporations Act, and (b) otherwise permitted to receive credit ratings in accordance with applicable law in any jurisdiction in which the person may be located. Anyone who is not such a person is not entitled to receive this Pricing Supplement and anyone who receives this Pricing Supplement must not distribute it to any person who is not entitled to receive it.*

**37 Statement on benchmark[s]**

: [[[specify benchmark] is provided by [administrator legal name]][repeat as necessary]. As at the date hereof, [administrator legal name][appears]/[does not appear] [repeat as necessary] in the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 of the Benchmark Regulation. [As far as the Issuer is aware, [[specify benchmark(s)] [does/do] not fall within the scope of the Benchmark Regulation by virtue of Article 2 of that regulation.] / [The transitional provisions in Article 51 of the Benchmark Regulation apply, such that [legal name of administrator(s)] [is/are] not currently required to obtain authorisation or registration (or, if located outside the European Union, recognition, endorsement or equivalence).] / Not Applicable].

**CONFIRMED**

**For and on behalf of  
Nederlandse Waterschapsbank N.V.**

By: .....

Name: .....

Title: .....

Date: .....

## Selling Restrictions

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*Under the Amended and Restated Dealer Agreement dated 14 September 2018 between the Issuer, the Arranger and the Dealers (as further amended and supplemented from time to time, “**Dealer Agreement**”), and subject to the Conditions contained in this Information Memorandum, the Notes will be offered by the Issuer through the Dealers. The Issuer has the sole right to accept any offer to purchase Notes and may reject that offer in whole or (subject to the terms of the offer) in part. Each Dealer has the right to reject any offer to purchase Notes made to it in whole or (subject to the terms of such offer) in part. The Issuer is entitled under the Dealer Agreement to appoint one or more Dealers as a dealer for a particular Tranche of Notes or the Programme generally.*

*Each Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree, to comply with any applicable law or directive in any jurisdiction in which it may subscribe for, offer, sell, or transfer Notes and to not, directly or indirectly, subscribe for, offer, sell or transfer Notes or distribute any Information Memorandum or other offering material in relation to the Notes in any jurisdiction, except in accordance with these selling restrictions, any additional restrictions which are set out in the relevant Supplement and any applicable law, regulation or directive applicable in that jurisdiction.*

*None of the Issuer, the Arranger or any Dealer has represented that any Notes may at any time lawfully be offered or sold in compliance with any applicable registration or other requirements in any jurisdiction, or in accordance with any available exemption, or assumes any responsibility for facilitating that sale.*

*The following selling restrictions apply:*

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### 1 General

No action has been taken in any jurisdiction that would permit a public offering of the Notes or possession or distribution of the Information Memorandum or other offering material in any country or jurisdiction where action for that purpose is required.

Persons into whose hands this Information Memorandum comes are required by the Issuer and Dealers to comply with all applicable laws and directives in each country or jurisdiction in which they purchase, offer, sell, resell, reoffer or deliver Notes or have in their possession or distribute or publish this Information Memorandum or other offering material and to obtain any authorisation, consent, approval or permission required by them for the purchase, offer, sale, resale, reoffer or delivery by them of any Notes under any applicable law or directive in force in any jurisdiction to which they are subject or in which they make such purchases, offers, sales, resales, reoffers or deliveries, in all cases at their own expense, and none of the Issuer, the Arranger or any Dealer has responsibility for such matters.

In accordance with the above, any Notes purchased by any person which it wishes to offer for sale or resale may not be offered in any jurisdiction in circumstances which would result in the Issuer being obliged to register any further prospectus or corresponding document relating to the Notes in such jurisdiction.

In particular, there are restrictions on the distribution of this Information Memorandum and the offer or sale of Notes in Australia, the Netherlands, the European Economic Area, the United Kingdom, the United States of America, Hong Kong, Japan, New Zealand and Singapore.

In these selling restrictions, “**directive**” includes a treaty, official directive, request, regulation, guideline or policy (whether or not having the force of law) with which responsible participants in the relevant market generally comply.

