



# MINIs

## Product Disclosure Statement Equity Structured Products & Warrants

27 July 2009

This Product Disclosure Statement  
is provided in two parts:

**Part 1:** Key Commercial Terms (“PDS 1”); and

**Part 2:** General Information (“PDS 2”),  
(collectively referred to as “PDS”)

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# Part 1 of 2

## Key Commercial Terms

RBS Group (Australia) Pty Limited: ABN 78 000 862 797

Dated: **27 July 2009**

### PDS Part 1: **SUMMARY**

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This PDS offers one or more series of warrants (called "MINIs") which are structured to give you a similar economic exposure as an over-the-counter contract for difference ("CFD"). The MINIs are to be traded on the market operated by ASX Limited ("ASX") over Underlying Shares as specified in PDS Part 1 which is issued by the Issuer during the currency of this PDS Part 1.

Potential investors should read the entire PDS (that is, both PDS Part 1 and PDS Part 2), before making any investment decision. PDS Part 2 should be read and construed in conjunction with PDS Part 1 for each Series of MINIs.

PDS Part 1 sets out the key commercial terms of the MINIs offered under the PDS including whether they are MINI Long or MINI Short, the relevant Underlying Shares, Interest Rate, Settlement Currency, Conversion Ratio, Current Strike Price, Issue Date, Issue Size, Relevant Exchange (if not ASX), initial Stop Loss Level, Strike Price Currency (if not AUD) and ASX codes for each

of the relevant Series, each of which may be adjusted in accordance with the provisions of the Terms. For each issue of MINIs, PDS Part 1 will be re-issued and must be read in conjunction with PDS Part 2.

PDS Part 2 sets out the general information relevant to the MINIs, including the offer description, risks and benefits associated with the MINIs, tax considerations, description of the Issuer and a copy of the Terms.

No MINIs will be issued on the basis of this PDS after the offer closes. The Issuer reserves the right to close the offer of any or all Series of MINIs at an earlier time without prior notice.

The meaning of any term appearing in this PDS in italics is explained in Section 9 "Terms" of PDS Part 2 under the heading "Interpretation of this PDS".

# PDS 1: Part 1 of 2

## Key Commercial Terms

**Issuer:** RBS Group (Australia) Pty Limited ("RBS")  
**Date of PDS 1:** 27 July 2009  
**Date of PDS 2:** 10 December 2008  
**Registrar:** Link Market Services Limited

### Summary Table of Existing MINIS

#### MINI LONG

Series	Underlying Shares	Issue Date	Initial Strike Price	Initial Stop Loss	Conversion Ratio	Issue Size
WOWKZE	Woolworths Limited	25-Jun-08	\$16.50	\$18.15	1	5,000,000
CBAKZK	Commonwealth Bank of Australia	27-Jun-08	\$20.00	\$21.00	1	5,000,000
WOWKZF	Woolworths Limited	9-Jul-08	\$15.10	\$15.86	1	5,000,000
FGLKZE	Foster's Group Limited	16-Jul-08	\$2.95	\$3.10	1	5,000,000
ANZKZJ	Australia and New Zealand Banking Group Limited	7-Aug-08	\$11.00	\$11.55	1	5,000,000
TAHKZF	TABCORP Holdings Limited	27-Aug-08	\$5.25	\$5.78	1	5,000,000
LGLKZI	Lihir Gold Limited	17-Sep-08	\$1.27	\$1.33	1	5,000,000
NCMKZF	Newcrest Mining Limited	17-Sep-08	\$14.80	\$15.54	1	2,000,000
CMJKZC	Consolidated Media Holdings Limited	1-Oct-08	\$1.90	\$2.09	1	2,000,000
ASXKZI	ASX Limited	16-Oct-08	\$20.50	\$21.53	1	2,000,000
BHPKZB	BHP Billiton Limited	16-Oct-08	\$18.00	\$19.80	1	2,000,000
BSLKZF	Bluescope Steel Limited	16-Oct-08	\$4.10	\$4.51	1	2,000,000
OSHKZD	Oil Search Limited	16-Oct-08	\$2.60	\$2.86	1	2,000,000
PDNKZI	Paladin Energy Ltd	16-Oct-08	\$1.50	\$1.65	1	2,000,000
PDNKZJ	Paladin Energy Ltd	16-Oct-08	\$1.00	\$1.10	1	2,000,000
STOKZD	Santos Limited	16-Oct-08	\$8.60	\$9.46	1	2,000,000
TELKZE	Telecom Corporation of New Zealand Limited	16-Oct-08	\$1.60	\$1.68	1	2,000,000
WPLKZI	Woodside Petroleum Limited	16-Oct-08	\$24.00	\$26.40	1	2,000,000
STOKZE	Santos Limited	22-Oct-08	\$7.70	\$8.47	1	1,000,000
TAHKZG	TABCORP Holdings Limited	22-Oct-08	\$4.65	\$5.12	1	1,000,000
BHPKZC	BHP Billiton Limited	29-Oct-08	\$15.00	\$16.50	1	1,000,000
CSLKZG	CSL Limited	29-Oct-08	\$22.40	\$23.52	1	1,000,000
LGLKZJ	Lihir Gold Limited	29-Oct-08	\$1.05	\$1.16	1	1,000,000
CTXKZF	Caltex Australia Limited	5-Nov-08	\$6.50	\$7.15	1	1,000,000

OSHKZE	Oil Search Limited	5-Nov-08	\$3.30	\$3.63	1	1,000,000
ANZKZL	Australia and New Zealand Banking Group Limited	19-Nov-08	\$9.40	\$10.34	1	1,000,000
CPUKZB	Computershare Limited	19-Nov-08	\$5.20	\$5.72	1	1,000,000
NABKZL	National Australia Bank Limited	19-Nov-08	\$13.50	\$14.85	1	1,000,000
WBCKZJ	Westpac Banking Corporation	19-Nov-08	\$11.10	\$12.21	1	1,000,000
WBCKZK	Westpac Banking Corporation1	9-Nov-08	\$12.70	\$13.97	1	1,000,000
WESKZG	Wesfarmers Limited	19-Nov-08	\$13.00	\$14.30	1	1,000,000
WORKZD	WorleyParsons Limited	19-Nov-08	\$9.10	\$10.01	1	1,000,000
ANZKZM	Australia and New Zealand Banking Group Limited	26-Nov-08	\$9.50	\$10.45	1	1,000,000
BHPKZD	BHP Billiton Limited	26-Nov-08	\$13.00	\$14.30	1	1,000,000
NABKZM	National Australia Bank Limited	26-Nov-08	\$12.00	\$13.20	1	1,000,000
NWSKZI	News Corporation	26-Nov-08	\$7.30	\$8.03	1	1,000,000
ORIKZI	Orica Limited	26-Nov-08	\$9.20	\$10.12	1	1,000,000
STWKZB	SPDR S&P/ASX 200 Fund	26-Nov-08	\$23.00	\$24.15	1	300,000
UGLKZC	United Group Limited	26-Nov-08	\$5.00	\$5.50	1	1,000,000
WBCKZL	Westpac Banking Corporation	26-Nov-08	\$9.60	\$10.56	1	1,000,000
LEIKZH	Leighton Holdings Limited	3-Dec-08	\$14.00	\$15.40	1	1,000,000
RIOKZC	RIO Tinto Limited	10-Dec-08	\$19.00	\$20.90	1	1,000,000
RIOKZD	RIO Tinto Limited	10-Dec-08	\$23.00	\$25.30	1	1,000,000
BBGKZB	Billabong International Limited	17-Dec-08	\$5.00	\$5.50	1	1,000,000
WESKZH	Wesfarmers Limited	17-Dec-08	\$11.00	\$12.10	1	1,000,000
TLSKZC	Telstra Corporation Limited	19-Dec-08	\$2.60	\$2.73	1	2,500,000
CBAKZN	Commonwealth Bank Limited	24-Dec-08	\$17.00	\$18.70	1	1,000,000
CSLKZH	CSL Limited	24-Dec-08	\$20.00	\$21.00	1	1,000,000
CBAKZO	Commonwealth Bank of Australia	29-Jan-09	\$15.00	\$16.50	1	1,000,000
LEIKZI	Leighton Holdings Limited	29-Jan-09	\$11.20	\$12.32	1	1,000,000
NCMKZG	Newcrest Mining Limited	29-Jan-09	\$22.50	\$24.75	1	1,000,000
BLDKZD	Boral Limited	11-Feb-09	\$2.05	\$2.26	1	1,000,000
ORIKZJ	Orica Limited	11-Feb-09	\$8.20	\$9.02	1	1,000,000
QANKZI	Qantas Airways Limited	11-Feb-09	\$1.28	\$1.41	1	1,000,000
SUNKZL	Suncorp-Metway Limited	11-Feb-09	\$4.00	\$4.40	1	1,000,000
SUNKZM	Suncorp-Metway Limited	11-Feb-09	\$3.50	\$3.85	1	1,000,000
AXAKZE	AXA Asia Pacific Holdings Limited	25-Feb-09	\$2.30	\$2.53	1	1,000,000
BXBKZG	Brambles Limited	25-Feb-09	\$3.30	\$3.63	1	1,000,000
MQGKZB	Macquarie Group Limited	25-Feb-09	\$12.00	\$13.20	1	1,000,000
QANKZJ	Qantas Airways Limited	25-Feb-09	\$1.09	\$1.29	1	1,000,000
BSLKZI	Bluescope Steel Limited	4-Mar-09	\$1.55	\$1.78	1	1,000,000

LLCKZJ	Lend Lease Corporation Limited	4-Mar-09	\$3.90	\$4.29	1	1,000,000
QBEKZK	QBE Insurance Group Limited	4-Mar-09	\$14.50	\$15.95	1	1,000,000
TOLKZH	Toll Holdings Limited	4-Mar-09	\$3.80	\$4.18	1	1,000,000
QBEKZF	QBE Insurance Group Limited	11-Mar-09	\$12.20	\$13.42	1	1,000,000
WDCKZG	Westfield Group	11-Mar-09	\$6.70	\$7.37	1	1,000,000
MQGKZD	Macquarie Group Limited	1-Apr-09	\$17.80	\$19.94	1	1,000,000
TLKZD	Telstra Corporation Limited	1-Apr-09	\$2.80	\$2.97	1	1,000,000
WPLKZJ	Woodside Petroleum Limited	1-Apr-09	\$32.00	\$35.20	1	1,000,000
AOEKZA	Arrow Energy Limited	22-Apr-09	\$1.25	\$1.50	1	250,000
AMPKZH	AMP Limited	29-Apr-09	\$4.20	\$4.41	1	1,000,000
AMPKZI	AMP Limited	29-Apr-09	\$3.70	\$3.89	1	1,000,000
ALLKZI	Aristocrat Leisure Limited	5-May-09	\$2.65	\$3.05	1	1,000,000
RIOKZE	Rio Tinto Limited	30-June-09	\$39.50	\$43.45	1	1,000,000
RIOKZF	Rio Tinto Limited	30-June-09	\$34.20	\$37.62	1	1,000,000
NUFKZB	Nufarm Limited	30-June-09	\$6.90	\$7.94	1	1,000,000

#### Summary Table of New MINIs

##### MINI LONG

Series	Underlying Shares	Issue Date	Initial Strike Price	Initial Stop Loss	Conversion Ratio	Issue Size

#### Summary Table of Existing MINIs

##### MINI SHORT

Series	Underlying Shares	Issue Date	Initial Strike Price	Initial Stop Loss	Conversion Ratio	Issue Size
FMGKZU	Fortescue Metals Group Ltd	2-Jul-08	\$14.50	\$13.05	1	5,000,000
WDCKZR	Westfield Group	30-Jul-08	\$21.50	\$20.43	1	5,000,000
ASXKZS	ASX Limited	13-Aug-08	\$44.00	\$41.80	1	3,000,000
OSTKZP	OneSteel Limited	27-Aug-08	\$8.30	\$7.47	1	5,000,000
RMDKZS	ResMed Inc.	17-Sep-08	\$7.60	\$7.22	1	5,000,000
JHXKZR	James Hardie Industries N.V.	1-Oct-08	\$6.40	\$6.08	1	2,000,000
QBEKZS	QBE Insurance Group Limited	1-Oct-08	\$35.90	\$34.11	1	2,000,000
WDCKZS	Westfield Group	1-Oct-08	\$22.75	\$21.61	1	2,000,000
COHKZQ	Cochlear Limited	9-Oct-08	\$75.00	\$67.50	1	1,000,000
WPLKZX	Woodside Petroleum Limited	22-Oct-08	\$45.00	\$40.50	1	1,000,000
AMCKZR	Amcor Limited	12-Nov-08	\$8.85	\$7.97	1	1,000,000
NCMKZW	Newcrest Mining Limited	24-Dec-08	\$46.00	\$41.40	1	1,000,000

BLDKZQ	Boral Limited	14-Jan-09	\$5.70	\$5.13	1	1,000,000
LEIKZQ	Leighton Holdings Limited	14-Jan-09	\$29.50	\$26.55	1	200,000
ANZKZT	Australia and New Zealand Banking Group Limited	1-Apr-09	\$23.00	\$21.16	1	1,000,000
BHPKZP	BHP Billiton Limited	1-Apr-09	\$44.00	\$40.48	1	1,000,000
CBAKZY	Commonwealth Bank of Australia	1-Apr-09	\$45.50	\$41.86	1	1,000,000
WBCKZV	Westpac Banking Corporation	1-Apr-09	\$26.00	\$23.92	1	1,000,000
WBCKZW	Westpac Banking Corporation	16-Apr-09	\$27.80	\$25.02	1	1,000,000
ABCKZP	Adelaide Brighton Limited	22-Apr-09	\$4.00	\$3.40	1	1,000,000
ABCKZP	OneSteel Limited	22-Apr-09	\$4.00	\$3.40	1	500,000
ABCKZP	Qantas Airways Limited	22-Apr-09	\$2.70	\$2.43	1	1,000,000
ABCKZP	Wesfarmers Limited	22-Apr-09	\$27.75	\$24.98	1	1,000,000
AWCKZR	Alumina Limited	5-May-09	\$3.00	\$2.40	1	1,000,000
RIOKZQ	RIO Tinto Limited	11-May-09	\$89.00	\$80.10	1	1,000,000
MQGKZV	Macquarie Group Limited	13-May-09	\$48.50	\$43.65	1	1,000,000
NWSKZR	News Corporation	13-May-09	\$18.00	\$16.20	1	1,000,000
WESKZS	Wesfarmers Limited	13-May-09	\$28.20	\$25.38	1	1,000,000
WESKZT	Wesfarmers Limited	13-May-09	\$30.45	\$27.41	1	1,000,000
WORKZR	WorleyParsons Limited	13-May-09	\$27.75	\$24.98	1	1,000,000
CBAKZZ	Commonwealth Bank of Australia	17-June-09	\$55.20	\$52.44	1	1,000,000
RIOKZR	Rio Tinto Limited	30-June-09	\$63.70	\$57.33	1	1,000,000
MQGKZW	Macquarie Group Limited	8-July-09	\$44.44	\$40.00	1	1,000,000

**Summary Table of New MINIS  
MINI SHORT**

Series	Underlying Shares	Issue Date	Initial Strike Price	Initial Stop Loss	Conversion Ratio	Issue Size
JBHKZP	JB Hi-Fi Limited	27-July-09	\$25.00	\$22.50	1	1,000,000
DJSKZP	David Jones Limited	27-July-09	\$7.00	\$6.30	1	1,000,000
HVNKZP	Harvey Norman Holdings Limited	27-July-09	\$5.00	\$4.50	1	1,000,000

If you have accessed an electronic version of this PDS, RBS will send a paper copy of the PDS to you free of charge upon request (see section 8.10 of PDS Part 2 for more information).

The Issuer has made an application to ASX Limited for the admission of new MINIs to quotation on ASX. Existing MINIs are quoted on the ASX.

### **Conversion Ratio**

For MINIs with a Conversion Ratio greater than 1 only, the value of the MINI will not move on a one-to-one basis but will move in proportion with the Conversion Ratio for price movements of the Underlying Share. Therefore the pricing components of a MINI with a Conversion Ratio greater than 1 are:

**Value of a MINI Long** = (Underlying Share price - Strike Price) / Conversion Ratio

**Value of a MINI Short** = (Strike Price - Underlying Share price) / Conversion Ratio

### **How to purchase MINIs:**

Please read PDS Part 1 and PDS Part 2 in entirety for further information. PDS Part 1 provides specific terms of this series of MINIs. PDS Part 2 provides more general information in relation to MINIs.

If you have accessed an electronic version of this PDS, RBS will send a paper copy of the PDS to you free of charge upon request. Please refer to the contact details below.

If you would like to purchase MINIs or for further information and current pricing please contact your financial adviser or RBS.

### **Change to Exercise Time**

For this Series of MINIs the Exercise Time will be 3:00pm instead of 5:00pm as stated in Part 2 of this PDS.



## **Change to name of ABN AMRO Australia Pty Limited**

ABN AMRO Australia Pty Limited hereby notifies all holders of warrants issued under the existing Product Disclosure Statement that effective as of 16th March 2009, the name of ABN AMRO Australia Pty Limited will have changed to "RBS Group (Australia) Pty Limited". All references to "ABN AMRO Australia Pty Limited" or "Issuer" in the Product Disclosure Statement or subsequent market announcements relating to the warrants should now be read as references to "RBS Group (Australia) Pty Limited".

Except as outlined above, no other part of the Product Disclosure Statement is affected.

## **About RBS**

The Royal Bank of Scotland (RBS) is one of the world's leading international banks providing a range of retail and corporate banking, financial markets, insurance and wealth management services.

In October 2007, RBS led a consortium that acquired ABN AMRO Holding N.V. including its major operating subsidiary, ABN AMRO Bank N.V. ("ABN AMRO"). As a result, ABN AMRO's Australian operations will be integrated with The Royal Bank of Scotland's Australian operations to produce a stronger business with greater corporate and investment banking capabilities.

In Australia, the ABN AMRO brand transitioned to RBS in March 2009. At the same time all subsidiaries in Australia with the ABN AMRO name also changed however ABN AMRO Bank N.V. remains in place until the consortium separates at a later date.

RBS Group (Australia) Pty Limited and its subsidiaries is a leading provider of corporate and investment banking products and services. RBS Group (Australia) Pty Limited works on some of the local market's largest and most complex transactions and infrastructure projects for our corporate, institutional and public sector clients.

## **No other information**

No circumstance has arisen and no other information has become available since the date of the Product Disclosure Statement that might materially affect an investor's assessment of the Issuer's capacity to fulfill the obligations specified in the Terms of Issuer, or the risks, rights and obligations associated with the Warrants.

## **Status of this document**

This Product Disclosure Statement is issued for the purposes of the Corporations Act. It is not a prospectus or other disclosure document lodged under Chapter 6D of the Corporations Act.

The ASX has not authorised or caused the issue of this Product Disclosure Statement, and takes no responsibility for the contents of this Product Disclosure Statement. In particular, the ASX had not formed a view as to whether this Product Disclosure Statement complies with the "reasonable investor" standard of disclosure contained in the ASX Market Rules, these matters being the responsibility of RBS Group (Australia) Pty Limited. The ASX makes no representation as to whether this Product Disclosure Statement complies with the Corporations Act or ASX Market Rules.

## **Further information**

RBS Group (Australia) Pty Limited and its related entities may conduct transactions as principal and as agent in various securities, including Warrants and underlying securities. To facilitate a market in Warrants, RBS Group (Australia) Pty Limited intends to issue to its nominee some or all of the Warrants remaining unissued during the Offer Period and later procure the sale of these Warrants into the market. These trading activities may affect (positively or negatively) the price at which the underlying securities or Warrants trade in the secondary market.

