



Thursday, 5 October 2023

ASX ANNOUNCEMENT

AMENDMENTS TO NAB DIVIDEND REINVESTMENT PLAN AND BONUS SHARE PLAN RULES

In accordance with ASX Listing Rule 3.10.8, NAB advises that the Board has approved changes to the NAB Dividend Reinvestment Plan and Bonus Share Plan rules (together, the **Plans** and the **Plan Rules**). These changes are effective immediately, including for the 2023 final dividend.

The changes to the Plan Rules have been made to simplify the administration of the Plans and align the Plan Rules with current market practice, particularly in relation to the way residual balance amounts are treated and paid to participants when they withdraw from the Plan.

The NAB Board has also exercised its discretion under the Plan Rules to update the list of eligible jurisdictions for the Plans. The small number of participants in the Plans who have had their eligibility impacted by the update to that list will be notified of the impact directly by NAB.

The updated Plan Rules are attached to this announcement and will be available (together with the list of updated eligible jurisdictions) in the Shareholder Centre of NAB's website under "Dividend Information".

Other than the impact on eligible jurisdictions, the changes to the Plan Rules have no impact on any previous election to participate in the Plans made by a shareholder.

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Approved for distribution by Louise Thomson, Group Company Secretary

DIVIDEND REINVESTMENT PLAN AND BONUS SHARE PLAN TERMS AND CONDITIONS

As at 5 October 2023.

PART A - GENERAL

The following terms and conditions relate to NAB's dividend package comprising the Dividend Reinvestment Plan and the Bonus Share Plan (as defined below).

1 Definitions and interpretation

1.1 Definitions

'**Actual Reinvestment Amount**' means, in respect of a Dividend, the amount determined by multiplying the Current Market Price for that Dividend by the number of Ordinary Shares determined under clause 15(a) for that Dividend;

'**Applicant**' means an Eligible Shareholder who applies to participate in the Plan;

'**Application**' means an application made on a Dividend Nomination Advice (or in such other written form acceptable to the Directors) to participate in a Plan;

'**ASX**' means ASX Limited, or the securities market operated by it, as appropriate;

'**Bonus Share Plan**' (or '**BSP**') means the Bonus Share Plan which commenced in 1988 and was closed to new participants from 10 May 2007;

'**BSP Residual Amount**' has the meaning given in clause 19(b);

'**Business Day**' means a business day within the meaning of the Listing Rules;

'**Cash Dividend**' means a dividend payable wholly in cash and, in the case of a dividend payable only partly in cash, that part of the dividend which is payable in cash;

'**Cboe Australia**' means Cboe Australia Pty Ltd (ABN 47 129 584 667) or the securities market operated by it, as appropriate;

'**Constitution**' means the NAB Constitution, as amended from time to time;

'**Current Market Price**' means, in respect of the relevant Plan for any Dividend, the arithmetic average of the VWAP during the seven Trading Days commencing on the second Trading Day after the Record Date for that Dividend (or such other date as specified by the Directors), or any other period specified by the Directors and announced to the market through the ASX announcements platform, calculated to two decimal places, less any discount (expressed as a percentage) determined by the Directors for the relevant Plan for the Dividend and announced on NAB's website and to the market through the ASX announcements platform;

'**Directors**' means the directors of NAB acting as a board, or their duly appointed delegate from time to time;

'**Dividend**' means a dividend that the Directors have determined is payable with respect to Ordinary Shares;

'**Dividend Nomination Advice**' means the form from time to time approved by Directors (which may be in electronic form) by which an Eligible Shareholder applies to join the Dividend Reinvestment Plan and also by which a Participant in a Plan applies to vary the level of or terminate their participation in the Plan;

'Dividend Reinvestment Plan' (or **'DRP'**) means the Dividend Reinvestment Plan originally approved by Shareholders on 5 May 1983, as amended from time to time in accordance with its terms;

'DRP Residual Amount' has the meaning given in clause 15(d);

'Eligible Shareholder' with respect to each Plan means a Shareholder who:

- (a) has a registered address in Australia or any other jurisdiction in which the Directors are satisfied that participation or the making of an offer to participate in the Plan is lawful; and
- (b) is not a person or a person of a class, whom the Directors in their discretion have determined not to be eligible to participate in the Plan,

provided that the Directors may determine that a Shareholder, or class of Shareholders:

- (c) is not an Eligible Shareholder (in respect of some or all Ordinary Shares they hold) if they are, or hold Ordinary Shares on behalf of or for the account or benefit of a person who is, resident outside the jurisdictions referred to in paragraph (a); and
- (d) is eligible to participate in a Plan notwithstanding their registered address is outside the jurisdictions referred to in paragraph (a);

'Eligible Bank Account' means a bank account in any currency in which NAB pays Dividends from time to time;

'Full Participant' means, in the case of:

- (a) the Bonus Share Plan, a Participant who for the time being participates in that Plan in respect of all the Ordinary Shares registered in their name; and
- (b) the Dividend Reinvestment Plan, a Participant who for the time being participates in that Plan in respect of all of the Ordinary Shares registered in their name (subject to any applicable Participation Limit);

'Group' means NAB and its subsidiaries taken as a whole;

'Listing Rules' means the Listing Rules of ASX and any other applicable rules of ASX, as amended from time to time, except to the extent of any express written waiver or exemption by ASX;

'NAB' means National Australia Bank Limited;

'Operating Rules' means the Operating Rules of ASX, as amended from time to time, except to the extent of any express written waiver or exemption by ASX;

'Ordinary Share' means an issued and fully paid ordinary share of NAB and, where the context so admits, an issued partly paid ordinary share of NAB;

'Partial Participant' means a Participant who for the time being participates in the Bonus Share Plan or the Dividend Reinvestment Plan in respect of some, but not all, of the Ordinary Shares registered in their name (except where this is due to the application of any Participation Limit);

'Participant' means a person who is the holder of a Participating Share;

'Participating Share' means an Ordinary Share which is participating in a Plan;

'Participation Limit' means a limit on the ability of a Shareholder to participate in the DRP, imposed by the Directors in accordance with clause 13;

'Plan', or **'Plans'** means any one or both of the Bonus Share Plan and Dividend Reinvestment Plan, as the context so requires;

'Plan Statement' means, with respect to each Plan, a separate statement prepared and made available by the Share Registry in respect of each Dividend payment and giving the information outlined in the terms and conditions specific to that Plan;

'Record Date' means, in relation to a Dividend, the time and date upon which determination of entitlements to that Dividend is made;

'Register' means the register of members of NAB;

'Registered Charity' means any entity which is registered by the Australian Charities and Not-for-profits Commission under the *Charities Act 2013* (Cth) and is endorsed or listed as a Deductible Gift Recipient for the purposes of the *Income Tax Assessment Act 1997* (Cth);

'Shareholder' means a person for the time being registered as a holder of Ordinary Shares;

'Share Registry' means Computershare Investor Services Pty Limited (ABN 48 078 279 277) or any other share registry that maintains the Register;

'Trading Day' has the meaning given to that expression in the Listing Rules provided that:

- (a) any day in which there is a trading halt on the Ordinary Shares, or during which trading in the Ordinary Shares is suspended, for the entire day will not be a Trading Day; and
- (b) if there is a trading halt on the Ordinary Shares, or trading in the Ordinary Shares is suspended, for only part of a day, the Directors will determine in their discretion, whether that day will be a trading day;

'VWAP' means, for the Ordinary Shares on any day, the volume weighted average price of Ordinary Shares sold on:

- (a) ASX;
- (b) Cboe Australia (unless the Directors determine otherwise); and
- (c) such additional trading platforms as the Directors may determine from time to time,

on that day, excluding any transactions defined in the Operating Rules as special crossings, crossings prior to the commencement of normal trading, crossings during the closing phase and the after hours adjust phase, any overseas trades or trades pursuant to the exercise of options over Ordinary Shares, any overnight crossings or other trades on that day that NAB decides to exclude on the basis that they are not fairly reflective of natural supply and demand, calculated to two decimal places.

1.2 Interpretation

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

- (a) words importing the singular include the plural and vice versa;
- (b) words importing the masculine gender include every other gender;
- (c) headings used do not affect interpretation of these terms and conditions;
- (d) a reference to a person includes a reference to a body corporate;
- (e) references to a Plan are to that Plan, as amended from time to time; and
- (f) references to these terms and conditions are to those terms and conditions, as amended from time to time.