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## 2 Australia

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

- (a) has not (directly or indirectly) offered or invited, and will not offer or invite, applications for the issue, sale or purchase of the Notes in, to or from Australia (including an offer or invitation which is received by a person in Australia); and
- (b) has not distributed or published, and will not distribute or publish, any Information Memorandum or other offering material or advertisement relating to any Notes in Australia,

unless:

- (i) the minimum aggregate consideration payable by each offeree is at least A\$500,000 (or its equivalent in another currency, and in either case, disregarding moneys lent by the offeror or its associates);
- (ii) the offer or invitation does not otherwise need disclosure to investors under Part 6D.2 or 7.9 of the Corporations Act;
- (iii) the offer or invitation does not constitute an offer to a “retail client” within the meaning of section 761G of the Corporations Act;
- (iv) such action complies with:
  - (A) Banking exemption No. 1 of 2018 dated 21 March 2018 promulgated by the Australian Prudential Regulation Authority as if it applied to the Issuer *mutatis mutandis* (and which requires all offers and transfers to be for a consideration of at least A\$500,000); and
  - (B) any applicable laws and directives in Australia; and
- (v) such action does not require any document to be lodged with ASIC or ASX.

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## 3 The Netherlands

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that, Zero Coupon Notes (as defined below) in definitive form may only be transferred and accepted, directly or indirectly, within, from or into the Netherlands through the mediation of either the Issuer or a member of Euronext Amsterdam, the regulated market of Euronext Amsterdam N.V. with due observance of the Dutch Savings Certificates Act (*Wet inzake spaarbewijzen*) of 21 May 1985 (as amended) (“**Dutch Savings Certificates Act**”) and its implementing regulations. No such mediation is required in respect of (a) the transfer and acceptance of rights representing an interest in a Zero Coupon Note in global form, or (b) the initial issue of Zero Coupon Notes in definitive form to the first holders thereof, or (c) the transfer and acceptance of Zero Coupon Notes in definitive form between individuals not acting in the conduct of a business or profession, or (d) the issue and trading of such Zero Coupon Notes within, from or into the Netherlands if all Zero Coupon Notes (either in definitive form or as rights representing an interest in the Zero Coupon Note in global form) of any particular Series are issued outside the Netherlands and are not distributed into the Netherlands in the course of initial distribution or immediately thereafter.

In the event that the Dutch Savings Certificates Act applies, certain identification requirements in relation to the issue and transfer of, and payments on, Zero Coupon Notes have to be complied with and, in addition thereto, if such Zero Coupon Notes in definitive form do not qualify as commercial paper traded between professional borrowers and lenders within the meaning of the agreement of 2 February 1987, attached to the Royal Decree of 11 March 1987 (*Staatsblad 129*) (as amended), each transfer and acceptance should be recorded in a transaction note, including the name and address of each party to the transaction, the nature of the transaction and the details and serial numbers of such Notes.

As used herein "**Zero Coupon Notes**" are Notes that are in bearer form and that constitute a claim for a fixed sum against the Issuer and on which interest does not become due during their tenor or on which no interest is due whatsoever.

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#### 4 European Economic Area

##### *Prohibition of sales to EEA Retail Investors*

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRiIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRiIPs Regulation.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Information Memorandum as completed by the Supplement in relation thereto to any retail investor in the EEA. For the purposes of this provision:

- (a) the expression "**retail investor**" means a person who is one (or more) of the following:
  - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or
  - (ii) a customer within the meaning of Directive 2002/92/EC (as amended), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
  - (iii) not a qualified investor as defined in the Prospectus Directive;
- (b) the expression "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor decide to purchase or subscribe the Notes;
- (c) "**Prospectus Directive**" means Directive 2003/71/EC (as amended or superseded, including by Directive 2010/73/EU), and includes any relevant implementing measure in the Relevant EEA State; and
- (d) "**Relevant EEA State**" means a Member State of the EEA which has implemented the Prospectus Directive.

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## 5 The United Kingdom

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

- (a) **(general compliance)** it has complied, and will comply, with all applicable provisions of the Financial Services and Markets Act 2000 (“**FSMA**”) with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom;
- (b) **(no offer to public)** in relation to Notes with a maturity of less than one year:
  - (i) it is a person whose ordinary activities involve acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business; and
  - (ii) it has not offered or sold, and will not offer or sell, any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of Notes would otherwise constitute a contravention of section 19 of the FSMA by the Issuer; and
- (c) **(investment advertisements)** it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA would not, if the Issuer was not an authorised person, apply to the Issuer.

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## 6 The United States of America

### Securities Act

The Notes have not been, and will not be, registered under the United States Securities Act of 1933, as amended (“**Securities Act**”).

Terms used in the following five paragraphs have the meanings given to them by Regulation S under the Securities Act.