Copies of this Product Disclosure Statement may be obtained by contacting RBS on 1800 450 005.

You can also subscribe to the *RBS Round-Up* to get trading ideas and market information daily.

 To find out more contact your financial adviser, *or*  
*log on to* [www.rbs.com.au/warrants](http://www.rbs.com.au/warrants)

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# MINIs

**Supplementary Product Disclosure Statement**

**18 March 2009**

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# Supplementary product disclosure statement

This is a Supplementary Product Disclosure Statement to the attached Product Disclosure Statement (“PDS2”) (together “Product Disclosure Statement”) issued by ABN AMRO Australia Pty Limited (ABN 78 000 862 797, AFSL: 247013) (“Issuer”). This Supplementary Product Disclosure Statement is to be read together with the attached PDS1, PDS2 and any other Supplementary Product Disclosure Statement.

## Change to name of ABN AMRO Australia Pty Limited

ABN AMRO Australia Pty Limited hereby notifies all holders of warrants issued under the abovementioned Product Disclosure Statement that effective as of 18th March 2009, the name of ABN AMRO Australia Pty Limited will have changed to “RBS Group (Australia) Pty Limited”. All references to “ABN AMRO Australia Pty Limited” or “Issuer” in the Product Disclosure Statement or subsequent market announcements relating to the warrants should now be read as references to “RBS Group (Australia) Pty Limited”.

Except as outlined above, no other part of the Product Disclosure Statement is affected.

## About RBS

The Royal Bank of Scotland (RBS) is one of the world’s leading international banks providing a range of retail and corporate banking, financial markets, insurance and wealth management services.

In October 2007, RBS led a consortium that acquired ABN AMRO Holding N.V. including its major operating subsidiary, ABN AMRO Bank N.V. (“ABN AMRO”). As a result, ABN AMRO’s Australian operations will be integrated with The Royal Bank of Scotland’s Australian operations to produce a stronger business with greater corporate and investment banking capabilities.

In Australia, the ABN AMRO brand transitioned to RBS in March 2009. At the same time all subsidiaries in Australia with the ABN AMRO name also changed however ABN AMRO Bank N.V. remains in place until the consortium separates at a later date.

RBS Group (Australia) Pty Limited and its subsidiaries is a leading provider of corporate and investment banking products and services. RBS Group (Australia) Pty Limited works on some of the local market’s largest and most complex transactions and infrastructure projects for our corporate, institutional and public sector clients.

## No other information

No circumstance has arisen and no other information has become available since the date of the Product Disclosure Statement that might materially affect an investor’s assessment of the Issuer’s capacity to fulfill the obligations specified in the Terms of Issuer, or the risks, rights and obligations associated with the Warrants.

## Status of this document

This Supplementary Product Disclosure Statement is issued for the purposes of the Corporations Act. It is not a prospectus or other disclosure document lodged under Chapter 6D of the Corporations Act.

The ASX has not authorised or caused the issue of this Supplementary Product Disclosure Statement, and takes no responsibility for the contents of this Supplementary Product Disclosure Statement. In particular, the ASX had not formed a view as to whether this Supplementary Product Disclosure Statement complies with the “reasonable investor” standard of disclosure contained in the ASX Market Rules, these matters being the responsibility of RBS Group (Australia) Pty Limited. The ASX makes no representation as to whether this Supplementary Product Disclosure Statement complies with the Corporations Act or ASX Market Rules.

## Further information

RBS Group (Australia) Pty Limited and its related entities may conduct transactions as principal and as agent in various securities, including Warrants and underlying securities. To facilitate a market in Warrants, RBS Group (Australia) Pty Limited intends to issue to its nominee some or all of the Warrants remaining unissued during the Offer Period and later procure the sale of these Warrants into the market. These trading activities may affect (positively or negatively) the price at which the underlying securities or Warrants trade in the secondary market.

Applications for Warrants will only be accepted on the application form attached to the Product Disclosure Statement. Copies of this Product Disclosure Statement may be obtained by contacting RBS on 1800 450 005.



ABN·AMRO

EQUITY  
STRUCTURED  
PRODUCTS  
& WARRANTS

## PRODUCT DISCLOSURE STATEMENT

# ABN AMRO MINIS

This Product Disclosure Statement  
is provided in two parts:

**Part 1:** Key Commercial Terms ("*PDS 1*"); and

**Part 2:** General Information ("*PDS 2*"),  
(collectively referred to as "*PDS*")



**Warrant Issuer:**

ABN AMRO Australia  
PTY LIMITED  
ABN 78 000 862 797  
AFSL: 247013

**Broker to the Issuer:**

ABN AMRO Equities  
AUSTRALIA LIMITED  
ABN 84 002 768 701  
AFSL: 240530

**Guarantor of the Issuer:**

ABN AMRO Bank N.V.  
ABN 84 079 478 612

**ABN AMRO Australia Pty Limited  
is an authorised agent of  
The Royal Bank of Scotland plc.**

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ABN·AMRO

MINIs

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# PART 2 OF 2 GENERAL INFORMATION

ABN AMRO Australia Pty Limited: ABN 78 000 862 797

Dated: 10 December 2008

*PDS Part 2*

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This *PDS* offers one or more *Series* of *ABN AMRO MINIs*. "*MINIs*" is the name of the warrant issued by this *PDS*. The *MINI* is a warrant that has some of the characteristics of an over-the-counter contract for difference, with the added benefit of it being quoted on the ASX as a warrant.

The *Issuer* has applied to ASX Limited ("*ASX*") to admit the *MINIs* to trading.

Potential *investors* should read the entire *PDS* (which includes both Parts 1 and 2 of the *PDS* for each *Series* of *ABN AMRO MINIs*), before making any investment decision. Part 2 of the *PDS* should be read and construed in conjunction with Part 1 of the *PDS* for each *Series* of *ABN AMRO MINIs*.

The key commercial terms of the *ABN AMRO MINIs* offered under this *PDS* including the details of the *Underlying Shares* and *ASX* codes are set out in Part 1 of the *PDS* for the relevant *Series* and may be adjusted in accordance with the *Terms*. For each *Series* of *ABN AMRO MINIs*, Part 1 of the *PDS* will be re-issued and must be read in conjunction with Part 2 of the *PDS*.

Part 2 of the *PDS* sets out the general information relevant to the *ABN AMRO MINIs*, including the description of the *MINIs*, risks and benefits associated with *ABN AMRO MINIs*, tax considerations and a description of the *Issuer*.

In addition, if further *ABN AMRO MINIs* are admitted to trading status by the ASX upon an application from *ABN AMRO Australia Pty Limited* ("*ABN AMRO*"), the *Issue Size* under this *PDS* may increase.

No *ABN AMRO MINI* will be issued on the basis of this *PDS* after the offer closes. The *Issuer* reserves the right to close the offer or any or all *Series* of *ABN AMRO MINIs* at an earlier time without prior notice.

The meaning of any term appearing in this *PDS* in italics is explained in the section "*Interpretation of this PDS*".

# SECTION 1: IMPORTANT INFORMATION

## Preparation of PDS

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## No Representation

Nothing in this *PDS* is, or may be relied upon as, a representation or promise as to the financial performance of the *ABN AMRO MINIs* or the business or financial affairs of *ABN AMRO* or the *Guarantor*.

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This *PDS* is not an offer or invitation in relation to *ABN AMRO MINIs* in any place in which, or to any person to whom, it would not be lawful to make that offer or invitation. The distribution of this *PDS* outside Australia may be restricted by the laws of places where it is distributed and therefore persons into whose possession this *PDS* comes should seek advice on and observe those restrictions. Failure to comply with relevant restrictions may violate those laws. *ABN AMRO MINIs* have not been, and will not be, registered under the *Securities Act 1933* (United States of America) and may not be offered or sold in the United States of America or to a citizen or resident of, or entity created under the laws of, the United States of America or to any other person or entity within the definition of the term "US Person" under Regulation S promulgated under the *Securities Act 1933*.

## Status of PDS

This *PDS* is dated 10 December 2008 and has been prepared by *ABN AMRO*. This *PDS* has not been lodged with *ASIC* and is not required by the *Corporations Act* to be lodged with *ASIC*. *ABN AMRO* will notify *ASIC* that this *PDS* is in use in accordance with section 1015D of the *Corporations Act*. *ASIC* and the *ASX* take no responsibility for the contents of this *PDS* or for the *ABN AMRO MINIs*.



## SECTION 2: PRODUCT FEATURES

### 2.1 What are ABN AMRO MINIs?

ABN AMRO MINIs are a new form of ASX quoted warrant which:

- (a) have some characteristics of an over-the-counter contract for difference because they provide leveraged participation to movements in the price of an *Underlying Share* without any maturity restriction; and
- (b) have the characteristics of a warrant because they can be traded on ASX like a warrant and can be exercised.

Like a Contract-For-Difference or *CFD*, investors can participate in the movement of an *Underlying Share* on a one-to-one basis (delta one) for a fraction of the price. However, unlike traditional derivative products such as warrants and options, ABN AMRO MINIs are not exposed to esoteric factors such as option volatility and dividend assumptions commonly used in their models. This is because the price of the ABN AMRO MINI is based on a simple relationship between the *Underlying Share price* and the *Strike Price* (see the section "How do ABN AMRO MINIs work?" in section 2.4). There are two types of MINIs – the MINI Long and the MINI Short. *MINI Longs* enable leveraged participation in rising markets (it provides the same economic performance as owning the *Underlying Share*) and *MINI Shorts* enable leveraged participation in falling markets (they provide the same economic performance as selling or shortselling a share). In the rest of this PDS, a reference to MINI includes both a MINI Long and a MINI Short. If a particular aspect affects only one MINI type, the PDS will differentiate between the two.

Importantly, the leverage incorporated in a ABN AMRO MINI is limited recourse and features a *Stop Loss Level* which ensures that the value of the MINI can never be negative. This gives the *Holder* peace of mind in knowing that there will never be any more to pay beyond the amount a *Holder* paid to acquire the MINI. Please refer to section 2.8 for more detail on *Stop Loss Levels*.

The leverage incorporated in a MINI incurs a cost, specifically the *Funding Costs* (please refer to section 7.4). These costs are calculated daily and added to the *Strike Price* before trading opens each day. That is *Funding Costs* are not charged intra-day. This makes MINIs an excellent tool for day traders.

### 2.2 Can I trade MINIs?

Yes, you can. ABN AMRO has applied to ASX to admit the MINIs to trading. This means you can buy and sell MINIs on ASX in the same way as any other warrant or shares.

### 2.3 Can I exercise a MINI?

Yes you can. A Holder can exercise the MINI (please refer to section 2.9) and, for both a *MINI Long* and *MINI Short*, receive a cash payment (for *Cash Settlement*).

### 2.4 How do ABN AMRO MINIs work?

An ABN AMRO MINI is a quoted warrant which tracks the price of an *Underlying Share*. Therefore, if you think that an *Underlying Share* price will go up, you may decide to buy a *MINI Long*. On the other hand, if you think an *Underlying Share* price will go down, you may decide to buy a *MINI Short*.

To buy a MINI, you must place an order with your broker in the same way as for any other warrants, and you must pay the *Capital Outlay*. The *Capital Outlay* is the price of the MINI and is the difference between the market price of a *Underlying Share* and the *Strike Price* of a *MINI Long* (or *vice versa* for a *MINI Short*), but not less than zero. The *Strike Price* (or **Financing Level**) is the portion of the underlying market price that ABN AMRO funds for a MINI Long or "pays" for a MINI Short, (in other words, it is the leverage incorporated into the MINI) Holders can choose between different *Strike Prices*, providing different levels of leverage.

Therefore, the pricing components of a MINI are:

- Value of a *MINI Long* or *Capital Outlay* = *Underlying Share price* – *Strike Price* = *Intrinsic Value*
- Value of a *MINI Short* or *Capital Outlay* = *Strike Price* – *Underlying Share price* = *Intrinsic Value*

During the course of a trading day, you should monitor the *Underlying Share* price and the price of your MINI. If you do not wish your MINI to be adjusted for a *Funding Cost*, you will then sell your MINI before close of trading on that day because a *Funding Cost* is not incurred if you buy and sell a MINI intra-day.

If, on the other hand, you decide to keep your MINI until the next *Trading Day*, the *Funding Cost* will be added to the *Strike Price* before trading opens the next day to reflect the daily *Funding Cost* for that MINI. As such, the *Strike Price* will change daily. However, this has a different meaning depending upon whether you hold a *MINI Long* or a *MINI Short*.

If you hold a *MINI Long*, then the addition of the *Funding Cost* to the *Strike Price* means your *MINI Long* is slightly less in the money for you because the amount of leverage in the *MINI Long* has been increased to reflect the *Funding Costs*. In other words, the value of your *MINI Long* or the *Capital Outlay* you paid has been reduced by the amount of the *Funding Cost*.

**Worked example: MINI Long**

Underlying Share Price: \$10  
 Strike Price: \$5  
 Funding Cost per day: \$0.0014 (Interest Rate of 10.25% p.a.)

**On Day 1**

an investor buys a MINI Long:  
 Value of MINI Long or Capital Outlay = \$10 - \$5 = \$5

**On Day 2**

Strike Price = \$5 + \$0.0014 = \$5.0014  
 Value of MINI Long or Capital Outlay = \$10 - \$5.0014 = \$4.9986

That is, if an investor holds a MINI Long until the next day, that investor incurs a Funding Cost which reduces the value of the MINI Long the investor holds.

A new investor on Day 2, on the other hand, does not incur the Funding Cost because the new investor pays the lesser MINI Value (or Capital Outlay). If this second investor sells the MINI Long intra-day, the Funding Cost will not be incurred.

If you hold a *MINI Short*, on the other hand, then the addition of the *Funding Cost* to the *Strike Price* is the same, economically, as *ABN AMRO* is paying the *Funding Cost* to you. In other words, the *MINI Short* is slightly more in the money for you because *ABN AMRO* has "paid" an amount equal to the daily interest charge to you. So the value of your *MINI Short* or your *Capital Outlay* has been increased by the amount of the *Funding Cost*.

**Worked example: MINI Short**

Underlying Share Price: \$10  
 Strike Price: \$15  
 Funding Cost per day: \$0.0003 (Interest Rate of 2.25%p.a.)

**On Day 1**

an investor buys a MINI Short:  
 Value of MINI Short or Capital Outlay = \$15 - \$10 = \$5

**On Day 2**

Strike Price = \$15 + \$0.0003 = \$15.0003  
 Value of MINI Short or Capital Outlay = \$15.0003 - \$10 = \$5.0003

That is, if an investor holds a MINI Short until the next day, the investor "receives" the payment of the Funding Cost as a benefit from ABN AMRO because the value of the MINI Short has increased.

A new investor on Day 2, on the other hand, does not receive the benefit of the Funding Cost paid by ABN AMRO because the new investor pays the higher MINI Short Value (or Capital Outlay).

Information regarding *Strike Price* changes will be released on the ASX company announcement platform and are available daily on [www.abnamro.com.au/warrants](http://www.abnamro.com.au/warrants)

2.5 Calculation of Funding Costs

*Funding Costs* are the costs paid by an investor to acquire or hold a MINI Long for more than one Trading Day or the costs "paid" by ABN AMRO to an investor who holds a MINI Short for more than one day. Funding Costs are calculated by reference to the *Interest Rate p.a* Funding Costs are not charged intra-day (that is, if you buy and sell a MINI on the same day). This means the Strike Price does not change during a Trading Day. We will announce a new *Interest Rate p.a* via the ASX company announcement platform and on our website at [www.abnamro.com.au/warrants](http://www.abnamro.com.au/warrants) before the open of trading on the ASX each day. *Funding Costs* are calculated in accordance with the following formula:

$$\text{Funding Costs per day: } \frac{\text{Interest Rate p.a} \times \text{Strike Price}}{365 \text{ days}}$$

Please be aware that at certain times during a week, the Strike Price reported by ABN AMRO for that day may reflect more than one day's Funding Costs. This is because a MINI incurs a Funding Cost on each day. However, the ASX is not open for trading on each day so it is not possible to report the daily Funding Cost every day when quoting the Strike Price. For example, the ASX is closed over the weekend so when the market re-opens on a Monday, the Strike Price will incorporate 3 day's Funding Costs (being the previous Friday, Saturday and Sunday). Public holidays will have a similar impact. However, this is smoothed out during each week so that if you held a MINI Long for a full week, you would incur only 7 days worth of Funding Cost. ABN AMRO announces the new Strike Price each day before the open of trading on ASX so investors will be aware if more than one day's Funding Cost has been added to that Strike Price and applicable Interest Rate p.a. each day before the open of trading on ASX so investors can calculate if more than one day's Funding Cost has been added to the Strike Price. Please be aware that the Funding Cost may in certain circumstances, be adversely affected by additional costs incurred by the Issuer. Please refer to "Factors affecting the Funding Cost" below and Section 3.14 in Risks for more information.

**Worked Example: MINI Long**

Interest Rate p.a.:	9.0%
Current Strike Price:	\$20.00
Conversion Ratio:	1:1
Funding Cost per day	= (0.09 x 20.00)/365
	= \$0.0049
New strike:	= \$20.0049

**Worked Example: MINI Short**

Interest Rate p.a.:	3.0%
Current Strike Price:	\$20.00
Conversion Ratio:	1:1
Funding Cost per day:	(0.03 * 20.00)/365
	= \$0.0016
New strike:	= \$20.0016

**Factors affecting the Funding Cost:**

The Funding Cost is the cost or charge imposed by the Issuer on the investor for making the a MINI Long available (or "paid" to the investor by ABN AMRO for a MINI Short) if the investor holds the MINI for more than one day.

The Interest Rate p.a., and therefore the Funding Cost, is affected by the costs incurred by the Issuer in providing the MINI. These costs may not be ABN AMRO's costs for one Trading Day only (or even for 3 days), but may in fact reflect ABN AMRO's costs for a much longer period. These costs are reflected in the Interest Rate p.a. which in turn forms part of, and impacts, the Funding Cost calculation.

The Interest Rate p.a. is a variable rate that changes daily and is therefore not disclosed in this PDS. The Interest Rate p.a. can be affected by, amongst other things:

- the prevailing levels of the RBA Cash Rate Target;
- interest rate levels in the money market;
- the Issuer's costs in market-making for the MINI;
- the volatility and liquidity of the underlying securities;
- the volatility, liquidity and costs associated with the Issuer's hedging arrangements;

- risk management costs of the Issuer;
- resourcing costs of the Issuer.

In general, if the MINIs trade in the manner intended by the Issuer under normal market trading conditions (and as described in this PDS), then the Interest Rate p.a. will mainly be affected by the prevailing RBA Cash Rate Target and interest rate levels in the money market.

In general, an increase in market interest rates will increase the Interest Rate p.a. For MINI Shorts, the Interest Rate p.a. is also affected by conditions in the stock loan market for the relevant underlying. In general, higher stock borrow rates mean a lower Interest Rate p.a. Please refer to the table in section 3.3 for how these factors affect the Interest Rate p.a. It is possible, depending on market conditions and the manner in which MINIs are traded, that the Issuer may incur greater costs in making the MINI available. If this occurs, the Issuer has the absolute discretion to increase (including substantially increase) the Interest Rate p.a. applicable to a MINI Long which will adversely impact the Funding Cost and therefore the Strike Price for a MINI Long. Likewise, the Issuer has the absolute discretion to decrease (including substantially decrease) the Interest Rate p.a. applicable to a MINI Short which will adversely impact the Funding Cost an investor holding a MINI Short receives and also the Strike Price for a MINI Short. Please note that as the Interest Rate p.a. is incorporated into the daily Strike Price, and given that both the Strike Price and the Interest Rate p.a. are announced by ABN AMRO, an investor will know what the total cost of the MINI is before they buy it (assuming the investor holds the MINI intra-day or sells it on the next day. As the Interest Rate p.a. is variable, the Strike Price for the MINI will vary from day to day).