2 Taxation

NAB:

- (a) does not assume liability for any taxes or other imposts assessed against or imposed upon a Participant; and
- (b) does not represent or warrant that a Participant will gain any taxation advantage or will not incur a taxation liability or disadvantage by participation in one or more of the Plans.

3 Participation and Variation and Termination of Participation in a Plan or Plans

- (a) Subject to clause 3(b) and the specific terms and conditions relating to each Plan, NAB will admit Eligible Shareholders to a Plan following receipt by NAB of an Application on the required Dividend Nomination Advice in form and substance acceptable to NAB.
- (b) The BSP was closed to new participants from 10 May 2007 and Eligible Shareholders have not been able to submit an Application in respect of the BSP since that date.
- (c) If a Shareholder is shown on the Register to hold more than one parcel of Ordinary Shares and has been allocated a separate unique holder identification number or securityholder reference number for each of those parcels, then a separate Dividend Nomination Advice is required for each of those parcels.
- (d) NAB may in its absolute discretion refuse to admit an Applicant to a Plan or Plans, without giving reasons, but if it does so it will notify the Applicant as soon as practicable. In particular, the Directors are entitled (but not obliged) to refuse to admit an Applicant to a Plan where that Applicant has, in the opinion of the Directors, split a shareholding or acquired Ordinary Shares as part of such a split, in order to increase the number of Ordinary Shares that may be provided to that Applicant or another person under a Plan.
- (e) No Ordinary Share may be a Participating Share in more than one Plan at any time. A Participant may only participate in the Dividend Reinvestment Plan in respect of Ordinary Shares subject to any applicable Participation Limit.
- (f) Subject to this clause 3, an Application may provide that participation in a Plan will:
 - 1. in the case of the Bonus Share Plan, extend to all or to a specified number of the Ordinary Shares registered in the name of the Applicant; and
 - 2. in the case of the Dividend Reinvestment Plan, extend to all or to a specified number of the Ordinary Shares registered in the name of the Applicant (subject to any applicable Participation Limit).
- (g) On acceptance, the Applicant will become a Full Participant or a Partial Participant in the relevant Plan (as applicable). If the Application does not specify a number of Ordinary Shares to become Participating Shares, the Application will be deemed to be an application for the Applicant to become a Full Participant in the Plan to which it relates.
- (h) Any Participant may vary their level of participation, or terminate their participation, in any Plan at any time by completing and delivering to NAB a Dividend Nomination Advice acceptable to NAB indicating their wish to vary or terminate their participation in that Plan. Such variation or termination will take effect in respect of a Dividend only if NAB receives that Dividend Nomination Advice on or before the Business Day after the Record Date for that Dividend.
- (i) A Participant will be deemed to have terminated participation in a Plan:
 - 1. upon the registration of a transfer of all their Ordinary Shares participating in that Plan;

2. upon the termination of that Plan by NAB;
3. upon receipt (subject to clause 7) by NAB of notice of the death, bankruptcy or liquidation of a Participant; or
4. upon the Participant ceasing to be an Eligible Shareholder.

Deemed termination under paragraph 3(i)1 above will take effect in respect of a Dividend only if the occurrence described in that paragraph 3(i)1 occurs on or before the Record Date for that Dividend. Deemed termination under paragraphs 3(i)2 to 3(i)4 above will take effect in respect of a Dividend only if the occurrence described in those paragraphs 3(i)2 to 3(i)4 above occurs on or before the Business Day after the Record Date for that Dividend. In this clause 3(i), reference to a Participant includes reference to one or more joint Participants, if appropriate.

- (j) Participation by any joint Participants in a Plan will be terminated (other than in respect of any Dividend for which the Record Date has already occurred) following receipt by NAB (subject to clause 7) of a notice of the death of one or more of the joint Participants.
- (k) An Ordinary Share which has ceased to be a Participating Share is not thereby precluded from subsequently participating in the same or another Plan (provided that such Plan has not been terminated) on these terms and conditions.