The Notes may not be offered, sold, delivered or transferred within the United States of America, its territories or possessions or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S or in transactions exempt from the registration requirements of the Securities Act.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that, except as permitted by the Dealer Agreement, it will not offer, sell or deliver the Notes of any Tranche:

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

within the United States of America or to, or for the account or benefit of, U.S. persons.

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

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to further represent and agree, that it will not engage in any directed selling efforts with respect to the Notes of any Tranche, and that it will send to each Dealer to which it sells Notes during the restricted period a confirmation or other notice setting forth the restrictions on offers, sales and deliveries of the Notes within the United States of America or to, or for the account or benefit of, U.S. persons.

In addition, until 40 days after the commencement of the offering of the Notes of any Tranche, an offer or sale of Notes within the United States by any dealer or other distributor (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an applicable exemption from registration under the Securities Act.

### **Indexed Notes and Dual Currency Notes**

Each issue of Indexed Notes and Dual Currency Notes will be subject to additional U.S. selling restrictions agreed between the Issuer and the relevant Dealer as a term of the issue and purchase of such Notes which are set out in the relevant Supplement. Each relevant Dealer will be required to agree that it will offer, sell or deliver those Notes only in compliance with those additional U.S. selling restrictions.

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## **7 Hong Kong**

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

- (i) the Notes have not been authorised by the Hong Kong Securities and Futures Commission;
- (ii) it has not offered or sold, and will not offer or sell, in Hong Kong, by means of any document, any Notes other than:
  - (A) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (as amended) (“SFO”) and any rules made under the SFO; or
  - (B) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (as amended) or which do not constitute an offer to the public within the meaning of that Ordinance; and
- (iii) unless it is a person permitted to do so under the applicable securities laws of Hong Kong, it has not issued, or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue (in each case whether in Hong Kong or elsewhere), any advertisement, invitation, prospectus or other offering material or other document relating to the Notes which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” within the meaning of the SFO and any rules made under the SFO.

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## 8 Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Act No. 25 of 1948), as amended (“**Financial Instruments and Exchange Law**”). Each Dealer appointed under the Programme has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold, delivered or transferred and will not offer, sell, deliver or transfer any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)) or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Law and any other applicable laws, directives and ministerial guidelines of Japan.

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## 9 New Zealand

This Programme is a wholesale programme. No action has been taken to permit the Notes to be offered or sold to any retail investor, or otherwise under any regulated offer, in terms of the Financial Markets Conduct Act 2013 of New Zealand (“**NZ FMCA**”). In particular, no product disclosure statement under the NZ FMCA has been prepared or lodged in New Zealand in relation to the Notes.

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

- (a) it has not offered or sold, and will not offer or sell, directly or indirectly, any Notes; and
- (b) it has not distributed and will not distribute, directly or indirectly, this Information Memorandum, any Supplement or any offering materials or other advertisement (as defined in the NZ FMCA) in relation to any offer of Notes,

in each case in New Zealand, other than to persons who are “wholesale investors” within the meaning of clause 3(2)(a), (c) or (d) or (in relation to New Zealand Domestic Notes) clause 3(3)(b) of Schedule 1 of the NZ FMCA, which includes:

- (i) a person who is an “investment business”, “large”, or a “government agency”, in each case as defined in Schedule 1 to the NZ FMCA provided (for the avoidance of doubt) that the Notes may not be issued to any “eligible investor” (as defined in clause 41 of Schedule 1 to the NZ FMCA) or to any person who, under clause 3(2)(b) of Schedule 1 to the NZ FMCA, meets the investment activity criteria specified in clause 38 of that Schedule; or
- (ii) in relation to New Zealand Domestic Notes, a person who is required to pay a minimum subscription price of at least NZ\$750,000 for those Notes (disregarding any amount lent by the offeror, Issuer or any associated person of the offeror or Issuer) before the issuance of those Notes.

In addition, each holder of Notes is deemed to represent and agree that it will not distribute this Information Memorandum, and Supplement or any other advertisement (as defined in the NZ FMCA) in relation to any offer of the Notes in New Zealand other than to such persons as referred to above.