**2.6 Trading MINIs on the ASX**

Set out below are examples demonstrating how a MINI may be traded from day to day. These are examples for the purpose of better illustrating how a MINI works. They are not forecasts or indicators of future performance.

Example of a BHP MINI Long							
Action	Units	Share Price	Strike Price	MINI Price	Stop Loss Level	Profit/[Loss]	% Return
BUY	1000	\$25.00	\$22.00	\$3.00	\$22.50		
BHP rises to \$26.00							
SELL (same Day)	1,000	\$26.00	\$22.00	\$4.00	\$22.50	\$1.00	33.33%
SELL (2 weeks)	1,000	\$26.00	\$22.08	\$3.92	\$22.50	\$0.92	30.67%
BHP Falls to \$24.00							
SELL (same Day)	1,000	\$24.00	\$22.00	\$2.00	\$22.50	-\$1.00	-33.33%
SELL (2 weeks)	1,000	\$24.00	\$22.08	\$1.92	\$22.50	-\$1.08	-36.00%

The first line in the table above shows a position of 1,000 BHP *MINI Longs*, purchased because a *Holder* expects the BHP price to increase. The *MINI Long* is purchased for a price (ie *Capital Outlay*) of \$3.00 when the BHP shares were trading at \$25.00. The *Strike Price* (ie leverage) of the *MINI* is \$22.00, with a *Stop Loss Level* at \$22.50.

The second line shows the outcome of a \$1.00 increase in the price of BHP shares, and assumes the *Holder* sells their BHP *MINI Longs* on the same day of the purchase. The *MINI* price has increased to \$4.00 (reflecting the \$1.00 increase in the underlying BHP share), and the *Strike Price* and *Stop Loss Levels* are unchanged. The sale of 1,000 *MINIs* at \$4.00 has realised a \$1,000 profit (1000\*(\$4.00 – \$3.00)).

The third line shows the outcome of a \$1.00 increase in the price of BHP shares, and assumes the *Holder* sells their BHP *MINI Longs* two weeks after the date of purchase. The *Strike Price* has increased to \$22.08, to reflect the addition of two weeks *Funding Costs* on the initial \$22.00 strike. The *MINI* price has increased to \$3.92 (reflecting the \$1.00 increase in the underlying BHP share,

less the 8c increase in the *Strike Price*). The sale of 1000 *MINIs* at this point at \$3.92 would realise a \$920 profit (1000\*(\$3.92 - \$3.00)).

It is then assumed that BHP falls to \$24.00.

The fourth line shows the outcome of a fall in the price of BHP shares to \$24.00, and assumes the *Holder* sells their BHP *MINI Longs* on the same day of the purchase. The *MINI* price has decreased to \$2.00 (reflecting the \$1.00 decrease in the underlying BHP share), and the strike and *Stop Loss Levels* are unchanged. The sale of 1,000 *MINIs* at \$2.00 has realised a \$1,000 loss (1000\*(\$2.00 – \$3.00)).

The fifth line shows the outcome of a fall in the price of BHP shares to \$24.00, and assumes the *Holder* sells their BHP *MINI Longs* two weeks after the date of purchase. The *Strike Price* has increased to \$22.08, to reflect the addition of two weeks *Funding Costs* on the initial \$22.00 strike. The *MINI* price has decreased to \$1.92 (reflecting the \$1.00 decrease in the underlying BHP share, less the 8c increase in the *Strike Price*). The sale of 1,000 *MINIs* at \$1.92 has realised a \$1,080 loss (1000 \* (\$1.92 – \$3.00)).

**Example of a BHP MINI Short**

Action	Units	Share Price	Strike Price	MINI Price	Stop Loss Level	Profit/[Loss]	% Return
BUY	1000	\$25.00	\$28.00	\$3.00	\$27.50		
<b>BHP falls to \$24.00</b>							
SELL (same Day)	1,000	\$24.00	\$28.00	\$4.00	\$27.50	\$1.00	33.33%
SELL (2 weeks)	1,000	\$24.00	\$28.03	\$4.03	\$27.50	\$1.03	34.33%
<b>BHP rises to \$26.00</b>							
SELL (same Day)	1,000	\$26.00	\$28.00	\$2.00	\$27.50	-\$1.00	-33.33%
SELL (2 weeks)	1,000	\$26.00	\$28.03	\$2.03	\$27.50	-\$0.97	-32.33%

The first line in the table above shows a position of 1,000 BHP *MINI Shorts*, purchased because a *Holder* expects the BHP price to fall. The *MINI Short* is purchased for a price of \$3.00 where the underlying BHP shares were trading at \$25.00. The *Strike Price* of the *MINI* is \$28.00, with a *Stop Loss Level* at \$27.50.

The second line shows the outcome of a \$1.00 decrease in the price of BHP shares, and assumes the *Holder* sells their BHP *MINI Shorts* on the same day of the purchase. The *MINI* price has increased to \$4.00 (reflecting the \$1.00 decrease in the BHP share), and the *Strike Price* and *Stop Loss Levels* are unchanged. The sale of 1,000 *MINIs* at \$4.00 has realised a \$1,000 profit (1000\* (\$4.00 – \$3.00)).

The third line shows the outcome of a \$1.00 decrease in the price of BHP shares, and assumes the *Holder* sells their BHP *MINI Shorts* two weeks after the date of purchase. The *Strike Price* has increased to \$28.03,

to reflect the addition of two weeks *Funding Costs* on the initial strike of \$28.00. The *MINI* price has increased to \$4.03 (reflecting the \$1.00 increase in the underlying, plus the 3c increase in the *Strike Price*). The sale of 1,000 *MINIs* at \$4.03 has realised a \$1,030 profit (1000 \* (\$4.03 – \$3.00)).

The fourth line shows the outcome of a \$1.00 increase in the price of the underlying BHP share, and assumes the *Holder* sells their BHP *MINI Shorts* on the same day as the purchase. The *MINI* price has decreased to \$2.00 (reflecting the \$1.00 increase in the underlying BHP share), and the strike and *Stop Loss Levels* are unchanged. The sale of 1,000 *MINIs* at \$2.00 has realised a \$1,000 loss (1000\*(\$2.00 – \$3.00)).

The fifth line shows the outcome of a \$1.00 increase in the price of the underlying BHP share, and assumes the *Holder* sells their BHP *MINI Shorts* two weeks after the date of purchase. The *Strike Price* has increased to

\$28.03, to reflect the addition of two weeks *Funding Costs* on the initial strike of \$28.00. The *MINI* price has decreased to \$2.03 (reflecting the \$1.00 decrease in the underlying, plus the 3c increase in the *Strike Price*. The sale of 1,000 *MINIs* at \$2.03 has realised a \$970 loss (1000\*(\$2.03-\$3.00)).

## 2.7 Dividends Payments

*Holder*s do not receive the dividend. *Holder*s can take comfort in the knowledge that the price at which their *MINI* trades on *ASX* is unaffected by dividends and does not fluctuate on ex-dividend dates of the *Underlying Shares*. If the *Underlying Share* begins trading ex-dividend, the *Strike Price* will be decreased by the dividend amount for both *ABN AMRO MINI Longs* and *MINI Shorts*.

### Example of a underlying share going ex-dividend

Action	Share Price	Dividend	Strike Price	Stop Loss Level	MINI Price
<b>Longs...</b>					
Cum-Dividend	\$25.00	\$0.20	\$22.00	\$22.50	\$3.00
Ex-Dividend	\$24.80	ex-div	\$21.80	\$22.50	\$3.00
<b>Shorts...</b>					
Cum-Dividend	\$25.00	\$0.20	\$28.00	\$27.50	\$3.00
Ex-Dividend	\$24.80	ex-div	\$27.80	\$27.50	\$3.00

In the *MINI Long* example, the *MINI* has a *Strike Price* of \$22.00. The *Underlying Share* goes ex a 20c dividend. The *Strike Price* is decreased by 20c to \$21.80 to reflect the value of the dividend, making the *MINI Long* more "in-the-money" (because the *Strike Price* you pay if you exercise is 20c less). However, all other things being equal, the share price would also be expected to decrease by 20c, that is, the amount you receive if you exercise will be unchanged, therefore negating the "more in-the-money" effect, and therefore the price at which the *MINI Long* trades remains unchanged at \$3.00. As a result, the *MINI* price is unaffected by dividends.

In the *MINI Short* example, the *MINI* has a *Strike Price* of \$28.00. The *Underlying Share* goes ex a 20c dividend. The *Strike Price* is decreased by 20c to \$27.80 to reflect the value of the dividend, making the *MINI Short* less "in-the-money" (because if you exercise the *MINI Short*, the amount you receive from *ABN AMRO* is 20c less). However, all other things being equal, the share price would also be expected to decrease by 20c, that is, the amount if you exercise the *MINI Short* will be unchanged, therefore negating the "less in-the-money" effect, and therefore the price at which the *MINI* trades remains unchanged at \$3.00.

Changes to any *Strike Prices* for both *MINI Long* and *MINI Short* will be made on the *ASX* company platform.

Please refer to the section 3 "Risks" for detail on what happens if the share price does not fall by the same amount as the dividend. Please also refer to the section "What about exercise?" below for more detail on exercising the *MINIs*.

Dividends will also affect the *Stop Loss Level*. Please refer to the sections below on the effect of dividend payments on the *Stop Loss Levels*.

## 2.8 Stop Loss

*ABN AMRO MINIs* feature a *Stop Loss Level* which ensures that the value of the *MINI* can never be negative. It ensures that in a worst case scenario, a *Holder* can never lose more than their initial *Capital Outlay* and *ABN AMRO* will never request additional payments, like margin calls, from *Holder*s.

The initial *Stop Loss Level* is set before the *MINIs* are issued and is disclosed in PDS Part 1. Thereafter, on the first trading day of every month (the **Stop Loss Reset Date**) the *Stop Loss Level* is updated to reflect where the value of the *Underlying Share* is trading. This information is available daily on the *ABN AMRO* warrants website at [www.abnamro.com.au/warrants](http://www.abnamro.com.au/warrants) and announced on the *ASX* company platform.

The *Stop Loss Level* is set at a certain level below the *Strike Price* for *MINI Shorts* and above the *Strike Price* for *MINI Longs*. Once the *Stop Loss Level* is reached, trading in the Series is halted, the *Remaining Value* is determined and *Holder*s can then sell back to *ABN AMRO* at the *Remaining Value*. *Holder*s should be aware that the minimum *Remaining Value* that they may receive may be zero. Should the *Remaining Value* be less than zero, *ABN AMRO* will meet any additional liability.

Factors that may influence where the *Stop Loss Level* is set are as follows:

- *Underlying Share* price
- *MINI Strike Price*
- Difference between *MINI Strike Price* and *Underlying Share* price
- Historical volatility of the *Underlying Share*.
- Estimated size and timing of future dividends applicable to the *Underlying Share*.

An example of this for a share of moderate historical volatility might be as follows:

- *Underlying Share* spot price: \$25.00
- *MINI Long Strike Price*: \$22.00
- *MINI Short Strike Price*: \$28.00
- *MINI Long Stop Loss Level*: = \$22.50
- *MINI Short Stop Loss Level*: = \$27.50



If there happens to be a dividend forecast to be paid before the next *Stop Loss Reset Date*, then this will be taken into account before the *Stop Loss Level* is set. For example, assuming that in the above example a dividend of \$0.20 was due or forecast to be paid before the next *Stop Loss Reset Date*, this would already be accounted for in the *Stop Loss Levels*.

If a dividend is not taken into account as set out above, *ABN AMRO* will reduce the *Stop Loss Level* by the amount of the dividend on the relevant dividend ex-date because the *Underlying Share* price will decrease by the amount of the dividend.

*MINI Long Stop Loss Level*: \$22.50 - \$0.20 = \$22.30

*MINI Short Stop Loss Level*: \$27.50 - \$0.20 = \$27.30

*Stop Loss Levels* may be different for different *Underlying Shares* and may differ for *MINI Long* and *MINI Shorts* pertaining to the same *Underlying Share*.

As soon as the *Underlying Share* reaches or trades through the *Stop Loss Level*, trading in the *MINI* series is halted. Whilst *MINI* trading is halted, *ABN AMRO* closes out the hedge corresponding to the halted *MINIs*. Trading in the affected *MINI* series will recommence at 2pm (Sydney time) on the *Trading Day* immediately following the day on which the affected *MINIs* are suspended. Trading will continue until close of trading on the next following Business Day, allowing *Holder*s to sell their position at the Intrinsic Value of the *MINI* based on the average price that *ABN AMRO* achieves during the unwind of its hedge – called the “**Remaining Value**”. Otherwise if the *Holder* does not sell their *MINIs* back to *ABN AMRO* on market, the *Remaining Value* is transferred to the *Holder* within ten Business Days. The calculations applicable to determining the *Remaining Value* payable (provided that it is greater than zero) upon the occurrence of a *Stop Loss Event* are set out below.

Example of a Stop Loss Trigger –MINI Longs					
Action	Underlying Share	Current Share Price	Strike Price	Stop Loss Level	MINI Price
BUY	BHP	\$25.00	\$22.00	\$22.50	\$3.00
Day 1	BHP announces a profit warning. At 11am on Day 1, BHP falls below the Stop Loss Level of \$22.50				
Day 1 at 11am	BHP MINI Long trading is halted				
Rest of Day 1	ABN AMRO unwinds its hedge by selling BHP shares and achieves an average sale price of \$22.30 (the Stop Loss Termination Price)				
Day 2 at 2.00pm	Trading in BHP MINI Long re-commences but Holder can only sell to ABN AMRO at the Remaining Value				
Day 3 at 4pm	Trading in the BHP MINI Long ceases				
Action	Underlying Share	Strike Price	Stop Loss Termination Price	Remaining Value	Loss on Trade
Close-out	BHP	\$22.00	\$22.30	\$0.30	-\$2.70

**MINI Longs**

$$Remaining\ Value = [(Stop\ Loss\ Termination\ Reference\ Price - Current\ Strike\ Price) / Conversion\ Ratio] \text{ less Expenses.}$$

Assuming *Expenses* are zero and the *Conversion Ratio* is 1:1, the calculation for the above example is:

$$Remaining\ Value = (22.30 - 22.00)/1 = \$0.30 \text{ per } MINI$$

**Example of a Stop Loss Trigger –MINI Shorts**

Action	Underlying Share	Current Share Price	Strike Price	Stop Loss Level	MINI Price
BUY	BHP	\$25.00	\$28.00	\$27.50	\$3.00
Day 1	BHP announces a profit upgrade. At 1pm on Day 1, BHP rises above the Stop Loss Level of \$27.50				
Day 1 at 11am	BHP MINI Short trading is halted				
Rest of Day 1	ABN AMRO unwinds its hedge by buying BHP shares and achieves an average purchase price of \$27.70 (the Stop Loss Termination Price)				
Day 2 at 2.00pm	Trading in BHP MINI Short re-commences but Holder can only sell to ABN AMRO at the Remaining Value				
Day 3 at 4pm	Trading in BHP MINI Short ceases				
Action	Underlying Share	Strike Price	Stop Loss Termination Price	Remaining Value	Loss on Trade
Close-out	BHP	\$28.00	\$27.70	\$0.30	-\$2.70

**MINI Shorts**

$Remaining\ Value = [(Current\ Strike\ Price - Stop\ Loss\ Termination\ Reference\ Price) / Conversion\ Ratio]$  less Expenses.

Assuming Expenses are zero and the Conversion Ratio is 1:1, the calculation for the above example is:

$$Remaining\ Value = (28.00 - 27.70) / 1 = \$0.30\ per\ MINI$$

Note: the share price may fall (for a MINI Long) or rise (for a MINI Short) to such a point that the Stop Loss Termination Reference Price is equal to or less than (for a MINI Long) or equal to or more than (for a MINI Short) the Strike Price. If this happens, the Remaining Value will be deemed zero (even if it is negative) and Holders will lose their entire Capital Outlay without recouping anything. However, Holders will not lose more than their Capital Outlay.

If a Holder fails to sell an affected MINI back to ABN AMRO during the trading window following a Stop Loss Event, the Holder will receive the Remaining Value within 10 Business Days of the halt of trading in the MINI. The MINI also expires at this time.

**2.9 What about exercise of the MINI?**

ABN AMRO MINIs are American style instruments. That is, they can be exercised at any time. Since they have no fixed expiry date, MINIs have the quality of being an open-ended financial product for the purposes of trading. As a result, MINIs are low maintenance leveraged investments minimising the hassles of expiries and rollovers.

If you wish to Exercise your MINI, you must provide an Exercise Notice to the Issuer which specifies the number of MINIs you wish to Exercise. Please note that only Cash Settlement of the MINIs you Exercise is permitted. You cannot Exercise a MINI if a Stop Loss Level has been triggered or an Extraordinary Event has occurred.

NOTE: Holders wishing to Exercise must contact ABN AMRO on 1800 450 005 to lock in the Strike Price for their Exercise, and obtain an Exercise Reference Number as contained in clause 8.4(b) of the terms.

An Exercise Notice given to ABN AMRO cannot be revoked and MINIs cannot be traded after an Exercise Notice has been given.

ABN AMRO will only accept a valid Exercise Notice. Please refer to clauses 8.4 of the Terms for when an Exercise Notice is effective. It requires, amongst other things, that:

- (a) the Holder exercises as a minimum the number of MINIs specified in the Conversion Ratio or a multiple of it;
- (b) the MINIs exercised have not terminated by the time the Exercise Notice is given.

If you exercise a MINI you will receive:

- (a) for a MINI Long:  

$$\frac{(Final\ Reference\ Price - Current\ Strike\ Price)}{Conversion\ Ratio} - Expenses:$$
- (b) for a MINI Short:  

$$\frac{(Current\ Strike\ Price - Final\ Reference\ Price)}{Conversion\ Ratio} - Expenses:$$

where:

**Final Reference Price** is the official closing price of the underlying share at the close of trading on the Expiry Date as determined by ABN AMRO; and

**Current Strike Price** is the Strike Price on the Expiry Date; and

**Expenses** are any incidental costs including unwinding of hedging arrangements, Transfer Taxes or other expenses incurred by ABN AMRO. These costs and expenses may be up to 20% of the amount you receive.

Factors that may influence the determination of Expenses are market volatility and/or illiquidity in the Underlying Share. As each of these increase, whether individually or simultaneously, the Expenses that ABN AMRO incur are likely to rise impacting the Cash Amount an investor receives following lodging an Exercise Notice.

**For example, if, for a MINI Long:**

Final Reference Price for an XYZ Share is \$20  
 Current Strike Price is \$15  
 Conversion Ratio is 1  
 Expenses are 20% of the amount you receive (or \$1.00)  
 Then, for a MINI Long, you would receive  $(\$20 - \$15) - \$1 = \$4$  per MINI

**Or, for MINI Short:**

Final Reference Price for XYZ Share is \$20  
 Current Strike Price is \$23  
 Conversion Ratio is 1  
 Expenses are 20% of the amount you receive (or \$0.60)  
 Then for a MINI Short, you would receive  $(\$23 - \$20) - \$0.60 = \$2.40$  per MINI

## 2.10 What do I get if exercise the MINI?

If you exercise a MINI you will receive;

(a) for a MINI Long:

$$\frac{(\text{Final Reference Price} - \text{Current Strike Price})}{\text{Conversion Ratio}} - \text{Expenses:}$$

(b) for a MINI Short:

$$\frac{(\text{Current Strike Price} - \text{Final Reference Price})}{\text{Conversion Ratio}} - \text{Expenses:}$$

## 2.11 When do MINIs expire?

A MINI will expire:

- (a) 10 Business Days after the MINI trading ceases following a *Stop Loss Event*;
- (b) if an *Extraordinary Event* occurs (please refer to the section "Interpretation of this PDS" section and the *Terms* for a full list of *Extraordinary Events*);
- (c) if ABN AMRO gives *Holder*s at least one calendar month's notice of its intention to terminate (but

ABN AMRO cannot give such a notice until 3 months after the *Issue Date*); or

- (d) if a *Holder Exercises* the MINI, that *Holder*s MINIs expire on the *Settlement Date*.

