
ANNEXURE 'F'

This is the annexure marked 'F' of 43 page(s) referred to in the Notice of change of interests of substantial holder.

Dennis Leong
Company Secretary, Macquarie Group Limited
30 March 2012

MACQUARIE BANK LIMITED

and

[NAME of COUNTERPARTY]

DOMESTIC SECURITIES LENDING AGREEMENT



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TABLE OF CONTENTS

| | |
|--|-----------|
| 1. DEFINITIONS AND INTERPRETATION..... | 1 |
| 1.1 Definitions | 1 |
| 1.2 General | 7 |
| 1.3 Sale and Purchase | 8 |
| 1.4 Mode of Delivery and Payment..... | 8 |
| 2. SUPPLY OF SECURITIES | 9 |
| 2.1 Supply Request..... | 9 |
| 2.2 Acceptance..... | 9 |
| 2.3 Loan Contract | 9 |
| 2.4 Rejection..... | 9 |
| 3. DELIVERY AND TITLE | 9 |
| 3.1 Delivery of Securities | 9 |
| 3.2 Provision of Collateral..... | 9 |
| 3.3 Delivery versus Payment - Supply | 9 |
| 3.4 Title and Property in Securities | 10 |
| 3.5 Title and Property in Collateral | 10 |
| 4. DISTRIBUTIONS | 10 |
| 4.1 Cash and Non-Cash Distributions | 10 |
| 4.2 Calculation of Cash Equivalent | 11 |
| 4.3 Expert Determination..... | 11 |
| 4.4 Payment of Cash Equivalent..... | 11 |
| 4.5 Bonus Issues - Adjustment of Equivalent Parcel | 12 |
| 4.6 Renounceable Rights Issues..... | 12 |
| 4.7 Prompt Registration | 12 |
| 4.8 Termination and Unpaid Distributions | 12 |
| 4.9 Adjustment after Termination | 12 |
| 4.10 Delivery versus Payment - Adjustments..... | 13 |
| 4.11 Interest on Collateral Withheld..... | 13 |
| 5. LOSS OF TAX BENEFITS | 13 |
| 5.1 Dividend Transfer | 13 |
| 5.2 Cum Dividend Transfer..... | 13 |
| 5.3 Franked Dividends | 14 |
| 5.4 Unfranked Dividends | 14 |
| 5.5 Payments Additional | 15 |
| 5.6 Effect of Termination | 15 |
| 6. AUTOMATIC ADJUSTMENT TO EQUIVALENT PARCEL | 16 |
| 6.1 Application of clauses 6.2 and 6.3 | 16 |
| 6.2 Reconstructions of Capital..... | 16 |
| 6.3 Takeover Offers..... | 16 |
| 7. COLLATERAL..... | 17 |
| 7.1 Mode of Provision of Collateral..... | 17 |
| 7.3 Minimum Adjustment | 18 |
| 7.4 Time for Adjustment | 18 |
| 7.5 Application of clauses 7.6 and 7.7 | 18 |
| 7.6 Reconstructions of Capital..... | 18 |
| 7.7 Takeovers, Rights Issues, Bonus Issues and Dividends | 19 |
| 7.8 Substituted Collateral | 19 |
| 7.9 Letters of Credit | 19 |
| 7.10 Unpermitted Draw Down | 20 |
| 8. RETURN OF SECURITIES | 20 |
| 8.1 Return at Lender's Election | 20 |
| 8.2 Return at Borrower's Election..... | 20 |
| 8.3 Return after 12 Months | 21 |
| 8.4 Return on Demand | 21 |
| 8.5 Return on Return Date | 21 |
| 8.6 Mode of Return of Collateral | 21 |