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**10 Singapore**

This Information Memorandum has not been, and will not be, registered as a prospectus with the Monetary Authority of Singapore (“MAS”) under the Securities and Futures Act (Cap. 289) of Singapore (as amended) (“SFA”). Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that, unless an applicable Supplement (or another supplement to this Information Memorandum) otherwise provides, the Information Memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes has not been and will not be circulated or distributed by it nor have the Notes been, nor will the Notes be, offered or sold by it, or be made the subject of an invitation for subscription or purchase by it, whether directly or indirectly, to persons in Singapore other than:

- (a) to an institutional investor under section 274 of the SFA;
- (b) to a relevant person, or any person pursuant to section 275(1) of the SFA or any other person pursuant to section 275(1A) of the SFA, and in accordance with the conditions specified in section 275 of the SFA; or
- (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Each Dealer has further represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, to notify (whether through the distribution of this Information Memorandum or any other document or material in connection with the offer or sale or invitation for subscription or purchase of any Notes or otherwise) each of the following relevant persons specified in section 275 of the SFA which has subscribed or purchased Notes from and through that Dealer, namely a person who is:

- (a) a corporation (which is not an accredited investor (as defined in section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

that securities (as defined in section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within 6 months after that corporation or that trust has acquired the Notes pursuant to an offer made under section 275 of the SFA except:

- (i) to an institutional investor (under section 274 of the SFA) or to a relevant person (as defined in section 275(2) of the SFA), or to any person pursuant to section 275(1A) or section 276(4) of the SFA, and in accordance with the conditions specified in section 275 of the SFA;
- (ii) (in the case of a corporation) where the transfer arises from an offer referred to in section 276(3)(i)(B) of the SFA or (in the case of a trust) where the transfer arises from an offer referred to in section 276(4)(i)(B) of the SFA;
- (iii) where no consideration is, or will be, given for the transfer;
- (iv) where the transfer is by operation of law;
- (v) as specified in section 276(7) of the SFA; or
- (vi) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

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**11 Variation**

These Selling Restrictions may be amended, varied, replaced or otherwise updated from time to time in accordance with the Dealer Agreement. Any change will be set out in the relevant Supplement issued in respect of the Notes to which it relates (or in another supplement to this Information Memorandum).

# Taxation

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## Australian Taxation

*The following is a summary of the Australian withholding tax treatment under the Income Tax Assessment Acts 1936 and 1997 of Australia (together, the “**Australian Tax Act**”), at the date of this Information Memorandum, of payments of interest on the Notes and certain other Australian tax matters. This summary is not intended to be, nor should it be construed as, legal or tax advice to any particular holder of Notes. It is a general guide and should be treated with appropriate caution. Prospective holders of Notes who are in any doubt as to their tax position should consult their professional advisers on the tax implications of an investment in the Notes for their particular circumstances.*

### 1. Interest withholding tax

So long as the Issuer continues to be a non-resident of Australia and the Notes issued by it are not attributable to a permanent establishment of the Issuer in Australia, payments of principal and interest made under Notes issued by it should not be subject to Australian interest withholding tax imposed under Division 11A of Part III of the Australian Tax Act.

### 2. Other tax matters

Under Australian laws as presently in effect:

- (a) *death duties* - no Notes will be subject to death, estate or succession duties imposed by Australia, or by any political subdivision or authority therein having power to tax, if held at the time of death;
- (b) *stamp duty and other taxes* - no *ad valorem* stamp, issue, registration or similar taxes are payable in Australia on the issue, transfer or redemption of any Notes;
- (c) *other withholding taxes on payments in respect of Notes* - so long as the Issuer continues to be a non-resident of Australia and does not carry on business at or through a permanent establishment in Australia, the tax file number requirements of Part VA of the Australian Tax Act and section 12-140 of Schedule 1 to the Taxation Administration Act 1953 of Australia (“**Taxation Administration Act**”) should not apply to the Issuer;
- (d) *supply withholding tax* - payments in respect of the Notes can be made free and clear of the “supply withholding tax” imposed under section 12-190 of Schedule 1 to the Taxation Administration Act; and
- (e) *goods and services tax (“GST”)* - neither the issue nor receipt of the Notes will give rise to a liability for GST in Australia on the basis that the supply of Notes will comprise either an input taxed financial supply or (in the case of an offshore subscriber that is a non-resident) a supply which is outside the scope of the GST law. Furthermore, neither the payment of principal or interest by the Issuer, nor the disposal of the Notes, would give rise to any GST liability in Australia.