If a MINI expires under paragraph (a) above, the *Holder* will receive the *Remaining Value* (please refer to *Stop Loss Event* above). If a MINI expires under paragraphs (b) or (c) above, the *Holder* will receive the *Cash Amount* calculated by reference to the formula set out in the *Terms* (please refer to clause 5.2(b)) and Section 5 "Frequently Asked Questions".

## 2.12 Who should trade ABN AMRO MINIs?

ABN AMRO MINIs may be suitable for;

Day traders – what makes ABN AMRO MINIs unique is that *Funding Costs* are only relevant to the extent that they are utilised and are calculated daily. As a result intra-day trades do not attract *Funding Costs*, so leverage is virtually free of charge for day traders. Additionally, *Funding Costs* are not paid upfront but instead they are charged on a daily basis via incremental *Strike Price* changes.

Speculators – The leveraging effect of ABN AMRO MINIs may make them an attractive trading instrument for speculators. Investors are able to gain 100% tracking exposure to an underlying share for only a fraction of the price without putting more than their initial capital at risk.

Portfolio protection – *MINI Shorts* can be used as effective insurance for a portfolio enabling investors to lock in profits gained from their shareholding without having to sell out of that holding. Since ABN AMRO MINIs have no maturity restriction, they may be used as part of a longer term portfolio hedging strategy.

## 2.13 What are the benefits of ABN AMRO MINIs?

- Simpler than over-the-counter *CFD*'s - they are traded as warrants on the market operated and supervised by the ASX.
- No maturity date thus minimising the concerns of rollovers or exercises.
- Lock in profits without having to sell underlying shares
- Leveraged participation in the underlying shares one-for-one
- *Funding Costs* are only charged when a MINI is held overnight so that day-traders don't pay intra-day *Funding Costs*
- Limited recourse leverage and *Stop Loss Levels* protects *Holder* against losing more than their initial *Capital Outlay*
- Most efficient way to short-sell stocks
- No margin requirements.



# SECTION 3: RISKS

Investing in *ABN AMRO MINIs* involves a degree of risk. The leverage provided by investing in *ABN AMRO MINIs* (via the *Strike Price*) means that the risks of investment may be greater than in the case of an investment of the same amount in the *Underlying Share*. This section is a summary of some of these risks, but by its nature it cannot identify all of the relevant considerations that may be a risk for individual potential investors, and is not a substitute for independent advice. Potential investors should ensure that they understand fully all of the risks involved in holding *ABN AMRO MINIs*. The *Issuer* recommends that potential  *Holders* obtain independent financial advice regarding these risks before purchasing *ABN AMRO MINIs*.

### 3.1 MINIs are speculative

*ABN AMRO MINIs* are speculative and potential  *Holders* should be aware that the return on the *ABN AMRO MINIs*:

- may be zero and  *Holders* may lose all of their purchase price (the *Capital Outlay*);
- may be less than the return  *Holders* could earn on other investments;
- will not reflect the return  *Holders* would realise if they actually owned the *Underlying Share* and received any dividends paid.

*Investors* who do not wish to speculate on the *Underlying Share* price should carefully consider whether *MINIs* are suitable for them and their needs.

*Holders* should be aware that there is no firm indication as to how the *ABN AMRO MINIs* will trade in the secondary market, nor is there sufficient evidence as to whether the market will be liquid or illiquid.  *Holders* are warned that the price of the *ABN AMRO MINIs* may fall in value as rapidly as they may rise and that the *ABN AMRO MINIs* may become significantly less valuable over their term. Accordingly,  *Holders* may lose some, or all, of the *Capital Outlay* paid for the *ABN AMRO MINIs*.

### 3.2 Performance by the Issuer and Guarantor

The value of the *ABN AMRO MINIs* depends on, among other things, the ability of the *Issuer* to perform its obligations in accordance with the *Terms* or the ability of the *Guarantor* to perform its obligations under the *Guarantee* by making the payments referred to in the *Terms*. The financial performance of the *Issuer* and *Guarantor* may affect their respective abilities to meet such obligations.

The performance by the *Issuer* of its obligations under the *ABN AMRO MINIs* is not guaranteed by *ASX*, the *National Guarantee Fund* or the *Australian Clearing House*.

The *Issuer's* obligations in respect of the *ABN AMRO MINIs* are not guaranteed by any party, other than the *Guarantor*.

Section 6 "Description of the Issuer and Guarantor" includes information about the business activities and financial position of the *Issuer* and the *Guarantor*. However,  *Holders* must make their own assessment of the ability of the *Issuer* and the *Guarantor* to meet their respective obligations in respect of the *ABN AMRO MINIs*.

### 3.3 Factors Affecting ABN AMRO MINIs Market Value

This *PDS* does not specify the *Capital Outlay* for each *MINI* because the *Capital Outlay* will vary from time to time. The market value of a *MINI* is expected to be dependent upon such factors as:

- the *Strike Price*;
- the price of the *Underlying Share*;
- the level of interest rates in Australia;
- conditions in the stock loan market; and
- real or anticipated changes in general economic conditions and the earnings results of the *Underlying Share*.

The market price of a *MINI* is generally likely to fall or rise if the price of the *Underlying Share* falls or rises. The *Issuer* makes no representation or warranty as to the performance of the *Underlying Share*.

Increase in Factor	General effect on value of MINI Long	General effect on value of MINI Short
Strike Price	Decrease	Increase
Price of Underlying Share	Increase	Decrease
Level of Interest Rates	Decrease	Increase
Costs of stock borrow	Not applicable	Decrease

The following events may also affect market values, and are covered in more detail in the *Terms*:

- de-listing or suspension of the *Underlying Share*;
- a takeover offer for the *Underlying Share*;
- the *Issuer's* or *Guarantor's* ability to meet their respective obligations under the *Terms* or the *Guarantee*, as the case may be;
- suspension of *ABN AMRO MINIs* trading;

- early expiry of the *ABN AMRO MINIs*;
- the exercise of discretion under, and changes, to the *Terms* made by the Issuer; and
- changes to taxation.

### 3.4 Dividends and Share Price

In general, if a share goes ex-dividend, the price of that share should fall by the same amount of the dividend. However, the market is not always perfect, and a share price may not always fall by the same amount as the amount of its dividend. The share price may fall more or less than the amount of the dividend or it may not fall at all. The *Strike Price*, however, will always be decreased by the amount of the dividend. Therefore, if the share price has fallen by more or less than the amount of the dividend, the *MINI* price will be affected and will not remain unchanged.

### 3.5 Possible Illiquidity of Trading Market

*Holder*s should be aware that there is no firm indication as to how the *ABN AMRO MINIs* will trade in the secondary market, nor is there sufficient evidence as to whether the market will be liquid or illiquid. A liquid market is generally one in which there is sufficient trading activity to satisfy both buyers and sellers. An illiquid market is generally one in which it is difficult to convert *ABN AMRO MINIs* into cash, with minimum loss. Accordingly, in an illiquid market there is a risk that *Holder*s may not be able to sell their *ABN AMRO MINIs* at a price they wish to. To ensure sufficient liquidity, *ABN AMRO* undertakes to the *ASX* that it will make a market by maintaining buy and sell orders at market prices with a buy/sell spread for the life of the *ABN AMRO MINIs*, as per *ASX* Guidance Note 17. Please note, even though *Holder*s can sell *ABN AMRO MINIs*, they may still incur a loss on the sale price of their *ABN AMRO MINIs*.

### 3.6 General Market Risks

General movements in local and international stock markets, prevailing and anticipated economic conditions, *Holder* sentiment, interest rates and exchange rates could all affect the market price of *ABN AMRO MINIs*. These risks are generally applicable to any investment on *ASX* or any other stock market.

### 3.7 Exercise of Discretion by the Issuer

*Holder*s should note that some provisions of the *Terms* confer discretions on the Issuer. These discretions include the discretion to vary the *Strike Price* and *Interest Rate p.a.* on each *Trading Day*, nominate *Extraordinary Events* and to determine whether there has occurred a material change to the relevant *Underlying Share*. The exercise or non-exercise of these discretions could adversely affect the value of the *ABN AMRO MINIs*.

*Holder*s do not have the power to direct the Issuer concerning the exercise of any discretion, although the Issuer may only exercise certain discretions with the consent of *ASX*. The discretions are set out in the *Terms*.

### 3.8 Takeover Offers for Listed Entities

If a *Takeover Bid* is made for any *Underlying Share*, the Issuer will not accept the *Takeover Bid* and will have no obligation to communicate any information it receives on the *Takeover Bid* to the *Holder*. Compulsory acquisition may follow a successful *Takeover Bid* and, in accordance with clause 14, the Issuer may nominate an *Extraordinary Event* (in which case the *ABN AMRO MINIs* may expire) and may substitute the *Underlying Share*

### 3.9 Extraordinary Event

If an *Extraordinary Event* occurs, *ABN AMRO* may, with *ASX*'s consent, nominate a date on which the affected *MINI* terminates. *ABN AMRO* may, with *ASX*'s consent, nominate as an *Extraordinary Event* any event which is or results in the delisting, withdrawing from admission to trading status or suspension of the *MINIs*.

### 3.10 Change to Terms

The Issuer may in certain circumstances make changes to the *Terms*. These circumstances are set out in clauses 14 and 18 of the *Terms* and include if a force majeure occurs; if a merger, bonus issue, rights issue, scheme of arrangement, cash return of capital or similar event in relation to the underlying share of a *MINI* occurs; if *ABN AMRO*'s hedging arrangements are terminated, adjusted or changed; if a *Market Disruption Event* occurs; if the *Underlying Share* of a *MINI* is de-listed or becomes insolvent. The changes that can be made if such a

circumstance occurs include altering the *Current Strike Price*, *Strike Price*, the *Conversion Ratio*, the *Funding Cost*, the *Underlying Share*, or any other term of the *MINI* (but only with ASX's prior consent).

Changes can also be made to the *Terms* if, with the ASX's consent, it is necessary or desirable in order to comply with any statutory or other legal requirements or to rectify a defect, manifest error or ambiguity, or if the change is of a formal, minor or technical nature and does not materially prejudice the interests of *Holder*s.

### 3.11 Qualifying Security

There is a risk that a *MINI* could be characterised as a qualifying security under Division 16E of Part III of the *Income Tax Assessment Act 1936*. Division 16E requires an investor to recognise any gain or loss incurred on completion or sale of a *MINI* on a six monthly compounding accruals basis over the term the *MINI* is held. As such, this characterisation will only be of relevance to a *Holder* that holds a *MINI* for a material period over a year end (and this would generally not include a day trader or speculator).

### 3.12 Suspension of Warrant Trading

Trading of *ABN AMRO MINIs* may be halted or suspended by ASX. This may occur whenever ASX deems such action appropriate in the interests of maintaining a fair and orderly market in *ABN AMRO MINIs* or otherwise deems such action advisable in the public interest or to protect *Holder*s.

The withdrawal or suspension of the *ABN AMRO MINIs* may, in the Issuer's discretion, cause the *ABN AMRO MINIs* to lapse if such withdrawal or suspension is deemed, with ASX's consent, to be an *Extraordinary Event* by the *Issuer*.

### 3.13 Potential Conflicts of Interest

Companies in the *ABN AMRO* will conduct transactions as principal and as agent in various securities, including *ABN AMRO MINIs* and the *Underlying Share*. These trading activities may affect (positively or negatively) the price at which the *Underlying Share* of *ABN AMRO MINIs* trade in the secondary market.

### 3.14 Funding Costs and Interest Rate p.a.

The Issuer has an absolute discretion in setting the Interest Rate p.a. and consequently the Funding Cost. In general, under normal market trading conditions, the Issuer expects the Interest Rate p.a. to reflect the RBA Cash Rate Target and interest rate levels in the wholesale money market.

However, it is possible for the Issuer to exercise its discretion to increase (including substantially increase) the Interest Rate p.a. and the Funding Cost of one or more *MINI* Long series and to decrease (including substantially decrease) the Interest Rate p.a. and the Funding Cost of one or more *MINI* Short series. Such an increase or decrease may occur, for example, because:

- (a) the Issuer has incurred or is likely to incur greater costs in issuing or maintaining the *MINI*;
- (b) market conditions affect the liquidity, volatility and pricing of the Issuer's hedge;
- (c) trading practices by investors in the *MINI* occur which are unusual or which the Issuer did not intend the *MINI* to be used for and which adversely impact the Issuer, the market integrity of the *MINI* and the *MINI*'s market price spreads;
- (d) any of the other factors listed in Section 2.5 are adversely affected.

## SECTION 4: COSTS & FEES

### 4.1 What are the Costs of investing in ABN AMRO MINIs?

The initial consideration contributed by potential investors for the ABN AMRO MINIs is the *Capital Outlay*.

***The PDS does not specify the amount of the Capital Outlay. This is because the amount of the Capital Outlay will depend on a variety of factors at the time of purchase, including the market price of the relevant Underlying Share and the volatility of that price. The amount of the Capital Outlay will vary accordingly from time to time. As the MINI is quoted on ASX, the Capital Outlay will be quoted on ASX.***

### 4.2 Brokerage

ABN AMRO will not charge brokerage for your MINI transaction as ABN AMRO MINIs cannot be purchased directly from ABN AMRO. ABN AMRO MINIs can be purchased from any ASX broker, and your broker will advise you on the brokerage payable.

## SECTION 5: FAQS

### (a) How do I trade ABN AMRO MINIs?

ABN AMRO MINIs trade as warrants on the ASX. You can place an order with your ASX approved broker or financial adviser who will arrange the purchase of ABN AMRO MINIs on the ASX.

ABN AMRO reserves the right to buy back ABN AMRO MINIs that have been issued and to re-sell them after the initial issue of the series.

### (b) Will I be subject to margin calls?

No. The leverage is limited in recourse to the *Underlying Share*. Even if the price of the *Underlying Share* falls below the *Strike Price* during the life of the *MINI*, there will be no margin calls.

### (c) Will I be obliged to pay the *Strike Price*?

No. Even if you exercise the *MINI*, the *Strike Price* will affect the Cash Amount you receive. You will not have to pay it.

### (d) What is the Interest Rate applicable and will it change during the life of the *MINI*?

The *Interest Rate p.a.* is a variable rate that changes daily and is therefore not disclosed in this PDS. The *Interest Rate p.a.* will vary from time to time during the life of the *MINI*. This *Interest Rate p.a.* will be announced by the *Issuer* before any changes are made on its website [www.abnamro.com.au/warrants](http://www.abnamro.com.au/warrants) and via the ASX company announcement platform see section "Factors affecting Funding Costs" in section 2.5. and "Funding Costs and Interest Rate p.a." in section 3.14.

### (e) What is the stock borrow rate and will it change during the life of the *MINI*?

Part of ABN AMRO's hedge for *MINI Shorts* involves stock borrowing. The stock borrowing cost is incorporated into the *Funding Cost* payable on a *MINI Short* (please see "Calculation of Funding Costs" at section 2.5). Stock borrowing rates vary according to market forces. Each underlying security will have a different stock borrow rate at any given time, which can depend on various factors such as availability and liquidity. The *Issuer* may vary stock borrowing rates at any stage during the life of the *MINI*. The *Issuer* will not announce these rates when changes are made however the rates will be reflected in the *Interest Rate p.a.* applicable to a *MINI* which is announced by ABN AMRO.

### (f) Do ABN AMRO MINIs give rights to income and rights associated with the *Underlying Shares*?

A *MINI Long* does not confer on any *Holder* any entitlement to any income or rights (including voting rights) in respect of the underlying shares. A *MINI Short* does not confer on ABN AMRO any present

entitlement to any income or rights (including voting rights in respect of the *Underlying Shares*) except to the extent any adjustments are required on exercise of the *MINI*.

### (g) Can I Exercise the *MINI* early?

Yes. ABN AMRO MINIs are "American Style" Exercise which means they may be completed at any time. To complete an exercise the *Holder* must contact ABN AMRO on 1800 450 005 to confirm the *Strike Price* for Exercise and receive an *Exercise Reference Number*. The *Holder* must then complete an *Exercise Notice* return to the office of ABN AMRO within 2 *Business Days* of receiving an *Exercise Reference Number*. MINIs may only be cash settled.

### (h) What happens when the performance of the *Underlying Share* triggers the *Stop Loss Level*?

When the *Stop Loss Level* is triggered, the *MINI* is placed into a trading halt. An announcement will be made on the ASX company platform. At this point in time ABN AMRO will seek to close out the hedge position in the *Underlying Share* on a best endeavours basis to realise some value for the *MINI* that is subject to the *Stop Loss* mechanism. Once the hedge position is unwound and an average exit price (the *Stop Loss Termination Reference Price*) is determined, the trading halt is lifted so that *Holder*s are able to sell out their *MINI* holding to ABN AMRO who will step into the market at the prevailing *Remaining Value* level. Please refer to the "Stop Loss" at section 2.8 of this PDS for further details.

### (i) What happens if I don't sell into ABN AMRO's bid when the *MINI* returns from the trading halt following the trigger of a *Stop Loss*?

If a *Holder* chooses not to sell into the market at the *Remaining Value* when the *MINI* comes out of trading halt, they will receive a payment from ABN AMRO equivalent to the *Remaining Value* of the *MINI*.

### (j) What happens in the event of a *Takeover Bid*?

In the event of a *Takeover Bid*, where the *Underlying Share* of the *MINI* are shares, then those *Underlying Shares* may change if there is a compulsory acquisition following a takeover bid. *Holder*s will not be able to participate in or accept *Takeover Bids* that do not proceed to compulsory acquisition.

**(k) What happens in the event of a special distribution?**

In the event of a special distribution, the *Strike Price* and *Stop Loss Level* of the *MINI* will be changed to reflect the equitable value of the distribution. It will not be passed on to the *Holder*.

**(l) Can I receive the franking credits attached to dividends?**

No. Franking credits will not be passed through to *Holder*s. Similarly, they will not result in changes to the *Strike Price* to reflect their equitable value.

**(m) Can the *MINIs* expire early?**

Yes, the *MINIs* can expire early if:

- (a) a *Stop Loss Event* occurs (with the expiry 10 Business Days after the *MINI* ceases trading);
- (b) if an Extraordinary Event occurs (including an *Adjustment Event* nominated to be an *Extraordinary Event*); or
- (c) *ABN AMRO* gives *Holder*s at least 1 calendar month's notice of its intention to terminate (*ABN AMRO* cannot give such a notice until 3 months after the *Issue Date*); or
- (d) if a *Holder* Exercise their *MINIs*.

**(n) What do I get if the *MINIs* expire early?**

If the *MINIs* expire as a result of an *Extraordinary Event* or because of a termination notice from *ABN AMRO*, you will receive:

- (a) for a *MINI Long*:

$$\frac{[Final Reference Price - Current Strike Price] - Expenses}{Conversion Ratio}$$

- (b) for a *MINI Short*:

$$\frac{[Current Strike Price - Final Reference Price] - Expenses}{Conversion Ratio}$$

Where:

"*Final Reference Price*" is the official closing price of the underlying share at close of trading on the expiry date as determined by *ABN AMRO*; and

"*Current Strike Price*" is the *Strike Price* on the expiry date; and

"*Expenses*" are any incidental costs including unwinding of hedging arrangements, *Transfer Taxes* or other expenses incurred by *ABN AMRO*. These costs and expenses maybe up to 20% of the amount you receive.