4 Acquisition of Ordinary and/or Participating Shares

- (a) Any further Ordinary Shares acquired (by whatever means) by a Full Participant will automatically become Participating Shares in the Plan in which that Participant is a Full Participant on being registered in their name, subject to the limitations on participation in the Dividend Reinvestment Plan set out in clause 13.
- (b) All Ordinary Shares issued or transferred to a Partial Participant pursuant to a Plan will be deemed to become Participating Shares in that Plan, subject to the limitation on participation in the Dividend Reinvestment Plan set out in clause 13.
- (c) Subject to clauses 4(a) and 4(b), all other Ordinary Shares acquired by a Partial Participant (by whatever means) will not be included in any Plan unless the appropriate Dividend Nomination Advice is received from that Partial Participant.

5 Sale of Ordinary and/or Participating Shares

Upon the registration of a transfer of any Ordinary Shares by a Participant then, unless NAB is otherwise advised, NAB will be deemed to have been instructed that the Ordinary Shares have been transferred in the following order:

- (a) Ordinary Shares not participating in any Plan;
- (b) Ordinary Shares participating in the Dividend Reinvestment Plan; and
- (c) Ordinary Shares participating in the Bonus Share Plan.

6 Variation, Termination or Suspension of the Plans

- (a) The Directors may at any time resolve to:
 1. vary any Plan and any agreement relating to any Plan; or
 2. terminate or suspend the operation of any Plan.

- (b) Any such variation, termination or suspension:
 - 1. is effective from the date of such resolution or otherwise as determined by the Directors; and
 - 2. does not give rise to any liability on the part of or right of action against NAB, any of its subsidiaries or any of their directors, officers or employees.
 - (c) Participants in a Plan which has been materially varied, terminated or suspended will be notified in writing of such variation, termination or suspension in accordance with clause 7.
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7 Dividend Nomination Advices and Notices

- (a) Dividend Nomination Advices and other notices to NAB will be in writing and in such form as NAB may from time to time require.
 - (b) The Directors may determine that Eligible Shareholders can lodge Dividend Nomination Advices electronically including:
 - 1. by email;
 - 2. via the Share Registry's website or the website of another authorised third party.

Any electronic facility will be referred to on NAB's website. Any Dividend Nomination Advices lodged electronically must comply with the terms and conditions of the facility.
 - (c) If a Participant has not submitted a Dividend Nomination Advice, a broker may submit a Dividend Nomination Advice on the Participant's behalf in accordance with any functionality provided by ASX.
 - (d) Dividend Nomination Advices and notices will only be effective on receipt by the Share Registry, subject to:
 - 1. the terms and conditions of the relevant Plan; and
 - 2. in the case of an Application, acceptance by NAB.
 - (e) Any notice to Shareholders or announcement to be made by NAB or the Directors in relation to these terms and conditions (including in relation to any variation, suspension, or termination, of any Plan or any other matter provided for in these terms and conditions) may be made by notice to the market through the ASX announcements platform and on NAB's website, or in accordance with Article 18 of the Constitution.
 - (f) The accidental omission to give any notice (including any notice of any variation, suspension, or termination) to, or the non-receipt of any notice by, any Shareholder or Participant will not invalidate the notice or the effect of the notice, including the variation, suspension, or termination.
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8 Acquisitions and Issues under the Dividend Reinvestment Plan

- (a) The Directors in their absolute discretion may determine with respect to the operation of the Dividend Reinvestment Plan for any particular Dividend whether to issue new Ordinary Shares or to arrange for the purchase and transfer of existing Ordinary Shares to a Participant, or to apply a combination of both options, to satisfy NAB's obligations under that Plan. If the Directors determine to arrange for the purchase and transfer of Ordinary Shares to any one or more Participants in the Dividend Reinvestment Plan, these Ordinary Shares may be purchased in such manner as the Directors consider appropriate, including through a broker in the market.

- (b) The Directors may only authorise the issue of Ordinary Shares in connection with the Bonus Share Plan and cannot cause the purchase and transfer of existing Ordinary Shares to a Participant in that Plan.
- (c) In the case of Ordinary Shares to be issued pursuant to the Dividend Reinvestment Plan such Ordinary Shares will be so issued within the time specified in the Listing Rules.
- (d) Plan Statements will be made available to each relevant Participant following each issue or transfer of Ordinary Shares under the Dividend Reinvestment Plan. Plan Statements will be made available by the Share Registry or by NAB in such form and manner as NAB may determine from time to time.
- (e) Ordinary Shares provided to Participants under the Dividend Reinvestment Plan (whether by way of issue or purchase and transfer):
 - 1. will be registered on the Register; and
 - 2. will be subject to the Constitution and to these terms and conditions; and
 - 3. rank equally in all respects with other Ordinary Shares.