## Netherlands Taxation

*The following is a general summary of certain Netherlands tax consequences of the acquisition, holding, redemption and disposal of the Notes. This summary does not purport to describe all possible tax considerations or consequences that may be relevant to a holder or prospective holder of Notes and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as trusts or similar arrangements) may be subject to special rules. In view of its general nature, it should be treated with corresponding caution.*

*This summary is based on the tax laws of the Netherlands, published regulations thereunder and published authoritative case law, all as in effect on the date hereof, and all of which is subject to change or to different interpretation, possibly with retroactive effect. Where the summary refers to “the Netherlands” it refers only to the part of the Kingdom of the Netherlands located in Europe.*

***This discussion is for general information purposes only and is not tax advice or a complete description of all tax consequences relating to the acquisition, holding, redemption and disposal of the Notes. Holders or prospective holders of Notes should consult their own tax advisors regarding the tax consequences relating to the acquisition, holding and disposal of Notes in light of their particular circumstances.***

*The summary in this section does not describe the Netherlands tax consequences for:*

- (a) holders of Notes if such holders, and in the case of individuals, his/her partner or certain of their relatives by blood or marriage in the direct line (including foster children) have a substantial interest (aanmerkelijk belang) or deemed substantial interest (fictief aanmerkelijk belang) in the Issuer under the Netherlands Income Tax Act 2001 (Wet inkomstenbelasting 2001) (“**Netherlands Income Tax Act**”). Generally speaking, a holder of securities in a company is considered to hold a substantial interest in such company, if such holder, alone or, in case of individuals, together with his/her partner (as defined in the Netherlands Income Tax Act), directly or indirectly, holds (i) an interest of 5% or more of the total issued and outstanding capital of that company or of 5% or more of the issued capital of a certain class of shares of that company; or (ii) holds rights to acquire, directly or indirectly, such interest; or (iii) holds certain profit sharing rights in that company that relate to 5% or more of the company’s annual profits and/or to 5% or more of the company’s liquidation proceeds. A deemed substantial interest arises if a substantial interest (or part thereof) in a company has been disposed of, or is deemed to have been disposed of, on a non-recognition basis;*
- (b) pension funds, investment institutions (fiscale beleggingsinstellingen), exempt investment institutions (vrijgestelde beleggingsinstellingen) (as defined in the Netherlands Corporate Income Tax Act and other entities that are, in whole or in part, not subject to or exempt from Netherlands corporate income tax; and*
- (c) holders of Notes who receive or have received the Notes as employment income, deemed employment income or receive benefits derived as a remuneration or deemed remuneration for activities performed by such holders or certain individuals related to such holders (as defined in the Netherlands Income Tax Act).*

*This summary does not describe the consequences of any write down, cancellation, exchange or conversion of the Notes.*

## **1. Withholding tax**

All payments of principal and/or interest made by the Issuer under the Notes may be made free of withholding or deduction of, for or on account of any taxes of whatever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein, provided that the Notes do not in fact function as equity of the Issuer within the meaning of article 10, paragraph 1, under d of the Netherlands Corporate Income Tax Act 1969 (*Wet op de vennootschapsbelasting 1969*) (“**Netherlands Corporate Income Tax Act**”).

## **2. Taxes on income and capital gains**

### *Netherlands Resident Entities*

Generally speaking, if the holder of a Note is an entity that is a resident or deemed to be resident of the Netherlands for Netherlands corporate income tax purposes (a “**Netherlands Resident Entity**”), any payment under the Notes or any gain or loss realised on the redemption, disposal or deemed disposal of the Notes is subject to Netherlands corporate income tax at a rate of 20% with respect to taxable profits up to EUR200,000 and 25% with respect to taxable profits in excess of that amount (rates and brackets for 2018).

### *Netherlands Resident Individuals*

If a holder of a Note is an individual, resident or deemed to be resident of the Netherlands for Netherlands income tax purposes (a "**Netherlands Resident Individual**"), any payment under the Notes or any gain or loss realised on the redemption, disposal or deemed disposal of the Notes is taxable at the progressive income tax rates (with a maximum of 51.95% as at the date of this Information Memorandum), if:

- (a) the Notes are attributable to an enterprise from which the holder of the Notes derives a share of the profit, whether as an entrepreneur (*ondernemer*) or as a person who has a co-entitlement to the net worth (*medegerechtigd tot het vermogen*) of such enterprise, without being a shareholder (as defined in the Netherlands Income Tax Act); or
- (b) the holder of a Note is considered to perform activities with respect to the Notes that go beyond ordinary, active asset management (*normaal, actief vermogensbeheer*) or derives benefits from the Notes that are taxable as benefits from other activities (*resultaat uit overige werkzaamheden*).