If the *MINIs* expire as a result of a *Stop Loss Event*, you will receive the *Remaining Value*. Please refer to "Stop Loss" at section 2.8.

**(o) What happens if a Market Disruption Event occurs?**

If a *Market Disruption Event* occurs, calculations required for the *MINIs* (such as *Strike Price*, *Remaining Value*, *Intrinsic Value*) may be delayed until the *Market Disruption Event* ends or the *MINIs* may expire.

**(p) Is there a cooling off period?**

No. There is no cooling off period when you purchase *ABN AMRO MINIs*.

**(q) Does *ABN AMRO Australia* take into account any labour standards or social, environmental or ethical considerations in relation to *ABN AMRO MINIs*?**

No. *ABN AMRO Australia* does not take into account any labour standards or social, environmental or ethical considerations in the selection, retention or realisation of the investment. Potential *Holder*s should make their own enquiries as to whether the issuer of the *Underlying Shares* takes into account any labour standards or social, environmental or ethical consideration. Please refer to the underlying issuer's respective websites for further information.



# SECTION 6: DESCRIPTION OF THE ISSUER AND THE GUARANTOR

Paper copies of the most recent audited financial statements and annual report of the *Guarantor* may be obtained free of charge on request from *ABN AMRO* on 1800 450 005 toll free or visit the website [www.abnamro.com](http://www.abnamro.com).

## 6.1 Introduction

The viability of an *ABN AMRO* MINI depends upon the ability of *ABN AMRO* to fulfil its obligations under the Terms (or the ability of the *Guarantor* to perform its obligations under the Guarantee) to provide a Cash Settlement Amount if *MINIs* are exercised, or if it fails to perform that obligation, to make the appropriate payment in respect of the value of the *MINIs*. The creditworthiness and stability of *ABN AMRO* and the *Guarantor* are factors as to which prospective *Holder*s must make their own decisions. A brief description of *ABN AMRO* and *ABN AMRO BANK N.V.* (the *Guarantor*) are set out in this section.

## 6.2 About ABN AMRO

In Australia, *ABN AMRO* was established in 1971 and is one of Australia's leading providers of integrated corporate and investment banking products and services, working with major corporations, financial institutions and public sector clients.

*ABN AMRO Australia Pty Limited* is owned by *ABN AMRO Australia Holdings Pty Limited*, which is owned by the Netherlands-based *ABN AMRO Holding N.V.* ("*ABN AMRO Holding*"). *ABN AMRO Holding* is a leading international bank which was acquired on 17 October 2007 by a consortium now comprising The Royal Bank of Scotland (38%), the Dutch Government (34%) and Banco Santander S.A. (28%).

*ABN AMRO* is to be integrated into The Royal Bank of Scotland during 2009. Until the integration process is complete, *ABN AMRO* operates as a separately capitalised and regulated entity under the supervision of the Dutch Central Bank.

Further details regarding the acquisition, including press releases issued by *ABN AMRO*, can be obtained from the *ABN AMRO* website at [www.abnamro.com](http://www.abnamro.com)

## SECTION 7: TAXATION CONSIDERATIONS

Set out below is a summary of the Australian income tax consequences for an Australian resident *Holder* operating from Australia and acting in their own name. It assumes the *Holder* is either a day trader or *speculator* that acquires *MINIs* for the purpose of deriving short term gains by way of either sale or *Cash Settlement*.

This summary is general in nature and does not take into account the specific tax circumstances of any individual *Holder*. All potential investors should seek independent professional advice in relation to their own circumstances before investing.

This summary is based on the law and administrative practice in effect at the date of this *PDS*.  *Holders* should be aware that the ultimate interpretation of the law rests with the Courts and that the law, and the way the Commissioner of Taxation (**Commissioner**) administers the law, may change at any time.

### 7.1 This is not a financing arrangement for ABN AMRO

*MINIs* are not issued by *ABN AMRO* to:

- raise finance for itself or a connected entity;
- fund another scheme, or part of another scheme, that is undertaken to raise finance for itself or another entity; or
- fund a return, or part of a return, payable or provided under another scheme, or part of another scheme, that is undertaken to raise finance for itself or a connected entity.

The *MINIs* should therefore not be “financing arrangements” for *ABN AMRO* (as defined for income tax purposes).

If (contrary to the opinion held by *ABN AMRO*) the Commissioner took the view that the *MINIs* were issued for one of these three purposes set out above, the tax treatment of the *MINIs* in the hands of a *Holder* could be different to that set out below.

### 7.2 Gains and losses from dealing in *MINIs*

#### Speculators

Investments in *MINIs* by *speculators* will typically be “profit making schemes” for income tax purposes. As such, any profit on sale or *Cash Settlement* should be ordinary income. This view is consistent with the Commissioner’s comments in Income Tax Ruling TR 92/3 (regarding profit making schemes), IT2228 (regarding speculation in futures) and TR 2005/15 (regarding *CFDs*). Albeit certain aspects of the product differ from a typical *CFD* or futures contract, the underlying logic of these rulings should apply to a *MINI*.

Similarly, any loss would be an allowable deduction to speculators.

The gain/loss is calculated by reference to the *Cash Amount* or on market sale price less the *Capital Outlay* and any brokerage or other capitalised costs incurred in holding or disposing of the *MINI*.

Where a *MINI* terminates as a result of a *Stop Loss Event*, the *Holder* makes a deductible loss equal to the *Capital Outlay* and any brokerage or other capitalised costs incurred in holding or disposing of the *MINI* less the *Remaining Value*.

These conclusions can in certain circumstances be displaced. If a *Holder* acquires a *MINIs* as a long term investment proposition only once (or only occasionally) and does not engage in any income-producing activities of a character bearing some association or connection with the *MINIs*, it may be arguable that any gain is not ordinary income, but rather should be recognised on capital account as assessed under the capital gain provisions (**CGT**). (Speculators that consider that they fall within this category should obtain additional advice on this issue.)

#### Day traders

Day traders are effectively taxed on the same basis as speculators, albeit in conjunction with the trading stock provisions of our tax law in circumstances where the day trader has acquired the *MINI* for the purpose of sale or exchange in the ordinary course of business.

*Day traders* should include any gain/loss in assessable income. This gain/loss should be calculated by reference to the *Cash Amount* or on market sale price less the *Capital Outlay* and any brokerage or other capitalised costs incurred in holding or disposing of the *MINI*.

Where a *MINI* terminates as a result of a *Stop Loss Event*, day traders make a deductible loss equal to the *Capital Outlay* and any brokerage or other capitalised costs incurred in holding or disposing of the *MINI* less the *Remaining Value*.

### 7.3 CGT

A *MINI* is a *CGT* asset.

The gain/loss made by a *Holder* when it sells or exercises *Cash Settlement* of a *MINI* may be recognised under the *CGT* provisions. The *CGT* gambling exemption (which disregards capital gains or capital losses in certain circumstances involving gambling) should not be available.

However, the gain under the *CGT* provisions is reduced to the extent that the same gain is assessable as ordinary income (as discussed above). As a practical matter, this has the effect that for most  *Holders* any gain from the investment will be assessable solely as ordinary income and will not be recognised under the *CGT* rules.



To the extent that a loss made from dealing in a *MINI* is deductible, a *Holder's* reduced cost base in the *MINI* is decreased. This has the effect of reducing the capital loss made by a *Holder* on the disposal of the *MINI*.

#### 7.4 Funding Costs and Dividends in *MINI* pricing

A *Holder* is not a shareholder in the *Underlying Shares*. Accordingly, there will be no direct tax consequences for *Holder's* with respect to any dividends paid on the *Underlying Shares* and *Holder's* will not be entitled to any franking credits paid on the dividends. Similarly, there will be no direct income tax consequences for *Holder's* with respect to the *Funding Costs* added to the *Strike Price*. *Funding Costs* are not a direct loss or outgoing to the *Holder* (as it is only a notional amount from the *Holder's* perspective).

However, *Funding Costs* alter the *Strike Price* and the value of a *MINI*. Hence, the *Funding Costs* indirectly impact on the gain or loss made by a *Holder*.

Theoretically, all other things being equal, a dividend payment should reduce the *Strike Price* and market value of an *Underlying Share* by an equivalent amount therefore having no impact on the gain or loss made on the eventual sale or *Cash Settlement* of the *MINI* (although as a practical matter this may not always be the case).

#### 7.5 Holding period rule

*Holder's* should bear in mind that the acquisition of a *MINI* Short may impact on entitlements to franking credits on dividends paid on **other** shares that have a negative correlation to the *MINI*.

This is because a shareholder is entitled to a franking credit on a franked dividend if, and only if, the shareholder has a 30% net position in the share during a pre-defined qualification period. *Holder's* should review this issue by reference to their own circumstances.

As these rules are not directly relevant to *MINI*, they are not discussed at length.

#### 7.6 Foreign Investment Fund rules

The Foreign Investment Fund (**FIF**) rules apply to Australian resident taxpayers (other than complying superannuation funds and certain assets of life insurance companies) that hold or are "entitled to acquire" an interest in a foreign company or foreign trust at the end of their year of income (usually 30 June). "Entitled to acquire" includes a contingent right to acquire. As such, a *MINI* over a foreign share falls within the scope of the *FIF* rules.

However, there are various exceptions to the *FIF* general rules. Relevantly, interests in foreign companies are not subject to the *FIF* rules if the foreign company is principally engaged in "eligible activities." Eligible activities are all

activities that are not "black listed." Put simply, the *FIF* rules could only apply to a *MINI* over a foreign share if the relevant foreign companies' activities were black listed.

#### 7.7 Part IVA of the *Income Tax Assessment Act 1936* ("1936 Act")

Part IVA of the 1936 Act outlines a general anti-avoidance regime for direct tax purposes. The regime can apply to any tax benefit obtained under a scheme where any party to the scheme has entered into it for the dominant purpose of enabling a taxpayer to obtain a tax benefit in connection with the scheme. The application of Part IVA of the 1936 Act depends on the circumstances of each *Holder*. You should discuss the potential application of these rules with your own tax adviser.

#### 7.8 Taxation of Financial Arrangements

On 4 December 2008 *Tax Laws Amendment (Taxation of Financial Arrangements) Bill 2008* was introduced into the House of Representatives ("TOFA"). TOFA proposes to enact a new regime for the taxation of financial arrangements. It was referred to the Senate Economic Committee on that day with a report due on 20 February 2009.

TOFA implements the final stages of the TOFA reform program which commenced in the early 1990s in a proposed new Div 230 of the Tax Act. Division 230 will apply on a mandatory basis to all income years commencing on or after 1 July 2010 however taxpayers can elect to apply Div 230 to income years commencing on or after 1 July 2009.

Since the proposed TOFA regime has not yet been legislated, the terms of TOFA and application date may change. This may affect the taxation of an investor's holding and disposal of an ABN AMRO *MINI*. Investors should seek their own advice as to the possible application of the TOFA regime to their investment in an ABN AMRO *MINI*.

#### 7.9 GST and Stamp Duty

The acquisition of a *MINI* is not subject to *GST* since the acquisition constitutes a financial supply (being a derivative).

The fact that the acquisition is a financial supply may adversely affect a *Holder's* ability to claim input tax credits for *GST* paid on acquisitions made to acquire the *MINI* (this would be where the financial supplies made by the *Holder* exceeds their financial acquisitions threshold).

A *Holder* may be able to claim a reduced input tax credit in respect of brokerage fees paid to acquire or dispose of a *MINI*.

The transfer to a *Holder* of a *MINI* will not trigger stamp duty consequences for the investor where at the time of the transfer the *MINI* or *Underlying Share Parcel* was listed and quoted on a recognised stock exchange.

## SECTION 8: GENERAL INFORMATION

This section outlines some information of interest to potential investors in the *ABN AMRO MINIs*. It does not purport to identify all of those matters which might be of interest to potential investors.

This *PDS* is of a general nature only and should not be regarded as constituting legal or taxation advice.

### 8.1 Admission to Trading Status on the ASX

Application has been made and approval given for the *ABN AMRO MINIs* to be admitted to trading status by the *ASX*. The fact that the *ASX* has admitted the *ABN AMRO MINIs* to trading status is not to be taken in any way as an indication of the merits of *ABN AMRO*, the Guarantor or of the *ABN AMRO MINIs* now offered for subscription. The *ASX* does not warrant the accuracy or truth of the contents of this *PDS*.

In admitting the *ABN AMRO MINIs* to trading status and not objecting to the *Terms*, the *ASX* has not authorised or caused the issue of this *PDS* or the making of offers or invitations for the *ABN AMRO MINIs*. The *ASX* takes no responsibility for the contents of this *PDS*. The *ASX* makes no representation as to whether this *PDS* and the *Terms* comply with the *Corporations Act* or the Operating Rules.

To the extent permitted by the *Australian Securities and Investments Commission Act 2001* (Cth) or any other relevant law, the *ASX* will be under no liability for any claim of whatever kind, including for any financial or consequential loss or damage suffered by *Holder*s or any other person, if that claim arises wholly and substantially out of:

- reliance on any information contained in this *PDS*; or
- any error in, or omission from, this *PDS*.

### 8.2 National Guarantee Fund Not a Guarantor in all cases

Claims against the *National Guarantee Fund* may only be made for secondary trading in *ABN AMRO MINIs* between brokers on the *ASX* share market and can in no way relate to the primary issue of *ABN AMRO MINIs* by *ABN AMRO Australia* or settlement obligations of *ABN AMRO Australia* arising from the exercise or expiry of an *ABN AMRO MINI*.

### 8.3 Legislation regulating disclosure by substantial holders of securities and takeovers

The acquisition of an *ABN AMRO MINIs* may have implications for a *Holder* under *Corporations Act* provisions regarding substantial holdings in securities and takeover provisions. *Holder*s should seek their own advice about this as the precise implications depend on the *Holder's* particular circumstances.

### 8.4 Relief for On Market Purchasers

The sale of an *ABN AMRO MINIs* may have implications for a *Holder* of such an *ABN AMRO MINIs* under the *Corporations Act* provisions regarding the requirements for disclosure documents for sales of securities or financial products. *Holder*s should seek their own advice about this.

Any sale or purchase of *ABN AMRO MINIs* on the secondary market does not require the Issuer to provide a *PDS* to the investor pursuant to *ASIC Class Order 02/608* and regulation 10.2.51(c).

### 8.5 Foreign Holders

#### Foreign Acquisitions and Takeovers Act

Acquisitions and exercise of *ABN AMRO MINIs* may also have implications for a *Holder* under the *Foreign Acquisitions and Takeovers Act 1975* (Cth) (**FATA**). Potential investors should seek their own legal advice about all aspects of the proposed investment, including but not limited to those referred to below.

*FATA* empowers the Treasurer of Australia (**Treasurer**) to prohibit a proposed acquisition of shares in an Australian corporation where as a result of the acquisition a foreign person, together with its associates, would have an interest in not less than 15% of the issued shares in a corporation, or two or more foreign persons (together with their associates) would in aggregate have an interest in not less than 40% of the issued shares in the corporation. Where such an acquisition has already occurred, the Treasurer has the power to order a person who acquired the shares to dispose of them. The concepts of "acquisition," "interests," "associates" and "foreign person" are very widely defined in *FATA*. In addition, *FATA* requires certain persons who propose to make such acquisitions to notify the Treasurer of their intention to do so.

The acquisition of *ABN AMRO MINIs* might constitute an acquisition or proposed acquisition of an underlying issuer's Shares for the purposes of *FATA*. *FATA* would require an existing interest in shares held by a potential investor or its associates to be aggregated with any interests to be acquired by virtue of the acquisition of *ABN AMRO MINIs* for the purpose of determining whether *FATA* is complied with.

#### Other legislation

Foreign ownership of shares in Australian companies may also be restricted under other Commonwealth legislation or under Commonwealth Government policy for example, in relation to Australian banks and other financial institutions, insurance companies and companies in the telecommunications sector.

Potential investors should seek their own independent legal advice as to the nature and applicability of these restrictions in the context of *ABN AMRO MINIs*.

## 8.6 Other Matters to Consider

The acquisition of *ABN AMRO MINIs* could also have implications for investors under other legislation and may be restricted under the relevant constitution of the entity issuing the Underlying. For example, if the issuing entity of the *Underlying Share* is Telstra Corporation Limited, the *Telstra Corporation Act 1991* may apply. Potential investors should seek their own advice in this regard.

## 8.7 Privacy

*ABN AMRO* collects your personal information in order to:

- provide and manage the financial products and services provided by *ABN AMRO Australia* to you;
- comply with relevant laws; and
- keep you informed of new products and services.

*ABN AMRO* may/may not use the information to send out information on *ABN AMRO*'s other trading and investment products, such as instalment warrants and *ABN AMRO* Asset Management's managed funds products. If you do not actively select not to receive any information on *ABN AMRO Australia*'s other trading and investment products, you are taken to have consented to receipt of such information. If at any time you are receiving information from *ABN AMRO* about *ABN AMRO* products and do not wish to receive further correspondence, you will need to let *ABN AMRO* know.

*ABN AMRO* may disclose information about you to third parties where it is necessary for business purposes in managing a financial product or service and/or where *ABN AMRO* has service partners involved in providing your financial products or services. On request, *ABN AMRO* will provide you with a copy of any personal information which *ABN AMRO* holds about you. *ABN AMRO* will inform you beforehand if there is any charge associated with providing this information to you. If you do not provide *ABN AMRO* with the personal information which *ABN AMRO* requests, *ABN AMRO* may not be able to provide a service, or *ABN AMRO* may be required by law to take particular actions such as deducting taxation at the top marginal rate. Further information about *ABN AMRO*'s privacy practices can be found by requesting a copy of *ABN AMRO*'s privacy policy.

## 8.8 Consents

Baker & McKenzie has given, and not withdrawn, its consent to being named in this *PDS*, but has not authorised, and should not be taken to have caused the issue of any part of this *PDS*, other than Section 7 relating to tax.

## 8.9 Complaints and enquiries

If an *Holder* has a complaint in relation to their investment, they should contact *ABN AMRO Australia* in writing at:

ABN AMRO Australia Pty Limited  
Level 22  
ABN AMRO Tower  
88-94 Phillip Street  
Sydney NSW 2000

*ABN AMRO* will always acknowledge any complaint in writing and respond within 5 days. If an *Holder* remains unhappy, they can contact the Financial Industry Complaints Service Limited (**FICS**). FICS is independent from *ABN AMRO*. In order for a complaint to be considered by FICS, the claim must be under \$100,000 (unless the *Holder* and *ABN AMRO* agree otherwise in writing). You can contact FICS on 1300 780 808.

## 8.10 Additional Information

This *PDS* is current as at 10 December 2008. Information in this *PDS* is subject to change from time to time. Where information that is not materially adverse to *Holder*'s changes, *ABN AMRO* will update the information by posting a notice on its website at [www.abnamro.com.au/warrants](http://www.abnamro.com.au/warrants). You can also obtain a paper copy of updated information upon request on 1800 450 005.

For more information about any other products offered by *ABN AMRO* contact your stockbroker or financial adviser. Alternatively, you can call us on 1800 450 005, or visit the *ABN AMRO* warrants web-site at [www.abnamro.com.au/warrants](http://www.abnamro.com.au/warrants).

## SECTION 9: TERMS

These are the terms of the MINIs (Terms) on which a person (the Holder) agrees to acquire a MINI from the Issuer.