9 Costs to Participants

NAB will not charge any brokerage, commission or other transaction costs in respect of an Application for or the provision of Ordinary Shares pursuant to either Plan.

10 Governing Law and Jurisdiction

These terms and conditions are governed by and will be construed in accordance with the laws of the State of Victoria, Australia and each Participant submits to the exclusive jurisdiction of the courts of that State (and the courts which may hear appeals from them).

11 Securities Exchange Listing

NAB will ensure that an application is made following the issue of Ordinary Shares pursuant to a Plan to quote those Ordinary Shares on ASX.

12 General

- (a) By applying to participate in a Plan, an Applicant:
 - 1. represents to the Directors that it is an Eligible Shareholder;
 - 2. authorises the Directors (and their officers or agents) to correct any error in, or omission from, the Applicant's Dividend Nomination Advice or any later Dividend Nomination Advice (including in respect of any variation or termination);
 - 3. acknowledges that NAB may at any time irrevocably determine that its Dividend Nomination Advice is valid, in accordance with these terms and conditions, even if it is incomplete, contains errors or is otherwise defective;
 - 4. acknowledges that the Directors may reject any Dividend Nomination Advice;
 - 5. acknowledges that none of the Directors, NAB or the Share Registry has provided it with investment, tax or financial product advice and that none of them has any obligation to provide any advice concerning the decision to apply to participate in the Plan; and
 - 6. acknowledges that the Directors have the powers and discretions described in these terms and conditions.

- (b) Until the Directors otherwise determine, participation in the Plans is not available directly or indirectly to any entity or person, including any legal or beneficial owner of Ordinary Shares, who is (or who is acting on behalf of or for the account or benefit of an entity or person who is) in, or is a resident in, the United States of America (or in the territories of the United States of America). Copies of Plan documents must not be mailed or otherwise distributed or sent to the United States of America (or in the territories of the United States of America).
- (c) Any determination, notification or calculation to be made or given by the Directors or NAB in accordance with these terms and conditions, may be made or given by the Directors or NAB respectively in their or its absolute discretion and, in the absence of manifest error, is binding on each Participant.
- (d) The Directors have discretion to:
 1. determine any procedure for administration of a Plan that is consistent with these terms and conditions;
 2. resolve conclusively all questions of fact or interpretation in connection with each Plan;
 3. exercise discretions or powers (including any power to make a choice, decision, determination or resolution) of NAB under these terms and conditions;
 4. waive strict compliance with any of the provisions of these terms and conditions; and
 5. settle or resolve any difficulties, anomalies or disputes which arise in connection with or because of the operation of the Plans (either generally or in relation to a particular Shareholder or Ordinary Share),

and the decision of the Directors is binding on all Shareholders.

PART B - DIVIDEND REINVESTMENT PLAN (DRP)

The terms and conditions set out in clauses 13 to 16 relate specifically to the DRP and references in these clauses to a 'Participant' and 'Participating Shares' are to Participants and Participating Shares in the DRP.

13 Participation in the DRP

- (a) Subject to these terms and conditions, participation is optional, not transferable, may be either full or partial, and is open to all Eligible Shareholders.
- (b) Notwithstanding any other term of the DRP, a Participant's Participating Shares at any time must not be greater than any applicable Participation Limit, provided that if the Participating Shares are held in a broker's clearing account (as defined in the Listing Rules) or by a trustee or nominee, the broker, trustee or nominee will be permitted to participate up to such limit in respect of each person whose Ordinary Shares are held that way. References to Participating Shares in clauses 15 and 16 will be construed accordingly.
- (c) The Directors may from time to time determine any minimum or maximum number of shares that may be or become Participating Shares in the DRP.
- (d) If a Participant elects a number of Ordinary Shares greater than the Participation Limit to be Participating Shares, the election will be deemed to be an election to participate in respect of the maximum Participation Limit at the relevant time.