If the above-mentioned conditions (a) and (b) do not apply to the individual holder of a Note, such holder will be taxed annually on a deemed, variable return (with a maximum of 5.38% as at the date of this Information Memorandum) of his/her net investment assets for the year (*rendementsgrondslag*) at an income tax rate of 30%. The net investment assets for the year are the fair market value of the investment assets less the allowable liabilities on 1 January of the relevant calendar year. The Notes are included as investment assets. A tax free allowance (*heffingvrij vermogen*) may be available. Actual income, gains or losses in respect of the Notes are as such not subject to Netherlands individual income tax. For the net investment assets on 1 January 2018, the deemed return ranges from 2.02% up to 5.38% (depending on the aggregate amount of the net investment assets on 1 January 2018). The deemed, variable return will be adjusted annually on the basis of historic market yields.

### *Non-residents of the Netherlands*

A holder of Notes that is neither a Netherlands Resident Entity nor a Netherlands Resident Individual will not be subject to Netherlands taxes on income or capital gains in respect of any payment under the Notes or in respect of any gain or loss realised on the redemption, disposal or deemed disposal of the Notes, provided that:

- (a) such holder does not have an interest in an enterprise or deemed enterprise (as defined in the Netherlands Income Tax Act and the Netherlands Corporate Income Tax Act) which, in whole or in part, is either effectively managed in the Netherlands or carried on through a permanent establishment, a deemed permanent establishment or a permanent representative in the Netherlands and to which enterprise or part of an enterprise the Notes are attributable; and
- (b) in the event the holder is an individual, such holder does not carry out any activities in the Netherlands with respect to the Notes that go beyond ordinary asset management and does not derive benefits from the Notes that are taxable as benefits from other activities in the Netherlands .

## **3. Gift and inheritance taxes**

### *Residents of the Netherlands*

Gift or inheritance taxes will arise in the Netherlands with respect to a transfer of the Notes by way of a gift by, or on the death of, a holder of such Notes who is resident or deemed resident of the Netherlands at the time of the gift or his/her death.

### *Non-residents of the Netherlands*

No Netherlands gift or inheritance taxes will arise on the transfer of Notes by way of gift by, or on the death of, a holder of Notes who is neither resident nor deemed to be resident in the Netherlands,

unless the transfer is construed as a gift or inheritance made by, or on behalf of, a person who, at the time of the gift or death, is or is deemed to be resident in the Netherlands. A gift made under a condition precedent is deemed to be made at the time the condition precedent is fulfilled.

For purposes of Netherlands gift and inheritance taxes, amongst others, a person that holds the Netherlands nationality will be deemed to be resident in the Netherlands if such person has been resident in the Netherlands at any time during the ten years preceding the date of the gift or his/her death. Additionally, for purposes of Netherlands gift tax, amongst others, a person not holding the Netherlands nationality will be deemed to be resident in the Netherlands if such person has been resident in the Netherlands at any time during the twelve months preceding the date of the gift.

#### **4. Value added tax (“VAT”)**

No Netherlands VAT will be payable by the holders of Notes on (i) any payment in consideration for the issue of the Notes or (ii) the payment of interest or principal by the Issuer under the Notes.

#### **5. Other taxes and duties**

No Netherlands registration tax, stamp duty or any other similar documentary tax or duty will be payable by the holders of Notes in respect of (i) the issue of the Notes or (ii) payment of interest or principal by the Issuer under the Notes.

### **New Zealand Taxation**

*The following is a summary of the Issuer’s understanding of the existing New Zealand withholding tax treatment of payments of principal and interest on Notes at the date of this Information Memorandum. This summary addresses the New Zealand withholding tax treatment of payments of principal and interest to holders of Notes. It does not address all New Zealand tax issues (including income tax issues) which may be relevant to holders of Notes. Prospective holders of a Note (including prospective holders of a beneficial interest in a Note) should seek independent advice on the New Zealand tax implications applicable to them.*

To the extent that a beneficial interest in a Note is held by a New Zealand resident, payments of principal and/or interest by the Issuer should not be subject to New Zealand resident withholding tax, provided that:

- (a) the Issuer (and any other related entity through which the payments of principal and/or interest are made) continues to be a non-New Zealand resident, and does not carry on a taxable activity in New Zealand through a fixed establishment in New Zealand; and
- (b) if Computershare Investor Services Limited (or any other third party) receives principal and/or interest payments on behalf of or as agent of the holder of that beneficial interest, the holder has provided Computershare Investor Services Limited (or the other third party) with a copy of a valid certificate of exemption (or other acceptable evidence of resident withholding tax exempt status) from New Zealand resident withholding tax prior to the payment being made, and that certificate of exemption remains valid at the time the payment is made.