### Interpretation of this PDS

In these *Terms*, unless the context requires otherwise:

**ABN AMRO or ABN AMRO Australia** means ABN AMRO Australia Pty Limited and has the same meaning in Issuer;

**ABN AMRO BANK N.V.** means the Guarantor;

**ABN AMRO Holding N.V.** means the holding company of ABN AMRO Bank N.V and incorporated as a limited liability company under Dutch law by deed of 30 May 1990;

**Accretions** means all rights accretions and entitlements attaching to the Underlying Share after the Issue Date including without limitation, all voting rights, all dividends and all rights to receive dividends and other distributions or shares, notes, units, options or other financial products exercisable, declared, paid or issued in respect of the Underlying Share;

**Adjustment** means an adjustment, amendment or variation of these Terms as a result of an Adjustment Event in accordance with clause 14;

**Adjustment Event** means

- (a) where any force majeure event occurs, or any other event occurs which the Issuer determines in good faith in the performance of its obligations having or becoming, in circumstances beyond its reasonable control, impossible, unlawful, illegal or otherwise prohibited;
- (b) any other event which the Issuer reasonably declares to be an *Adjustment Event*, including the termination, adjustment or change of the Issuer's hedging arrangements;
- (c) any event which results in the Issuer being unable to redeem, sell, dispose of or liquidate (for a *MINI Long*) or acquire, purchase or transfer (for a *MINI Short*) the Underlying Shares;
- (d) Insolvency of the issuer of the *Underlying Share*;
- (e) any *Extraordinary Event*;
- (f) a *Market Disruption Event*;
- (g) in respect of the *Underlying Share* where the *Underlying Share* is a security or an interest in a managed investment scheme any of the following events:
  - (i) the actual or proposed adoption of any procedure, event or action which is or which is likely to result in any cash return of capital, pro-rata cash distribution, capital reduction, liquidator's distributions, share buy-back, bonus issue, rights issue, arrangement, scheme of arrangement, compromise,

merger, demerger, reconstruction, compulsory acquisition, redemption, cancellation, replacement, modification, subdivision or consolidation, redemption, statutory or judicial disposal, takeover bid, successful takeover, special dividend, extraordinary dividend, non cash dividend, share split, a call by the *Share Company* in respect of *Underlying Shares* that are not fully paid or any other similar or like event;

- (ii) any event which is or which results in the actual or proposed administration, liquidation, winding up or termination of the issuer of the *Underlying Share* or other similar or like event (however described);
- (iii) any event which is or which results in the actual or proposed de-listing of the *Underlying Share* or the actual or proposed removal from quotation of the *Underlying Share* or the actual or proposed suspension from trading of the *Underlying Share*;
- (iv) any event which affects the ability of the Issuer to borrow or lend (subject to a scrip loan or otherwise) any *Underlying Share*; and
- (v) *Nationalisation* of the *Underlying Share*;

- (h) any actual or proposed event that may reasonably (in the *Issuer's* opinion) be expected to lead to any of the events referred to in this definition occurring; and

**ASIC** means the Australian Securities and Investment Commission;

**ASTC** means ASX Settlement and Transfer Corporation Pty Limited as approved as the Securities Clearing House under the Corporations Act or any clearing house or other entity which is substituted for it;

**ASTC Settlement Rules** means the business rules as amended from time to time of the ASTC or any clearing house or other entity which is substituted for it;

**ASX** means ASX Limited ACN 008 624 691 or the market operated by ASX as the context requires;

**ASX Market Rules** means the operating rules of the ASX as amended from time to time;

**Australian Dollars** means the lawful currency of Australia;

**Australian Clearing House** means the Australian Clearing House Pty Ltd;

**Business Day** has the meaning given to this term by the ASX Market Rules;

**Calculation Agent** means the Issuer or such other calculation agent as appointed by the Issuer in its absolute discretion;

**Cash Amount per MINI or Cash Amount** means an amount determined by the Calculation Agent in accordance with the following formula:



- (a) Upon an *Issuer Call, Exercise or Extraordinary Event* other than in connection with a *Stop Loss Event*:
- (i) for a *MINI Long*:  
(*Final Reference Price - Current Strike Price*) / *Conversion Ratio less Expenses*; or,
  - (ii) for a *MINI Short*:  
(*Current Strike Price – Final Reference Price*) / *Conversion Ratio less Expenses*;
- (b) Following a *Stop Loss Event*:
- (i) for a *MINI Long*:  
(*Stop Loss Termination Reference Price - Current Strike Price*) / *Conversion Ratio less Expenses* (the “**Remaining Value**”),
  - (ii) for a *MINI Short*:  
(*Current Strike Price – Stop Loss Termination Reference Price*) / *Conversion Ratio less Expenses*

provided that the *Cash Amount* shall not be less than zero. The *Cash Amount* shall be converted into the *Settlement Currency* at the prevailing *Exchange Rate*, if an *Exchange Rate* is specified, and rounded to the nearest two decimal places in the *Settlement Currency*, 0.005 being rounded downwards. If no *Exchange Rate* is specified, the *Settlement Currency* will be Australian dollars. In the absence of gross negligence or wilful misconduct on its part, none of the *Issuer* or the *Calculation Agent* shall have any responsibility for any errors or omissions in the calculation of any *Cash Amount*;

**Cash Settlement** means settlement of a *MINI* in cash, in accordance with clause 5;

**Capital Outlay** means for each *MINI* the amount paid by the *Holder* or by the transferee (as the case may be) to purchase the *MINI*

**CFD** means contracts for difference;

**CGT** means Capital Gains Tax;

**Change** means an amendment made in accordance with clause 18.3;

**CHES** means Clearing House Electronic Subregister System, is a computer system which electronically transfers title between the buyers and sellers of securities on the ASX. It is a paperless system where security ownership is recorded on an account in CHES, rather than through the use of physical share certificates. CHES also enables the electronic settlement of transactions between CHES participants (i.e. stockbrokers and institutional investors).

**CHES** is operated by ASX Settlement and Transfer Corporation Pty Ltd, a wholly owned subsidiary of the ASX. All CHES participants must abide by published rules known ASX Settlement Rules.

**Commissioner** means the Commissioner of Taxation

**Completion** means the maturity or expiry of a *MINI*, i.e. the date on which the contract to cash settle a *MINI Long* or a *MINI Short* matures;

**Completion Date** means the date upon which an *Event of Completion* occurs;

**Corporations Act** means the *Corporations Act 2001 (Cth)* as amended from time to time;

**Conversion Ratio** means, subject to an *Adjustment*, the number of *MINIs* to be exercised in order to obtain *Cash Settlement* corresponding to one *Underlying Share* as specified in the *PDS* for the relevant *Series*;

**Current Strike Price** means, subject to an *Adjustment*, an amount per *MINI* (which shall be deemed to be a monetary value in the *Strike Price Currency*) determined by the *Calculation Agent*, on each *Business Day*, in accordance with the following formula:

- (a) the *Current Strike Price* on the previous *Business Day*; plus
- (b) the *Funding Cost*; minus
- (c) the *Notional Dividend Amount* unless the *Notional Dividend Amount* is specified to be not applicable for the relevant *Series*, in which case the *Notional Dividend Amount* shall be disregarded in the calculation of the *Current Strike Price*.

The *Current Strike Price* on the *Issue Date* is the level specified as such in the *PDS* for the relevant *Series*;

**Event of Completion** means the occurrence of any one of the following:

- (a) a *Stop Loss Event*;
- (b) an *Issuer Call*;
- (c) *Exercise*; or
- (d) an *Extraordinary Event*.

**Exchange Rate** means, wherever it is used in these *Terms* or where reference is made to converting to Australian dollars, the relevant exchange rate per one Australian dollar as determined by the *Issuer* in its absolute discretion on each relevant date on which an exchange rate calculation is made by the *Issuer*;

**Exercise** means a *Holder's* right to exercise the *MINIs*, in accordance with Clause 8;

**Exercise Date** means the date when a valid *Exercise Notice* is received by the *Issuer*;

**Exercise Notice** means a notice provided by the *Holder* to the *Issuer* which complies with the requirements in clause 8.4;

**Exercise Reference Number** means the number allocated by the *Issuer* to the *Holder* pursuant to a *Holder's* request to *Exercise* in accordance with Clause 8.4(b);

**Exercise Strike Price** means the *Strike Price* at which the *MINIs* will be exercised, which *Strike Price* will be provided by the *Issuer* to the *Holder* pursuant to

a *Holder's* request to exercise in accordance with clause 8.4(b);

**Exercise Time** means 5.00pm in Sydney, Australia;

**Expenses** means any incidental costs, including unwinding of hedging arrangements, *Transfer Taxes* and/or expenses and brokerage (if applicable) incurred by the *Issuer* in relation to an *Event of Completion*. These costs may be up to 20% of the total Cash Amount;

**Expiry Date** means in respect of each *MINI* the earlier of: the *Issuer Call Date*, the *Exercise Date*, the *Stop Loss Termination Date* or the date on which a *MINI* otherwise terminates in accordance with these *Terms*;

**Extraordinary Event** means an event nominated by the *Issuer* in accordance with Clause 13 of these *Terms*;

**FATA** means *Foreign Acquisitions and Takeovers Act 1975 (Cth)*;

**FICS** means the Financial Industry Complaints Service Limited;

**FIF** means Foreign Investment Fund;

**Final Reference Price** means the official closing price of the relevant *Underlying Share* (which shall be deemed to be a monetary value in the *Strike Price Currency*) at the close of trading on the *Relevant Exchange* on the *Expiry Date* as determined by the *Calculation Agent*. The *Calculation Agent* will have no regard to any subsequently published correction or if a *Market Disruption Event* occurs on the *Expiry Date*, the official closing price published on the next *Business Day* on which the *Market Disruption Event* has ceased or (if, in the determination of the *Calculation Agent*, no such level can be determined or a *Market Disruption Event* has occurred and is continuing for 5 consecutive *Business Days*) an amount determined by the *Calculation Agent* in good faith as the closing price of the *Underlying Share* on such date having regard to the then prevailing market conditions, the last reported trading price of the *Underlying Shares* and such other factors as the *Calculation Agent* determines relevant;

**Financing Level** means the *Strike Price* or in other words the leverage incorporated into the *MINI*;

**Funding Cost** means, the cost paid by an investor to hold a *MINI Long* for more than one day; and the cost "paid" by the *Issuer* to an investor who holds a *MINI Short* for more than one day (in other words it is the cost paid for the leverage incorporated into the *MINI*).

Subject to an Adjustment, the Funding cost is calculated as an amount per day, as determined by the *Calculation Agent*, equal to:

$$IR \times CSP \times 1/365$$

where:

- (i) IR equals the *Interest Rate p.a.*;
- (ii) CSP equals the *Current Strike Price*;

The *Funding Cost* can be a negative number;

**Group** means the ABN AMRO group, which consists of ABN AMRO *Holding* and its subsidiaries;

**Guarantor** means ABN AMRO Bank N.V. ABN 84 079 478 612;

**Guarantee** means the guarantee from the Guarantor to each *Holder* guaranteeing the *Issuer's* performance of its obligations under these *Terms*;

**GST** means *Goods and Services Tax* as defined in section 195-1 of the *A New Tax System (Goods and Services Tax) Act 1999*;

**Hedging Position** means any purchase, sale, entry into or maintenance of one or more securities positions, futures positions, derivatives positions or other instruments or arrangements (howsoever described) by the *Issuer* or any affiliate of the *Issuer* in order to hedge any of the *Issuer's* obligations under these *Terms*;

**HIN** means *Holder Identification Number*, as defined in the *ASTC Settlement Rules*;

**Holder** means in relation to a *MINI*, the person whose name is for the time being entered in the Register as the *Holder* of the *MINI*;

**Insolvency** means that by reason of the voluntary or involuntary liquidation, bankruptcy or insolvency of or any analogous proceeding affecting a *Share Company*, (i) all the *Underlying Shares* are required to be transferred to a receiver, trustee, liquidator or other similar official or (ii) holders of the *Underlying Shares* of that *Share Company* become legally prohibited from transferring them.

**Interest Rate p.a. or Interest Rate** means the interest rate per annum specified initially in the PDS, or as otherwise determined by the *Issuer* in its absolute discretion, acting in good faith and notified to *Holder*s on the *Issuer's* website;

**Intrinsic Value** is the difference between the market price of the *Underlying Share* and the *Strike Price* of the *MINI*, but not less than zero.

**Issuer** means *ABN AMRO Australia Pty Limited*, a wholly owned subsidiary of *ABN AMRO Bank N.V.* incorporated in the Netherlands with its statutory seat in Amsterdam acting through its principal office or its branch in London or such further or other branches as it may specify from time to time;

**Issuer Call** means termination of the *MINIs* by the *Issuer* in accordance with Clause 10;

**Issuer Call Commencement Date** means the first *Business Day* following the three month period from and including the *Issue Date*;

**Issuer Call Date** means the day specified as such in the notice delivered in accordance with Clause 10, and if such day is not a *Trading Day*, means the first succeeding *Trading Day* unless, in the determination of

the *Calculation Agent*, a *Market Disruption Event* has occurred on that day. If a *Market Disruption Event* has occurred, then the *Issuer Call Date* shall be the first succeeding *Trading Day* on which the *Calculation Agent* determines that there is no *Market Disruption Event*, unless the *Calculation Agent* determines that there is a *Market Disruption Event* occurring on each of the five *Trading Days* immediately following the original date which (but for the *Market Disruption Event*) would have been the *Issuer Call Date*. In that case (a) the fifth *Trading Day* shall be deemed to be the *Issuer Call Date* (regardless of the *Market Disruption Event*); and (b) the *Calculation Agent* shall determine the *Final Reference Price* having regard to the then prevailing market conditions, the last reported trading price of the Shares and such other factors as the *Calculation Agent* determines to be relevant;

**Issue Date** means the date specified as such in the *PDS* for the relevant *Series*;

**Issue Size** means the number of *MINIs* issued per *Series* as set out in the Summary Table. There is no minimum issue size. With ASX consent the issue size may, from time to time, be increased;

**Market Disruption Event** means:

- (a) the occurrence or existence on any *Trading Day* during the one hour period that ends at the official close of trading of the *Relevant Exchange* or any *Related Exchange* of any suspension of or limitation imposed on trading or the disruption or impairment in the ability of market participants in general to effect transactions in (by reason of movements in price reaching or exceeding limits permitted by the relevant exchange or otherwise): (A) the *Underlying Shares* on the *Relevant Exchange* or any other exchange on which the *Underlying Shares* are listed; or (B) any options contracts or futures contracts or other derivatives contracts relating to the *Underlying Share* on any *Related Exchange*, if, in the determination of the *Calculation Agent*, such suspension or limitation is material; or
- (b) a general moratorium is declared in respect of banking activities in the country in which the *Relevant Exchange* or any *Related Exchange* is located.

For the purposes of this definition, a limitation on the hours and number of days of trading will not constitute a *Market Disruption Event* if it results from an announced change in the regular business hours of the *Relevant Exchange* or any *Related Exchange*, but a limitation on trading imposed during the course of the day by reason of movements in price otherwise exceeding levels permitted by the *Relevant Exchange* or any *Related Exchange* may, if so determined by the *Calculation Agent*, constitute a *Market Disruption Event*.

**Market Price** means the price as quoted on the ASX during normal open market trading session excluding

special crossings, option exercises and/or overseas sales.

**MINI** means a *MINI Long* or a *MINI Short*;

**MINI Long** means a *MINI* specified in Part 1 of the *PDS* and described in Part 2 of the *PDS*;

**MINI Short** means a *MINI* specified in Part 1 of the *PDS* and described in Part 2 of the *PDS*;

**MfV** means Managing for Value;

**National Guarantee Fund** means the fund that provides compensation to investors in certain circumstances as set out in Division 4 of Part 7.5 of the Corporations Act;

**Nationalisation** means that all the *Underlying Shares* of a *Share Company* or all the assets or substantially all the assets of a *Share Company* are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority or entity.

**Notional Dividend Amount** means an amount, as determined by the *Calculation Agent*, equal to the sum of the cash dividends and/or other cash distributions in respect of the Shares which have an ex-dividend date occurring during the *Notional Dividend Period* without regard to any withholding tax or other deductions multiplied by the prevailing dividend percentage payable under market standard stock borrow agreements, as determined by the *Calculation Agent* in its sole and absolute discretion;

**Notional Dividend Period** means the period from (but excluding) the *Issue Date* to (and including) the next following *Trading Day*, *Issuer Call Date*, *Exercise Date* or the *Stop Loss Termination Date* and thereafter from (but excluding) the *Trading Day* to (and including) the earlier of the next following *Trading Day*, *Issuer Call Date*, *Exercise Date* or the *Stop Loss Termination Date*;

**Office** means the office specified in the Directory of this *PDS*;

**Product Disclosure Statement or PDS** means the product disclosure statement including Parts 1 and 2, and any supplement for the *MINIs*;

**RBA Cash Rate Target** means the Reserve Bank of Australia overnight cash lending rate as advised from time to time;

**Register** means the registers and/or sub registers of *Holder*s kept and maintained under Clause 20;

**Registrar** means Link Market Services Limited;

**Relevant Exchange** means the exchange or quotation system specified as such in the *PDS* of the relevant *Series* of *MINIs* or any successor to such exchange or quotation system;

**Related Exchange** means an options or futures exchange or quotation system on which options contracts or futures contracts or other derivative contracts on the *Underlying Share* are traded;

**Remaining Value** means the *Cash Amount* per *MINI* payable to *Holder*s following a *Stop Loss Event*. The

*Remaining Value* may in some circumstances be zero.