| | |
|--|-----------|
| 8.7 Delivery versus Payment - Return..... | 22 |
| 9. REBATE OR FEE | 22 |
| 9.1 Payment of Rebate..... | 22 |
| 9.2 Calculation of Rebate | 22 |
| 9.3 Payment of Fee..... | 22 |
| 9.4 Calculation of Fee | 22 |
| 9.5 Notifiable Consideration..... | 23 |
| 9.6 Interest on Overdue Amounts | 23 |
| 9.7 Daily Accrual | 23 |
| 10. DEFAULT, CLOSE-OUT, TERMINATION AND SET OFF | 23 |
| 10.1 Close-Out Notice | 23 |
| 10.2 Termination of Loans | 24 |
| 10.3 Effect of Termination | 24 |
| 10.4 Set Off after Termination | 24 |
| 10.5 Set Off of Rebate and Fee | 25 |
| 10.6 Purpose of clause 10 | 25 |
| 11. FAILURE TO RE-DELIVER | 25 |
| 11.1 Failure to re-deliver Securities or Collateral | 25 |
| 11.2 Default by Lender..... | 26 |
| 11.3 Default by Borrower | 26 |
| 11.4 Accrued Rights..... | 27 |
| 12. DE-LISTING OF SECURITIES..... | 27 |
| 12.1 De-Listing of Equivalent Securities | 27 |
| 12.2 De-Listing of Securities forming Collateral | 27 |
| 12.3 Termination | 28 |
| 12.4 Valuation of Unlisted Securities | 28 |
| 12.5 Expert Determination..... | 28 |
| 12.6 Payment and Set Off..... | 29 |
| 13. TAXES..... | 29 |
| 13.1 Stamp Duty | 29 |
| 13.2 Increased Taxes..... | 29 |
| 14. NOTICES | 29 |
| 14.1 Mode of Service | 29 |
| 14.2 Time of Service | 30 |
| 15. GENERAL..... | 30 |
| 15.1 Amendment | 31 |
| 15.2 Waiver | 31 |
| 15.3 Severance..... | 31 |
| 15.4 Further Assurance | 31 |
| 15.5 Counterparts..... | 31 |
| 15.6 Attorneys..... | 31 |
| 15.7 Confidentiality | 31 |
| 15.8 Governing Law and Jurisdiction..... | 32 |
| 15.9 Currency Conversion..... | 32 |
| 15.10 Frustrated Contracts Act 1978 | 32 |
| 15.11 Warranties and Representations..... | 32 |
| 15.12 Borrowing by Lender..... | 32 |
| 15.13 Status of Confirmations and Notices | 33 |
| 15.14 Assignments..... | 33 |
| SCHEDULE 1 | 34 |
| SCHEDULE 2 | 35 |
| SCHEDULE 3 | 36 |
| SCHEDULE 4 | 38 |
| SCHEDULE 5 | 39 |

DOMESTIC SECURITIES LENDING AGREEMENT made the 13th day of August 1996

BETWEEN MACQUARIE BANK LIMITED, ACN 008 583 542, a company incorporated in the Australian Capital Territory and having its principal place of business at Level 22, 20 Bond Street, Sydney, New South Wales (the "Lender")

AND [WERE STOCKBROKING LIMITED] ACN [006 797 897] a company incorporated in [VICTORIA] and having its principal place of business at [LEVEL 17 ,] (the "Borrower")
101 COLLINS STREET
MELBOURNE VICTORIA 3000

RECITALS:

- A. Each of the Lender and the Borrower anticipate that the Lender may from time to time, at the request of the Borrower, make available Securities to the Borrower by way of a Loan.
- B. The Lender and the Borrower have agreed to set out in this Agreement the terms which will govern individual Loans of Securities.
- C. The Lender and the Borrower have also agreed that all Loans will be executed in accordance with the rules and regulations of those regulatory authorities the rules and regulations of which from time to time affect Loans made pursuant to this Agreement, together with prevailing market practices, customs and conventions in so far as they are consistent with the express terms of this Agreement.

THE PARTIES AGREE AND DECLARE AS FOLLOWS:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement:

"Applicable Consideration" means, in relation to a Takeover offer in respect of which only one type of consideration is offered, that consideration and in relation to a Takeover offer in respect of which alternative considerations are offered, the consideration notified by the Lender to the Borrower under clause 6.3(b)(i);

"ASX" means Australian Stock Exchange Limited, ACN 008 624 691;

"Australian Taxpayer" means a person who is required to include in assessable income, for Australian income tax purposes, a Franked Dividend or a Dividend Equivalent received under Business Rule 4.10A;

"Bonds" means bonds, debentures or similar financial instruments issued by a government or an authority of a government;

"Bonus Issue" means, in relation to Securities, a Distribution made in respect of those Securities where the property distributed does not consist solely of cash and which is not a Rights Issue;

"Broker" means a Member Organisation as defined in the Articles of Association of ASX;

"Business Day" means a day on which banks are open for business in both Sydney and Melbourne and ASX is open for business;

"Business Rules" means the Business Rules made pursuant to Article 70 of the Articles of Association of ASX;

"Cash Equivalent" means, in relation to a Distribution which does not consist solely of cash, the value of that Distribution in respect of an Equivalent Parcel on the relevant Distribution Payment Date calculated in accordance with clause 4.2;

"Certificate" means, in relation to a Security or a Bond, the certificate, scrip or other documentary evidence or indicia of title;

"Close-Out Event" means an event specified in Schedule 4;

"Close-Out Notice" means a notice given in accordance with clause 10.1;

"Collateral" means, in relation to a Loan and at any time, Eligible Collateral of the Description and Value specified in the Supply Request in respect of that Loan, as adjusted up to that time under clause 7;

"Collateral Amount" means, in relation to a Loan, the percentage of the Value of the Supplied Securities forming the subject matter of that Loan specified as such in the relevant Confirmation;

"Collateral Value" means, in relation to a Loan and on any day, the Value on that day of the Collateral provided under that Loan;

"Confirmation" means a completed document in the form, or substantially in the form, of Schedule 1;