To the extent that a beneficial interest in a Note is held by a non-New Zealand resident, payments of principal and/or interest on that Note by the Issuer should not be subject to New Zealand withholding tax.

For the purposes of these New Zealand withholding tax considerations, a “New Zealand resident” is a person who is resident in New Zealand for New Zealand income tax purposes or who otherwise receives payments of principal or interest from the Issuer subject to the New Zealand resident withholding tax rules, which at the date of this Information Memorandum includes a holder that is engaged in business in New Zealand through a fixed establishment in New Zealand and that either holds the Notes for the purpose of that business or is a registered bank in New Zealand, and a “non-New Zealand resident” is a person who is not a New Zealand resident.

# U.S. Foreign Account Tax Compliance Act and OECD Common Reporting Standard

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## U.S. Foreign Account Tax Compliance Act

Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986 (the “Code”) (“**FATCA**”) establish a due diligence and reporting regime and potentially a 30% withholding tax with respect to certain payments of U.S. source income (“**FATCA withholding**”) to (i) any non-U.S. financial institution (a “**foreign financial institution**”, or “**FFI**” (as defined in FATCA)) that does not become a “**Participating FFI**” by being covered by an intergovernmental agreement between their jurisdiction of tax residence and the U.S. (“**IGA**”), or by entering into an agreement directly with the United States Internal Revenue Service (“**IRS**”), to provide their domestic tax authority or the IRS directly (as applicable) with certain information in respect of its account holders and investors or is not otherwise exempt from or in deemed compliance with FATCA and (ii) any investor (unless otherwise exempt from FATCA) that does not provide information sufficient to determine whether the investor should be subject to FATCA withholding.

The withholding regime is now in effect for certain payments of U.S. source income, will apply from 1 January 2019 in respect of gross proceeds from the sale or disposition of property that produce interest or dividends which are U.S. source income, and will apply to “**foreign passthru payments**” (a term not yet defined) from no earlier than 1 January 2019. This withholding on foreign passthru payments is expected to apply to payments in respect of (i) any Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued after the “grandfathering date”, which is generally the date that is six months after the date on which final U.S. Treasury regulations defining the term foreign passthru payment are filed with the Federal Register, or which are materially modified after the grandfathering date and (ii) any Notes characterised as equity or which do not have a fixed term for U.S. federal tax purposes, whenever issued. If Notes are issued on or before the grandfathering date, and additional Notes of the same Series are issued after that date, the additional Notes may not be treated as grandfathered, which may have negative consequences for the existing Notes, including a negative impact on market price.

## U.S. - Netherlands IGA

The United States and a number of other jurisdictions (including the Netherlands) have entered into IGAs. In particular, the Netherlands entered into an IGA with the United States on 18 December 2013 (the “**U.S. - Netherlands IGA**”), which modifies the way in which FATCA applies to certain entities organised in the Netherlands. The U.S. - Netherlands IGA is based on the “Model 1” IGA. Pursuant to FATCA and the “Model 1” and “Model 2” IGAs released by the United States, an FFI in an IGA signatory country could be treated as a “Reporting FI” not subject to withholding under FATCA on any payments it receives. Further, an FFI in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA or any law implementing an IGA from payments it makes. The Model 1 IGA leaves open the possibility that a Reporting FI might in the future be required to withhold on foreign passthru payments and payments that it makes to persons that fail to meet certain certification or reporting requirements, including certain investors that do not provide information sufficient to determine whether the investor is a Recalcitrant Holder. Under each Model IGA, a Reporting FI would still be required to report certain information in respect of its account holders and investors to the IRS (or its home government, which will exchange that information with IRS).

Under the U.S. - Netherlands IGA, the Issuer is treated as a Non-Reporting Netherlands Financial Institution and as exempt beneficial owner for purposes of sections 1471 and 1472 of the Code since it presents a low risk of being used by U.S. Persons to evade U.S. tax. As a result, any payments made under, or in respect of, the Notes by the Issuer are not subject to FATCA withholding. The Issuer may cease to be treated as a Non-Reporting Netherlands Financial Institution under the U.S. - Netherlands IGA by a mutual written decision entered into between the competent authorities of the United States and the Netherlands. Any such change shall be effective on the date of the signature of the mutual decision, unless otherwise provided therein.