**Series** means each series of the *MINIs* as set out in the summary table in Part 1 of the PDS.

**Settlement Currency** means the currency specified as such in respect of a particular *Series* in Part 1 of the PDS and where no currency is specified, A\$;

**Settlement Date** means the 5th *Business Day* after the *Completion Date*, or such other date as determined by the *Issuer* in its absolute discretion and notified to the *Holder*;

**Share Company** means the issuer of the *Underlying Share*;

**Stop Loss Event** or **Stop Loss** means that, subject to any adjustment in accordance with Clauses 13 or 14 of these *Terms*, the *Market Price* of the *Underlying Share* on the *Relevant Exchange* is:

- (a) for a *MINI Long*, less than or equal to the *Stop Loss Level* at any time on any *Trading Day* other than at a time when there is, in the determination of the *Calculation Agent*, a *Market Disruption Event*; and
- (b) for a *MINI Short*, greater than or equal to the *Stop Loss Level* at any time on any *Trading Day* other than at a time when there is, in the determination of the *Calculation Agent*, a *Market Disruption Event*;

**Stop Loss Level** means an amount announced by the *Issuer* on the *Issue Date* and on each *Stop Loss Reset Date* (which shall be deemed to be a monetary value in the *Strike Price Currency*), subject to any applicable *Adjustment Event*, determined by the *Issuer* in its absolute discretion. The *Stop Loss Level* shall be rounded at the *Issuer's* discretion in accordance with *Stop Loss Rounding*;

**Stop Loss Reset Date** means:

- (a) the first *Trading Day* of each calendar month, provided that if such day is not a *Business Day* the next following *Business Day*; or
- (b) each *Business Day*, at the determination of the *Calculation Agent* upon which the *Stop Loss Level* is reset by the *Calculation Agent* acting in good faith;

**Stop Loss Rounding** means the *Stop Loss Rounding* convention specified as such in the PDS of the relevant *Series*, and if not specified, to the nearest 4 decimal places;

**Stop Loss Termination Date** means the first *Trading Day* on which the *Stop Loss Event* occurs;

**Stop Loss Termination Reference Price** means, subject to an *Adjustment Event*, an amount (which shall be deemed to be a monetary value in the *Strike Price Currency*), as determined by the *Calculation Agent* in its sole and absolute discretion being the fair value price for the *Share* as determined by the *Calculation Agent* by reference to unwinding *Issuer's Hedging Position* on a best effort basis. The *Stop Loss Termination Reference Price* will be at least the lowest price of the *Share* on

the day of the *Stop Loss Termination Valuation Date* (for *MINI Longs*), and the *Stop Loss Termination Reference Price* will be at most the highest price of the *Share* on the day of the *Stop Loss Termination Valuation Date* (for *MINI Shorts*);

**Stop Loss Termination Valuation Date** means the last *Trading Day* during the *Stop Loss Termination Valuation Period*;

**Stop Loss Termination Valuation Period** means the period from the occurrence of the *Stop Loss Event* to 1.00pm (Sydney time) on the next following *Trading Day*. However, if a *Stop Loss Event* occurs on the *Trading Day* on which the ASX has an early close, including but not limited to the *Trading Day* before the start of the Easter or Christmas holiday or on New Year's Eve, then the *Stop Loss Termination Valuation Period* will be the period from the occurrence of the *Stop Loss Event* to 1.00pm (Sydney time) on the second *Trading Day* after trading re-commences following the *Trading Day* on which the ASX had an early close (that is, the *Issuer* will be entitled to an extra *Trading Day* for unwinding its *Hedging Position*);

**Strike Price** means the amount specified as such in the PDS for the relevant *Series* or as quoted on ASX from time to time, and as adjusted in accordance with these *Terms* in clause 14. *Strike Price* is the leverage incorporated into the *MINI*;

**Strike Price Currency** means the currency specified as such in the PDS for the relevant *Series*;

**Takeover Bid** has the same meaning as defined in the *Corporations Act*;

**Terms** means the terms of issue of each *Series* of *MINIs* as set out in these *Terms* as amended from time to time;

**TOFA** means the *Exposure Draft of Tax Laws Amendment (Taxation of Financial Arrangements) Bill 2007*;

**Trading Day** means any day that is (or, but for the occurrence of a *Market Disruption Event*, would have been) a trading day on each *Relevant Exchange* and *Related Exchange*;

**Transfer Taxes** means:

- (a) in respect of the exercise of *MINIs*, any stamp duty or equivalent governmental tax, impost or duty, payable on, as a consequence of, or in connection with, the exercise of the *MINIs*; and
- (b) in respect of a *Underlying Share*, if relevant any income tax, capital gains tax, goods and services tax, withholding tax, stamp, financial institutions, registration and other duties, bank accounts debits tax and other related taxes, levies, imposts, deductions, interest, penalties and charges payable by any person on, as a consequence of, or in connection with, any purchase, sale or transfer of, or the completion of any purchase and sale of a *Underlying Share* in connection with a *MINI*; and



**Underlying Share** means the *Underlying Share* specified in Part 1 of the *PDS* or as otherwise determined by the *Issuer* in accordance with clause 14 these *Terms* or otherwise subject to any applicable *Adjustment* under these *Terms*;

**Underlying Share Price** means the *Current Strike Price* multiplied by the number of *MINIs* being exercised divided by the *Conversion Ratio*;

**Underlying Share Parcel** means the quantity of *Underlying Shares* the subject of a *MINI Long* or a *MINI Short*. The number of shares comprising the *Underlying Share Parcel* is determined by the number of *MINIs* being exercised, divided by the *Conversion Ratio*;

**Valuation Date** means the date on which any value is being determined.

1.1 Unless the context otherwise requires, in these *Terms*:

- (a) a reference to any legislation or legislative provisions includes any statutory modification or re-enactment of, or legislative provisions substituted for, and any subordinate legislation issued under, that legislation or legislative provision;
- (b) the singular includes the plural and vice versa;
- (c) a reference to any individual or person includes a corporation, partnership, joint venture associations, authority, trust, government and governmental authority and vice versa;
- (d) a reference to a gender includes all genders;
- (e) a reference to a clause is to a clause of these *Terms*;
- (f) a reference to any agreement or document (including, without limitation, these *Terms*, the *ASX Market Rules* and the *ASTC Settlement Rules*) is to that agreement or document (and, if applicable, any of its provisions) as amended, novated, supplemented or replaced from time to time;
- (g) a reference to "dollar", "cents", "A\$" and "\$" is a reference to Australian currency;
- (h) a reference to a matter being "with the consent of the ASX" is a reference to that matter being with the consent of the ASX which consent is not to be unreasonably withheld or delayed;
- (i) if any expression is defined, another part of speech or grammatical form of that expression has a corresponding meaning;
- (j) a reference to a date or time is to that date or time in Sydney;
- (k) a reference to a the *MINIs* "ceasing to be officially quoted" is the *MINIs* ceasing to be officially quoted on the stock market conducted by the ASX whether by reason of delisting, suspension or otherwise; and
- (l) expressions appearing in the *Terms* which are not otherwise defined in the *Terms* which are defined in the *Corporations Act* has the meaning given to them in the *Corporations Act*.

- 1.2 Headings are for convenience only and do not affect interpretation.
- 1.3 All of these *Terms* are subject to any contrary requirement from time to time of the *ASX Market Rules* or, when applicable, the *ASTC Settlement Rules* unless ASX, or if appropriate, *ASTC* gives or has given a waiver or consent in respect of the *MINIs* of or under any of those rules.

## 2 Form and Title

- 2.1 The *MINIs* are issued as ASX quoted warrants which will be transferable in accordance with the applicable law and the rules and procedures governing *CHESS* and *ASTC Settlement Rules*.
- 2.2 The Issuer will not issue a certificate evidencing the *Holder's* title to the *MINIs*. The Issuer will instead comply with the rules governing *CHESS*, the *ASX Market Rules* concerning the issue of notices relating to securities and the *ASTC Settlement Rules*.
- 2.3 Whilst a *MINI* remains admitted to trading status on ASX, the Issuer undertakes to calculate, and on or prior to commencement of trading on each *Business Day*, quote the *Current Strike Price* and the Interest Rate p.a. applicable to each *MINI*.
- 2.4 The *Holder* agrees and acknowledges that the *Current Strike Price* will be adjusted each *Business Day* by adding the *Funding Cost* and deducting the *Notional Dividend Amount* (if any).

## 3 Status

- 3.1 The *MINIs* and the Issuer's obligations under these *Terms* constitute unsecured and unsubordinated obligations of the Issuer and rank *pari passu* among themselves and with all other present and future unsecured and unsubordinated obligations of the *Issuer* save for those preferred by mandatory provisions of law.

## 4 Nature of the MINIs

- 4.1 In return for the *Holder* paying the *Capital Outlay* to the *Issuer*
  - (a) the *Issuer* agrees in respect of a *MINI Short* to:
    - (i) following *Exercise*, pay the *Holder* the *Cash Amount* per *MINI*; and
    - (ii) on the *Issue Date*, grant a *MINI* to the *Holder*; and
    - (iii) set a *Stop Loss Level* on the *Issue Date* and each following *Stop Loss Reset Date*.

and

- (b) the *Issuer* agrees in respect of a *MINI Long* to:
  - (i) following *Exercise*, pay the *Holder* the *Cash Amount*; and
  - (ii) on the *Issue Date*, grant a *MINI* to the *Holder*, and
  - (iii) set a *Stop Loss Level* on each *Issue Date* and each following *Stop Loss Reset Date*;

4.2 Nothing in clause 4.1 obliges the *Issuer* to make available or otherwise offer to *Holder*s the *MINI Short* or the *MINI Long* where, in the *Issuer*'s absolute discretion, the *Issuer* determines that such *MINIs* will not be offered to *Holder*s.

## 5 Completion and Settlement

### 5.1 Completion

Upon the occurrence of an *Event of Completion*, the *Issuer* will pay or cause to be paid to the *Holder* the *Cash Amount* (if any) on the *Settlement Date*.

#### Satisfaction of obligations

5.2 Upon Completion and payment of the *Cash Amount* to the *Holder* or *Issuer* as the case may be, in accordance with this Clause 5, the *Issuer*'s obligations to the *Holder* under these *Terms* and each *MINI* are fully satisfied and discharged.

## 6 Transfer of MINIs

- 6.1 A *MINI* may be transferred only if the transfer is in the manner prescribed by or under the *ASX Market Rules* and the *ASTC Settlement Rules*.
- 6.2 The transferor of the *MINI* will be regarded as remaining the owner of the *MINI* the subject of the transfer until the name of the transferee is entered in the Register in respect of the *MINI*. On registration of the *MINI*, the transferee will be recognised as entitled to the *MINI* free from any equity, set off or counter-claim of the *Issuer* against the transferor.
- 6.3 Any person becoming entitled to the *MINI* in consequence of the death, unsoundness of mind or bankruptcy of any *Holder*, upon producing such evidence as the *Issuer* reasonably requires that the person hold the office in respect of which it is proposed to act or as to title as successor to the *Holder*, may transfer the *MINI*.

## 7 Registration of MINIs

### 7.1 The *Issuer*:

- (a) must deal with, certify and register a transfer of a *MINI* which complies with clause 6(a) in accordance with the *ASX Market Rules* and the *ASTC Settlement Rules*; and

- (b) may refuse to register such a transfer in any circumstances if such refusal is permitted by, and in accordance with any procedures prescribed by, the *ASX Market Rules* and the *ASTC Settlement Rules*.

7.2 No fee will be charged by the *Issuer* for the registration of a transfer.

## 8 Exercise of MINIs

8.1 Provided that no *Stop Loss Event* or *Extraordinary Event* has occurred, and notwithstanding notice of an *Issuer Call*, the *MINIs* are exercisable by the *Holder* at any time by delivering an *Exercise Notice* to the *Issuer* by the *Exercise Time* on a *Business Day*.

8.2 An *Exercise Notice* given to the *Issuer* cannot be revoked. After delivery of the *Exercise Notice*, the *MINIs* which are the subject of such notice may not be transferred.

8.3 The *Issuer* will cash settle the *MINIs* the subject of the *Exercise Notice* on the *Settlement Date*.

8.4 Subject to clause 8.1, an *Exercise Notice* is effective if:

- (a) it is given by the *Holder* or a person who is entitled to be registered as the *Holder*;
- (b) it contains the *Exercise Strike Price* and the *Exercise Reference Number* obtained by the *Holder* contacting the *Issuer* within 2 *Business Days* prior to date of the *Exercise Notice* delivered to the *Issuer*; and

(c) in the case of an *Exercise Notice* given by a person not registered as the *Holder*, it states that the person giving the notice claims to be entitled to be registered as the *Holder*; and

(d) it exercises, as a minimum, the number of *MINIs* specified in the *Conversion Ratio*, or a multiple of it; and

(e) the *MINIs* exercised have not terminated under Clause 11 by the time that the *Exercise Notice* is given; and

(f) certifies that the person delivering the notice or any person on whose behalf the notice is being delivered is a person who is in Australia or a person who would not cause the *Issuer* to be in breach of the securities laws of any country other than Australia if the *MINIs* are offered, issued or transferred to that person; and

(g) authorises the production of the notice in any applicable administrative or legal proceedings;

8.5 If more than one *Exercise Notice* which complies with the requirements of clause 8 is given in respect of a *MINI*, the *Issuer* will determine which notice is to be taken to be the effective *Exercise Notice* for the purpose of these *Terms*. This will be the

*Exercise Notice* which the *Issuer* knows or reasonably believes was given by the last of those persons who became entitled to be the *Holder* of those *MINIs*.

- 8.6 If an *Exercise Notice* given is not effective or the *MINI* arising in respect of that *Exercise Notice* is terminated, then the *Issuer* will give a notice to this effect under Clause 15, accompanied by the purported *Exercise Notice* and all documents and cheques which accompanied it to the person who gave that notice.
- 8.7 If the number of *MINIs* included in an *Exercise Notice*:
- exceeds the number of *MINIs* held by the *Holder*, the *Exercise Notice* is valid only to the extent of the number of *MINIs* held by the *Holder*; and
  - is not for a minimum number as specified in the *Conversion Ratio*, or multiple thereof, the *Exercise Notice* is valid to the extent of the multiple of *MINIs* equating to the *Conversion Ratio* only.

#### **Exercise and Settlement Risk**

- 8.8 *Exercise* and settlement of the *MINIs* is subject to all applicable laws, regulations and practices in force at the relevant time and neither the *Issuer* nor any *Calculation Agent* shall incur any liability whatsoever if it is unable to effect the transactions contemplated, after using all reasonable efforts, as a result of any such laws, regulations or practices. Neither the *Issuer* nor the *Calculation Agent* shall under any circumstances be liable for any acts or defaults of any *ASTC* in relation to the performance of its duties in relation to the *MINIs*.

#### **Cash Amount**

- 8.9 If the *Holder* of a *MINI* fails to validly exercise the *MINI* in accordance with Clause 8.1, within 10 *Business Days* of notice from the *Issuer* under clause 8.6, then the *Issuer* either itself or through a nominee will send to the *Holder* a cheque in favour of the *Holder* for the *Cash Amount* (if any).

### **9 Stop Loss Event**

- 9.1 Immediately upon the occurrence of a *Stop Loss Event*:
- the *Issuer* will request that the *ASX* suspend admission to trading in the affected *MINI*, and the *Issuer* will give notice to *Holder*s in accordance with clause 15;
  - during the *Stop Loss Termination Valuation Period*, the *Issuer* will unwind its *Hedge Position* to determine the *Stop Loss Termination Reference Price*;

- the *Issuer* will request that *ASX* re-instate the affected *MINI* to trading commencing at 2.00pm (Sydney time) on the same *Trading Day* as the *Stop Loss Termination Valuation Period* ends (that is, one hour after this *Period* ends) and ending at close of trading on the next *Trading Day* following the end of the *Stop Loss Termination Valuation Period* and, thereafter, to suspend trading for that affected *MINI*;
- the *Issuer* will buy back any affected *MINIs* during the period specified in sub-clause (c) above for the *Remaining Value*.

- 9.2 If a *Holder* fails to sell its affected *MINI* to the *Issuer* pursuant to Clause 9.1(d), the *Issuer* will pay the *Remaining Value* to the *Holder* within 10 *Business Days* of the suspension of trading in the *MINI* under Clause 9.1(c).
- 9.3 Immediately upon close of trading under Clause 9.1(c), the affected *MINI* will be terminated within 10 *Business Days* upon full satisfaction of *ASX Market Rules* for an effective termination.
- 9.4 For the avoidance of doubt, a *Stop Loss Event* will override an *Issuer Call* and/or *Exercise* provided that the *Stop Loss Event* occurs prior to or on an *Issuer Call Date* or *Exercise Date* as the case may be.

### **10 Issuer Call**

- 10.1 The *Issuer* may terminate, subject to the occurrence of a valid *Exercise* or a *Stop Loss Event*, the *MINIs*, in whole but not in part on any *Business Day* by giving *Holder*s at least one calendar month's notice of its intention to terminate the *MINIs*, such notice to be given at any time from (and including) the *Issuer Call Commencement Date*.
- 10.2 Any such notice shall specify the *Issuer Call Date*, which will occur within 5 *Business Days* after the one calendar month notice.
- 10.3 Following an *Issuer Call*, *Completion* will be in accordance with clause 5.

### **11 Termination of MINIs**

#### **Effect of Termination**

- 11.1 When a *MINI* terminates, it is automatically and permanently cancelled and all rights and obligations created by or in respect of it are terminated except in respect of any *Cash Amount* or payments under clause 5 and any other rights a party may have arising out of a breach of the *Terms* by the other party.

#### **Time of Termination of MINIs**

- 11.2 A *MINI* automatically terminates on the earliest of the following:

- (a) **(Extraordinary Event):** if there is an *Extraordinary Event*, with that termination taking effect on and from the date nominated by the *Issuer* (with the consent of ASX); or
- (b) **(Stop Loss Event):** if a *Stop Loss Event* occurs, with that termination taking effect in accordance with Clause 9.3; or
- (c) **(Issuer Call):** on the *Issuer Call Date*; or
- (d) **(Exercise):** if the *MINI* is exercised, on the *Settlement Date*.

### Buybacks and Cancellation

- 11.3 The *Issuer* may buy back or issue a *MINI*, and itself or a nominee become the *Holder* of a *MINI*. This will not cancel, merge, terminate or otherwise affect the *MINI*.
- 11.4 A *MINI* bought back by the *Issuer* may be cancelled or resold (other than a *MINI* bought back after a *Stop Loss Event*) at any time prior to cancellation. Until a *MINI* is cancelled, the *Issuer* has a right to resell the *MINI* in the market by way of a secondary sale. If the *Issuer* is the *Holder* of a *MINI* it may cancel the *MINI*. A *MINI* is cancelled on receipt by the *Registrar* of a notice of cancellation from the *Issuer*.

## 12 Payment Day

If the date for payment of any amount in respect of the *MINIs* is not a *Business Day*, the *Holder* shall not be entitled to payment until the next following *Business Day* and shall not be entitled to any interest or other payment in respect of such delay.

## 13 Nomination of Extraordinary Event

- 13.1 The *Issuer* may at any time with the consent of ASX nominate any event which is or results in the delisting, withdrawal of admission to trading status or suspension of the *Underlying Shares* and/or *MINIs* (except in the case of a *MINI*, if that delisting or suspension is caused by the *Issuer*) as an *Extraordinary Event*.
- 13.2 If the *Issuer* has nominated an event under this Clause 13 and the *MINI* has not yet terminated under Clause 11, the *Issuer* may with the consent of ASX, withdraw that nomination at any time.

## 14 Adjustments - Discretion of Issuer

- 14.1 If the *Issuer* determines with the consent of ASX that any of the following has occurred:
  - (a) an *Adjustment Event*; or
  - (b) a force majeure; or

- (c) a merger; or
- (d) a bonus issue; or
- (e) a scheme or arrangement; or
- (f) cash return of capital or similar event in relation to the *Underlying Share* of a *MINI*; or
- (g) *ABN AMRO*'s hedging arrangements are terminated, adjusted or changed; or
- (h) a *Market Disruption Event*; or
- (i) an *Underlying Share* of a *MINI* is de-listed or becomes insolvent; or
- (j) another event has occurred which requires adjustment to the terms of the *MINIs*, then the *Issuer* may with the prior consent of ASX make any adjustments to the *Underlying Share*, description of the *MINIs*, the *Conversion Ratio*, *Strike Price*, *Exchange Rate*, the *Current Strike Price*, the *Funding Cost*, the *Underlying Share*, the timing of the adjustments that it considers to be appropriate, or any other *Term* of the *MINI* including but not limited to:
  - (k) nominate an *Extraordinary Event* under Clause 13;
  - (l) substitute part or all of the *Underlying Share* with another asset; and/or
  - (m) adjust, amend or substitute the definition of *Underlying Share* and/or vary any of the items referred to in the *PDS*; and/or
  - (n) adjust, amend or substitute any variable, formula, amount, calculation or term as set out or used in these *Terms* or otherwise in connection with a *Underlying Share*; and/or
  - (o) make any necessary calculations having regard to the then prevailing market conditions, the last available prices or values and such other conditions that the *Issuer* determines to be relevant, provided that, in the reasonable opinion of the *Issuer*, the adjustment is fair, equitable and appropriate to put both the *Issuer* and the *Holder* in an economic position that is as similar as possible to the economic position the *Holder* and the *Issuer* would have been in had the *Adjustment Event* or such other event referred to in (b) above not occurred.
- 14.2 If a *Takeover Bid* is made or announced in relation to a *MINI* where the *Underlying Share* is a security, the *Issuer*:
  - (a) is not obliged to accept the *Takeover Bid*;
  - (b) will be under no obligation to communicate any information or document it receives in connection with that takeover bid to any *Holder*; and
  - (c) will have no other obligation to any person in connection with that *Takeover Bid*.