14 Agreement to Participate

An agreement is made in relation to an Applicant's participation in the DRP, subject to these terms and conditions, when NAB accepts an Application from the Applicant.

15 Operation of the DRP

A Cash Dividend which is payable to a Participant in respect of Participating Shares will be applied by NAB either on the Participant's behalf in subscribing for, or for the acquisition by the Participant of, additional Ordinary Shares on the terms set out in this clause 15. The Directors will establish and maintain a Plan account for each shareholding account of each Participant.

In respect of each such Plan account at the time of each Dividend payment, the Directors will:

- (a) determine the number of Ordinary Shares to be issued to, or purchased on behalf of, each Participant by the application of the following formula (with any fractions rounded down to the nearest number of whole Ordinary Shares):

$$\frac{D + R - T}{C}$$

Where:

- D** is the Cash Dividend payable to the Participant in respect of or by reference to their Participating Shares as at the Record Date for that Cash Dividend;
 - R** is the carry forward DRP Residual Amount (if any) in the Participant's Plan account from previous Dividends;
 - T** is any impost, withholding tax or other sum which NAB is required to or may deduct for any reason from the Cash Dividend referred to in 'D'; and
 - C** is the Current Market Price.
- (b) apply the Actual Reinvestment Amount by either or both:

1. subscribing for on behalf of and in the name of the Participant; and/or
 2. arranging for the transfer to the Participant of,

a number of Ordinary Shares equal to the number of Ordinary Shares determined under clause 15(a);
- (c) either or both:
1. issue to the Participant; and/or
 2. arrange for the transfer to the Participant of,

a number of Ordinary Shares equal to the number of Ordinary Shares determined under clause 15(a);
- (d) where there is a residual amount in the Participant's Plan account after following the process in clauses 15(a) to 15(c) (**DRP Residual Amount**):
1. carry forward the DRP Residual Amount in the Participant's Plan account, without interest, to be applied towards the calculation at the time of the next Dividend; or
 2. deal with the DRP Residual Amount in accordance with clause 16.

16 Plan account and Plan Statement

- (a) A Plan Statement will be made available to each Participant following each Dividend payment giving the following information:
1. the number of their Participating Shares in the Plan at the Record Date;
 2. the Current Market Price for the Dividend;
 3. the number of Ordinary Shares issued or purchased on their behalf under the Plan and their date of acquisition;
 4. the DRP Residual Amount carried forward (if any) in the Participant's Plan account or otherwise dealt with in accordance with this clause 16; and
 5. the franked amount (if any) of the Dividend and the franking tax credits (if any) attaching to the Dividend.
- (b) Each Participant acknowledges that:
1. this information, and any other information provided to it in connection with the Plan, does not constitute; and
 2. none of the Directors, NAB or the Share Registry has provided it with,

investment, tax or financial product advice and that none of those persons has any obligation to provide any such advice in connection with any aspect of the Plan.
- (c) Where a person ceases to be a Participant and a Shareholder, the person is taken to have directed NAB to donate the DRP Residual Amount in their Plan account (if any) to a Registered Charity on their behalf.
- (d) Where:
1. a person ceases to be a Participant but remains a Shareholder;

2. the DRP Residual Amount in their Plan account exceeds A\$15; and
3. they nominated an Eligible Bank Account to NAB before the next Dividend Record Date,

NAB will pay the DRP Residual Amount to the person at or around the time of the next Dividend.

(e) Where:

1. a person ceases to be a Participant but remains a Shareholder; and
2. the DRP Residual Amount in their Plan account is equal to A\$15 or less or they have not nominated an Eligible Bank Account to NAB before the next Dividend Record Date,

NAB may deal with the DRP Residual Amount as the Directors think fit, including by arranging for the DRP Residual Amount to be donated to a Registered Charity on behalf of the person.

(f) If a person is an Australian resident and an amount of A\$2 or more is donated to a Registered Charity on their behalf under the DRP, the person:

1. may request that NAB procure the relevant Registered Charity to issue a tax receipt to the person;
2. consents to NAB providing their name and address to the relevant Registered Charity so that a tax receipt can be issued to them if requested; and
3. must contact the Share Registry if they do not want that information to be disclosed to the Registered Charity, in which case it will not be possible for the Registered Charity to provide a tax receipt to the person.