Whilst the Notes are held in the Austraclear System, it is expected that FATCA will not affect the amount of any payments made under, or in respect of, the Notes by any paying agent, given that each of the entities in the payment chain between the Issuer and the participants in the Austraclear System is a major financial institution whose business is dependent on compliance with FATCA and that any alternative approach introduced under an IGA will be unlikely to affect the Notes. The documentation expressly contemplates the possibility that the Notes may be taken out of the Austraclear System. If this were to happen, then a non-FATCA compliant holder could be subject to FATCA withholding. However, removal of the Notes from the Austraclear System is only likely in remote circumstances.

#### **No additional amounts will be paid as a result of FATCA withholding**

In the event that any amount is required to be withheld or deducted from a payment on the Notes as a result of FATCA, pursuant to the Conditions of the Notes, no additional amounts will be paid by the Issuer as a result of the deduction or withholding.

***FATCA is particularly complex legislation. Each investor should consult its own tax adviser to determine how FATCA and the Dutch IGA may apply to them under the Notes.***

#### **Common Reporting Standard**

The OECD Common Reporting Standard for Automatic Exchange of Financial Account Information (“**CRS**”) requires certain financial institutions to report information regarding certain accounts (which may include the Notes) to their local tax authority and follow related due diligence procedures. Noteholders may be requested to provide certain information and certifications to ensure compliance with the CRS. A jurisdiction that has signed a CRS Multilateral Competent Authority Agreement (“**MCAA**”) may provide this information to other jurisdictions that have signed the MCAA. The Netherlands Government has enacted legislation to give effect to the CRS.

## Directory

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### Issuer

#### **Nederlandse Waterschapsbank N.V.**

Rooseveltplantsoen 3  
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The Netherlands  
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Facsimile: + 31 70 416 62 79  
Attention: Legal and Compliance Department

### Arranger

#### **Royal Bank of Canada**

(ABN 86 076 940 880 and AFSL No. 246521)

Level 47  
2 Park Street  
Sydney NSW 2000  
Telephone: + 61 2 9033 3033  
Facsimile: +61 2 9264 2855  
Attention: Head of Debt Capital Markets

### Dealers

#### **Australia and New Zealand Banking Group Limited**

(ABN 11 005 357 522 and AFSL No. 234527)

Level 5  
ANZ Tower  
242 Pitt Street  
Sydney NSW 2000  
Australia  
Telephone: + 61 2 8037 0200  
Facsimile: + 61 2 8937 7115  
Attention: Head of Bond Syndicate, Global Markets

#### **Citigroup Global Markets Australia Pty Limited**

(ABN 64 003 114 832 and AFSL No. 240992)

Level 23  
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2 Park Street  
Sydney NSW 2000  
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Facsimile: + 61 2 8090 9755  
Attention: Head of Capital Markets Origination

#### **Commonwealth Bank of Australia**

(ABN 48 123 123 124 and AFSL No. 234945)

Level 21  
Darling Park Tower 1  
201 Sussex Street  
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Australia  
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Attention: Head of Debt Capital Markets

#### **Daiwa Capital Markets Europe Limited**

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Attention: Manager, Transaction Management

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Attention: Head of Debt Capital Markets

**The Hongkong and Shanghai Banking Corporation Limited, Sydney Branch**  
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100 Barangaroo Avenue  
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**J.P. Morgan Securities plc**

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Attention: Euro Medium Term Note Desk

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**Royal Bank of Canada**  
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**The Toronto-Dominion Bank**

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Attention: Managing Director – Head of Asia  
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Attention: Head of DCM Syndicate

**Westpac Banking Corporation**  
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Attention: Executive Director, Head of DCM & Syndicate

**Australian Registrar and Agent**

**Computershare Investor Services Pty Limited**  
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Telephone: + 61 3 9415 5000  
Email: [AUCSSYDStructuredProducts@computershare.com.au](mailto:AUCSSYDStructuredProducts@computershare.com.au)  
Attention: Senior Relationship Manager – Structured Products

**New Zealand Registrar and Agent**

**Computershare Investor Services Limited**

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Attention: Manager, Fixed Interest Registry