**Discretion of the Issuer**

- 14.3 The *Issuer* must give notice in accordance with ASX company platform procedures of any adjustment it proposes to make under this clause before the adjustment occurs or as soon as reasonably practicable after the adjustment occurs.

**15 Notices required to be given by the Issuer**

- 15.1 *Extraordinary Event* - nomination and withdrawal

The *Issuer* must give notice to each *Holder*:

- (a) of the nomination of an *Extraordinary Event* under Clause 13 and the date on which termination occurs within 10 *Business Days* after the date such nomination is made; and
- (b) of any withdrawal of a nomination of an *Extraordinary Event* made under Clause 13, as soon as possible.

- 15.2 *Adjustment Event*

The *Issuer* must give a notice in accordance with ASX company platform procedures upon the occurrence of an *Adjustment Event* as soon as reasonably practicable in the circumstances.

- 15.3 *Stop Loss Event*

The *Issuer* must give notice in accordance with ASX company platform procedures upon the occurrence of a *Stop Loss Event* and must give notice to each remaining *Holder* of the relevant *Series* as soon as reasonably practicable thereafter of the occurrence of a *Stop Loss Event* and the completion of the relevant *Stop Loss Termination Valuation Period*. The *Remaining Value* of each *MINI* will also be provided in the notice.

- 15.4 *Issuer Call*

- (a) The *Issuer* must give notice to each *Holder* of the relevant *Series* of the occurrence of an *Issuer Call* under Clause 10 within 5 *Business Days* after the date such *Issuer Call* is determined.

- 15.5 *Interest Rate*

- (a) The *Issuer* must give notice to *Holder*s of the *Interest Rate p.a.* by posting this information on its website [www.abnamro.com.au/warrants](http://www.abnamro.com.au/warrants).

**Exercise of Discretion**

- 15.6 The *Issuer* must, if so required by the *ASX Market Rules*, give notice to each *Holder* at the time required by the *ASX Market Rules* of the exercise of any of the discretions conferred on it by these *Terms*.

**16 Method of giving Notices by the Issuer**

- 16.1 Except as otherwise provided by these *Terms* notices required or permitted to be given by the *Issuer* to the *Holder* or the *Registrar* pursuant to these *Terms* must be in writing and are treated as being duly given if:
- (a) left at that party's address; or
  - (b) sent by pre-paid mail to that party's address (which must be airmail if that address is not within Australia).
- 16.2 In addition to the methods of giving notices described in Clause 16.1, the *Issuer* may give a notice required under Clause 14 by giving notice in accordance with ASX company platform procedures.
- 16.3 The timing of the notice, or any failure to give a notice, does not affect the timing or fact of any nomination of an event.

**Time of Receipt**

- 16.4 A notice given by the *Issuer* in accordance with Clause 16.1 is treated as having been duly received:
- (a) when delivered (in the case of it being left at that party's address); and
  - (b) on the third *Business Day* after posting (in the case of it being sent by pre-paid mail).

**Address of Parties**

- 16.5 The address of the *Holder* is the address of the *Holder* shown in the *Register*.
- 16.6 If more than one person is entered in the *Register* as the *Holder* of any *MINI*, a notice given to any of those persons is effective as notice to all of those persons.

**17 Notices by Holder**

All notices required or permitted to be given by the *Holder* to the *Issuer* pursuant to these *Terms* or otherwise in respect of the *MINIs* must be in writing and are treated as being duly given if and only if they are actually received by the *Issuer* at the *Office* specified in the *PDS* ("the *Office*") or at such other address as the *Issuer* specifies by notice to the *Holder*.

**18 Terms****Holder Entitled to Copy**

- 18.1 If the *Holder* gives notice to the *Issuer* requesting a copy of these *Terms* accompanied by a fee of \$10, the *Issuer* must, within 10 *Business Days* of receipt of that notice, supply a copy of these *Terms* (incorporating any Changes) to the *Holder*.



### Inspection at Office

- (a) The *Issuer* must keep available for inspection at the *Office* a copy of these *Terms* (incorporating any *Changes*) and the *Holder* and any other person has the same right to inspect these *Terms* as it has in respect of the *Register*.

### Changes

18.2 The *Issuer* may from time to time by notice sent to the *Holder* make any change to these *Terms* if:

- (a) the terms of that change are authorised by a resolution or consent of the *Holder*s passed in accordance with the provisions of Clause 19; or
- (b) with the consent of ASX, the change is necessary or desirable in the reasonable opinion of the *Issuer* to comply with any statutory or other requirements of law or a requirement of ASX; or
- (c) with the consent of ASX, the change is necessary in the reasonable opinion of the *Issuer*:
  - (i) to rectify any defect, manifest error or ambiguity contained in these *Terms*; or
  - (ii) to effect a modification of a formal, minor or technical nature,
 and does not materially prejudice the interests of the *Holder*s.

### Notification of Change to ASX

18.3 ASX must be notified of any change to these *Terms* made under Clause 18.3.

## 19 Resolutions and Requisitions

19.1 Valid Resolutions - By Ballot

- (a) The *Issuer* must give notice to all *Holder*s in writing of a proposed amendment to the *Terms* together with a ballot paper.
- (b) Ballot papers must be returned to the *Issuer* by *Holder*s no later than 20 *Business Days* after the date of the notice. Each *Holder* is entitled to one vote for each *MINI* held.
- (c) A resolution is duly passed if 75% or more of the votes cast are in favour of the amendment, where the *Issuer* or its associates do not vote (unless they are voting as trustee or nominee for a person who is not an associate).
- (d) The *Issuer's* auditor will determine the validity of all ballot papers and complete a total of all of the votes cast on valid ballot papers during the voting period.

19.2 Valid Resolutions - By Unanimous Consent

- (a) An amendment to the *Terms* will occur if:
  - (i) the *Issuer* gives notice to all *Holder*s in writing of a proposed amendment; and
  - (ii) all *Holder*s consent in writing to the amendment.

## 20 Register

### Member Register

20.1 In respect of each *Series* of *MINIs* the *Issuer* must keep and maintain (at its cost) a register of the *Holder*s in accordance with this Clause 20 and the requirements of the *ASX Market Rules* and the *ASTC Settlement Rules*.

### Situation of Property

20.2 The property in the *MINIs* is situated at the place the part of the *Register* on which the *MINIs* is for the time being registered is situated.

### Title to MINIs

20.3 Except as otherwise provided in these *Terms*, the *Issuer* must recognise the *Holder* as the absolute owner of the *MINIs* and all persons may act accordingly.

20.4 Except as otherwise provided in these *Terms* or as ordered by a court of competent jurisdiction or as required by law, the *Issuer* is not bound to take notice of any trust or equity affecting the ownership of the *MINIs* or the rights incidental to the *MINIs* and the receipt of the *Holder* in respect of the *MINIs* and any moneys payable in respect of the *MINIs* is a good discharge to the *Issuer*. Except as required by law, no notice of any trust (express, implied, resulting or constructive) will be entered in the *Register*.

20.5 There must not be more than three joint *Holder*s of the *MINIs* except in the case of the legal personal representatives of a deceased *Holder*.

20.6 If there are joint *Holder*s of any *MINIs* and one of those joint *Holder*s dies, the survivor(s) will be the only person recognised by the *Issuer* as having any title to or interest in the *MINIs*.

20.7 The legal personal representative of a deceased *Holder* (not being one of several joint *Holder*s) is the only person recognised by the *Issuer* as having any title to the *Holder's* *MINIs*.



**Accretions**

20.8 These *Terms* do not confer on the *Holder* any right or interest in respect of *Accretions* to the *Underlying Share*. *Accretions* to the *Underlying Shares* may lead to adjustments as provided for in Clause 14.

**21 Taxes****The Issuer not liable**

21.1 The *Issuer* is not liable for any *Transfer Taxes* or other charge arising from the ownership, transfer or *Completion* or the purchase and sale of an *Underlying Share*.

**Holder is liable**

21.2 The *Holder* must pay all *Transfer Tax* and other charges including goods and services tax, if any, and any taxes payable by the *Issuer* in connection with the purchase, sale or transfer of, or *Completion* or the purchase and sale of an *Underlying Share*.

**22 Set off Rights**

22.1 All monetary obligations imposed on the *Holder* under these *Terms* are:

- (a) absolute; and
- (b) free of any right to counterclaim or set off, and may only be satisfied once the payment has cleared.

22.2 The *Issuer* may:

- (a) set off any amount payable to it by the *Holder* against any amount payable by the *Issuer* to the *Holder*; and
- (b) withhold any amount payable by it to the *Holder* and withhold delivery of *Underlying Share* in satisfaction of any amount payable to it by the *Holder*.

**23 Transfer Tax**

23.1 The *Issuer* must, on request from a *Holder* on a *Business Day*, specify to the *Holder* the amount of the *Transfer Tax*, the relevant number of *MINIs* exercised on that *Business Day* and give the *Holder* a unique identifying number for the quotation in relation to that specification.

23.2 If an *Exercise Notice* in respect of the number of *MINIs* for which the amount of *Transfer Tax* was sought by the *Holder*:

- (a) is received by the *Issuer* within 2 *Business Days* after the date on which the *Transfer Tax* unique identifying number is given to the *Holder*; and

- (b) specifies the *Transfer Tax* unique identifying number given to the *Holder* for the *MINIs*, then the amount of the *Transfer Tax* for the purposes of the exercise of those *MINIs* is the amount so specified by the *Issuer* to the *Holder* at the time the *Holder* is given the *Transfer Tax* unique identifying number.

**24 General provisions****No merger**

24.1 The *Issuer's* rights under these *Terms* are additional to and do not merge with or affect and are not affected by any mortgage, charge or other encumbrance held by the *Issuer* or any other obligation of the *Holder* to the *Issuer*, despite any rule of law or equity or any other statutory provision to the contrary.

**Power of attorney**

24.2 The *Holder* irrevocably appoints the *Issuer* and its nominees and any of their directors, secretaries and managers from time to time jointly and severally as attorney of the *Holder* to do (either in the name of the *Holder* or the attorney) all acts and things that the *Holder* is obliged to do under these *Terms* or which, in the opinion of the *Issuer*, are necessary or desirable in connection with the *MINI*, the *Underlying Share* or the protection of the *Issuer's* interests or the exercise of the rights, powers and remedies of the *Issuer*, including without limitation the authority to sell the *Underlying Share* on behalf of the *Holder*.

**Waiver and exercise of rights**

24.3 A single or partial exercise of a right by the *Issuer* does not preclude another exercise or attempted exercise of that right or the exercise of another right. Failure by the *Issuer* to exercise or delay in exercising a right does not prevent its exercise or operate as a waiver.

**Time is of the essence**

24.4 Time is of the essence in respect of the obligations of the *Holder* under these *Terms*.

**Acknowledgment**

24.5 Each *Holder* and *Transferee* acknowledges that in no event will the *Issuer* have any liability for indirect, incidental or consequential damages for the *Issuer's* failure to perform its obligations under these *Terms*.

24.6 In no circumstances will the *Issuer* be under an obligation to refund the *Capital Outlay* to the original *Holder* or to pay the *Capital Outlay* to any *Holder*. The *Capital Outlay* vests absolutely, unconditionally and irrevocably in the *Issuer* upon receipt by the *Issuer* or its agents.

#### Calculations and MINIs

24.7 In these Terms:

- (a) all calculations will be done to not fewer than four decimal places;
- (b) subject to Clause 24.8(c), no rounding of numbers will occur until a *Holder* exercises a *MINI* and at that time the entitlement attaching to all *MINIs* of that *Holder* the subject of exercise will be aggregated and that aggregate will be rounded so that all money amounts are rounded to the nearest whole cent and all numbers of *MINIs* are rounded to the nearest whole number so that any fraction being a value of 0.5 or more is rounded up and all other fractions are rounded down;
- (c) if the *Cash Amount* is determined at any fraction of a cent, it will always be rounded in the *Issuers* favour to a whole cent amount. Unless the price steps in which the *MINIs* can be traded (at the time the *Cash Amount* is determined) is half a cent, in which case the *Cash Amount* it will always be rounded in the *Issuers* favour to the nearest half or whole cent amount; and
- (d) where, following an application of this Clause 24, the *Underlying Share* refers to property of different kinds, each of those kinds of property is to be treated separately, and each adjustment required by these *Terms* is to be made to each kind of property separately.

#### Waiver

24.8 The failure, delay, relaxation or indulgence on the part of the *Issuer* in exercising any power or right conferred upon the *Issuer* by these *Terms* does not operate as a waiver of that power or right nor does any single exercise of any power or right preclude any other or further exercise of it or the exercise of any other power or right under these *Terms*.

#### Telephone Recording

24.9 The *Holder* agrees:

- (a) to the tape recording by the *Issuer* or their agent of any telephone conversations concerning the *MINIs*;
- (b) to the retention of any tape recording so made; and
- (c) to the use of any tape recording so made as evidence of the content of the conversation.

#### Discretions

24.10 The *Holder* may not give any direction to the *Issuer* concerning the *MINIs*, even if the *MINI* is exercised, concerning the exercise by the *Issuer* of any other discretion relating to the *MINIs*, or any discretion conferred on the *Issuer* by these *Terms*.

#### Governing Law and Jurisdiction

24.11 The *MINIs* are governed by and construed in accordance with the laws in force in New South Wales and the parties submit to the non-exclusive jurisdiction of the courts of New South Wales and any court hearing appeals from those courts.

#### Market Making

- 24.12 The *Issuer* undertakes to make markets in the *MINIs* at their market prices with a buy/sell spread in accordance with the ASX Guidance Note 17.
- 24.13 The parties agree to enter into these *Terms* as a Deed.

# SECTION 10: EXERCISE NOTICE

## MINI LONG EXERCISE NOTICE

To: ABN AMRO Australia Pty Limited  
 Level 29, ABN AMRO Tower  
 88-94 Phillip Street  
 Sydney NSW 2000  
 Attention: Warrants Manager  
 Ph: (612) 8259 5000

### PART A – MINI HOLDER’S DETAILS

(This must be completed by any Holder intending to exercise MINIs)

<b>Holder’s Name<sup>1</sup></b>			
<b>Registered Address</b>			
<b>Phone Number</b>		<b>Mobile Number</b>	
<b>Email Address</b>			

As Holder of the MINIs described below, I/we hereby exercise the following MINIs in accordance with the *Terms*.

### PART B – MINI LONG

ASX Code	Number of MINIs Exercised	Strike Price <sup>2</sup>	Total Payment for MINI Exercise*

<sup>1</sup> As it appears in the Register.

<sup>2</sup> Please call ABN Amro on 1800 450 005 to obtain this specific Strike Price.

\* If applicable, Total Payment MINI Exercise = number of MINIs Exercised x Strike Price

### PART C – PAYMENT OPTIONS (If applicable)

(Tick the **single method of payment** and complete this section)

<b>Direct Credit</b> <input type="checkbox"/>	<b>Cheque</b> <input type="checkbox"/>
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#### 1. CHEQUE DETAILS

Payer Details	Bank or BSB No	Cheque Amount

Any cheques should be payable to 'ABN AMRO Australia Pty Ltd'

**2. DIRECT CREDIT**

Please reference payments with your surname or your company

Account Name	<b>ABN AMRO Australia Pty Ltd</b>				
Bank	<b>National Australia Bank</b>	BSB	<b>082 057</b>	Account	<b>4636 24741</b>
Surname/ Company Name					
Amount\$					

**PART D – SHAREHOLDER DETAILS**

My/our CHESS details are as follows:

SHAREHOLDING DETAILS		
Participant Identification	PID	_____
Holder Identification Number HIN	HIN	_____
	OR	
Shareholder Reference Number	SRN	_____
	a) If you wish to have	_____

**PART E – MINI LONGS: EXECUTION**

This must be signed to execute the exercise notice.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

<p><i>If Holder is an individual</i></p> <p>Signature/s</p> <p>_____</p> <p>_____</p> <p>Director/Secretary</p>	<p><i>If Holder is a company</i></p> <p>Company Name</p> <p>_____</p> <p>_____</p> <p>Director</p> <p><i>&lt;Please affix Common Seal if required in accordance with the company's constitution</i></p>
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## MINI SHORT EXERCISE NOTICE

To: ABN AMRO Australia Pty Limited  
 ABN AMRO Equities Australia Limited  
 Level 29, ABN AMRO Tower  
 88-94 Phillip Street  
 Sydney NSW 2000  
 Attention: Warrants Manager  
 Ph: (612) 8259 5000

### PART A – MINI HOLDER’S DETAILS

(This must be completed by any Holder intending to exercise MINIs)

<b>Holder’s Name<sup>3</sup></b>			
<b>Registered Address</b>			
<b>Phone Number</b>		<b>Mobile Number</b>	
<b>Email Address</b>			

As Holder of the MINIs described below, I/we hereby exercise the following MINIs in accordance with the *Terms*.

### PART B – MINI SHORTS

ASX Code	Number of MINI Exercised	Strike Price

<sup>3</sup> As it appears in the Register.

<sup>4</sup> Please call ABN Amro on 1800 450 005 to obtain this specific Strike Price.

**PART C – SHAREHOLDING DETAILS**

*(Only ONE section applies to you. The choice depends on how your shares are held. Cross out the section which DOES NOT apply to you.)*

<p>*Section 1 – Uncertificated Holding Sponsored by Issuer of the Securities</p>	<p>I/We* instruct the Issuer named below to transfer the Securities necessary for transfer on exercise of the MINI Short where applicable to ABN AMRO Australia (or its nominee) in accordance with the Terms, ASX Market Rules and the ASTC Settlement Rules.</p> <p>My/our SRN with the issuer of the Securities is: _____</p> <p>Issuer: _____</p>
<p><b>OR</b></p>	
<p>*Section 2 – Uncertificated Holding Sponsored by Broker</p>	<p>I/We* direct my sponsoring broker named below to transfer the Securities described below to ABN AMRO Equities Australia Limited. I direct ABN AMRO Equities Australia Limited to forward this direction to my sponsoring broker.</p> <p>Sponsoring Broker: _____</p> <p>Securities (ASX Code): _____</p> <p>Number of Securities: _____</p> <p>HIN: _____</p> <p>PID: _____</p>

**PART D – MINI SHORT EXECUTION**

This must be signed to execute the exercise notice.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

*If Holder is an individual*

*If Holder is a company*

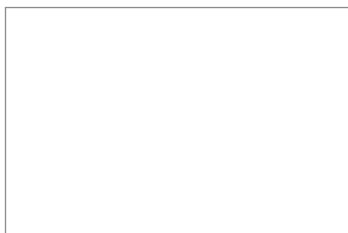
Signature/s

Company Name

\_\_\_\_\_

\_\_\_\_\_

Director/Secretary



\_\_\_\_\_

Director

*Please affix Common Seal if required in accordance with the company's constitution*



# SECTION 11: DIRECTORY

## **Issuer**

ABN AMRO Australia Pty Limited  
ABN 78 000 862 797, AFSL 247013  
Level 22, 88 Phillip Street  
GPO Box 4675  
Sydney NSW 2001

## **Guarantor**

ABN AMRO Bank N.V.  
ABN 84 079 478 612  
Level 22, 88 Phillip Street  
Sydney NSW 2000

## **Registrar**

Link Market Services Limited  
Level 12, 680 George Street  
Sydney NSW 2000

## **Tax and Legal Adviser to the Issuer**

Baker & McKenzie  
Level 27, AMP Centre  
50 Bridge Street  
Sydney NSW 2000

# ABN AMRO MINIs

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## Contact Us

For more information, contact your financial adviser  
or contact ABN AMRO on

1800 450 005 or visit

[www.abnamro.com.au/warrants](http://www.abnamro.com.au/warrants)

You can also subscribe to the *ABN AMRO Round-Up*  
to get trading ideas and market information daily.

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