PART C - BONUS SHARE PLAN (BSP)

The BSP is closed to new participants with effect from 10 May 2007.

The terms and conditions set out in clauses 17, 18, 19 and 20 relate specifically to the BSP and references in these clauses to 'Participants' and 'Participating Shares' are to Participants and Participating Shares in the BSP.

17 Participation in the BSP

Subject to these terms and conditions, participation is optional, not transferable, may be either full or partial, and (subject to clause 3(b)) is open to all Eligible Shareholders.

18 Agreement to Participate

An agreement on the terms and subject to the conditions set out in these terms and conditions between NAB and an Applicant for participation either as a Full Participant or a Partial Participant is made when NAB accepts an Application in respect of the BSP from the Applicant.

19 Operation of the BSP

- (a) Whenever the Directors have determined that a Dividend is payable, each person who is a Participant shall not be entitled to participate in that Dividend in respect of their Participating Shares, but shall be entitled to have issued to them, the number of fully paid Ordinary Shares that is determined by the application of the following formula:

$$\frac{X + R}{Y}$$

Where:

- X** is that part of the Dividend expressed in dollars and cents (whether or not that dividend is to be satisfied wholly or in part by the distribution of specific assets under the Constitution) to which the Participant would have been entitled but for their participation in the BSP;
- Y** is the Current Market Price; and
- R** is the carry forward BSP Residual Amount (if any) in the Participant's Plan account from previous Dividends.
- (b) Where there is a residual amount in the Participant's Plan account after the application of the formula in clause 19(a) (**BSP Residual Amount**), the BSP Residual Amount will be carried forward to the Participant's Plan account, without interest, to be applied towards the calculation at the time of the next Dividend.
- (c) Where the Ordinary Shares are to be issued to Participants under the BSP the Directors shall issue such Ordinary Shares to those Participants with or without increasing or capitalising the reserve or any other share capital account in the books of account of NAB (as the Directors see fit in their absolute discretion).
- (d) Where a person ceases to be a Participant and a Shareholder, the person is taken to have directed NAB to donate the BSP Residual Amount in their Plan account (if any) to a Registered Charity on their behalf.
- (e) Where:
1. a person ceases to be a Participant but remains a Shareholder;
 2. the BSP Residual Amount in their Plan account exceeds A\$15; and

3. they nominated an Eligible Bank Account to NAB before the next Dividend Record Date,

NAB will pay the BSP Residual Amount to the person at or around the time of the next Dividend.

(f) Where:

1. a person ceases to be a Participant but remains a Shareholder; and
2. the BSP Residual Amount in their Plan account is equal to A\$15 or less or they have not nominated an Eligible Bank Account to NAB before the next Dividend Record Date,

NAB may deal with the BSP Residual Amount as the Directors think fit, including by arranging for the BSP Residual Amount to be donated to a Registered Charity on behalf of the person.

(g) If a person is an Australian resident and an amount of A\$2 or more is donated to a Registered Charity on their behalf under the BSP, the person:

1. may request that NAB procure the relevant Registered Charity to issue a tax receipt to the person;
2. consents to NAB providing their name and address to the relevant Registered Charity so that a tax receipt can be issued to them if requested; and
3. must contact the Share Registry if they do not want that information to be disclosed to the Registered Charity, in which case it will not be possible for the Registered Charity to provide a tax receipt to the person.

20 Plan account and Plan Statement

(a) A Plan Statement will be made available to each Participant following each Dividend payment giving the following information:

1. the number of their Participating Shares in the Plan at the Record Date;
2. the total amount applied to the issue of shares under the Plan;
3. the number of Ordinary Shares issued under the Plan and their date of issue; and
4. the BSP Residual Amount carried forward (if any) in the Participant's Plan account or otherwise dealt with in accordance with clause 19.

(b) Each Participant acknowledges that:

1. this information, and any other information provided to it in connection with the Plan, does not constitute; and
2. none of the Directors, NAB or the Share Registry has provided it with,

investment, tax or financial product advice and that none of those persons has any obligation to provide any such advice in connection with any aspect of the Plan.