"Description" means:

- (a) in relation to Securities, a sufficient description to identify the rights of a holder of those Securities including, where the Securities are shares, the class, par value and issuer of the shares;
- (b) in relation to a Bond, the issuer, face value, coupon and maturity date of the Bond; and

- (c) in relation to Collateral or Eligible Collateral, the type of Collateral or Eligible Collateral being cash, a letter of credit in favour of the Lender, Bonds or Securities;

“Distribution” means, in relation to Securities, any money or other property to which the holders of those Securities become entitled in that capacity, whether by way of dividend, return of capital, issue of bonus shares, issue of rights to acquire securities or otherwise;

“Distribution Determination Period” means, in relation to a Loan:

- (a) with respect to Equivalent Securities, the period commencing when the Supplied Securities under that Loan cease to be registered in the name of the Lender (or its nominee or transferor) following delivery under clause 3.1 and ending when an Equivalent Parcel is registered in the name of the Lender (or its nominee or transferee) following delivery under clause 8; and
- (b) with respect to Collateral which is comprised of Securities, the period commencing when those Securities cease to be registered in the name of the Borrower (or its nominee or transferor) following provision of the Collateral in relation to that Loan under clause 3.2 and ending when those Securities (or Securities of the same Description) are registered in the name of the Borrower (or its nominee or transferee) following provision of the Collateral under clause 8;

“Distribution Entitlement Date” means, in relation to a Distribution conferred upon the holders of Securities of a particular Description, the date on which the holders of Securities of that Description become entitled to receive that Distribution;

“Distribution Payment Date” means, in relation to a Distribution, the date on which that Distribution is paid, issued or distributed (as the case may be) to the holders of the relevant Securities;

“Dividend Rebate” means the inter-corporate dividend rebate of tax which a resident company which is not a private company for tax purposes is entitled to claim on dividends included in its taxable income under section 46(2)(b) of the Tax Act;

“Dividend Transfer” means a properly completed document in the form or substantially in the form of Appendix 6.26 to the Business Rules;

“Documents of Title” means:

- (a) in relation to Securities, all those documents being Certificates, duly completed and executed forms of transfer and all other documents (if any) necessary to vest the legal and beneficial title to those Securities in a transferee of those Securities; and
- (b) in relation to Bonds, all bond Certificates and all other documents (if any) necessary to vest the legal and beneficial title to those Bonds in a transferee of those Bonds;

“Electronic Transfer” means a transfer effected in accordance with the applicable rules for the transfer of Securities or Bonds (as the case may be) which are Uncertificated or in respect of which no instrument is created to effect the transfer;

“Eligible Collateral” means any of the following:

- (a) cash;
- (b) a letter of credit in favour of the Lender;
- (c) Bonds; or
- (d) Securities;

“Equivalent Parcel” means, in relation to a Loan and on any day, that number and Description of Securities delivered by the Lender to the Borrower on the Settlement Date under that Loan adjusted as at that day, if at all, under clauses 4 and 6;

“Equivalent Securities” means, in relation to a Loan and on any day, Securities of the same Description as any of the Securities comprising the Equivalent Parcel in respect of that Loan on that day;

“Expert” means a person appointed under clause 4.3(b) or 12.5(b) as the case may be;

“Fee” means, in relation to a Loan, an amount calculated under clause 9.4;

“Fee Rate” means, in relation to a Loan, the rate (expressed as a decimal) specified as such in the Confirmation in respect of that Loan or otherwise agreed between the Parties;

“Franked Dividend” means a dividend the whole or part of which has been franked in accordance with section 160AQF of the Tax Act;

“Increased Tax” means, in relation to a Party, the sum of:

- (a) the amount of any additional income tax the Party is required to pay;
- (b) the amount of any reduction in carry forward losses otherwise available to the Party; and
- (c) the value of any reduction in any rebate, allowance credit or other concession otherwise available to the Party,

together with any fines, additional tax, interest or penalties imposed together with or in relation to such amounts;

“Loan” means a contract between the Lender and the Borrower which arises under clause 2.3 when a Confirmation which complies with the terms of a Supply Request is served by the Lender on the Borrower;

“Loan Period” means, in relation to a Loan, the period commencing on the Settlement Date and ending on the date on which Securities comprising an Equivalent Parcel are delivered to the Lender under clause 8;

“Loan Value” means, in relation to a Loan and on any day, the amount which is the sum of the Value of all Securities comprising the Equivalent Parcel on that day and the Value of all Unpaid Distributions on that day;

“Month” means a calendar month;

“Notifiable Consideration” has the meaning given to that term by section 26BC of the Tax Act;

“Parties” means the Lender and the Borrower;

“Prescribed Rate” means, on any day, the 90 day “Authorised Dealers Bank Bill Rate” first published in the Australian Financial Review during the Month in which that day falls or, if that newspaper or that rate ceases to be published, the rate of interest nominated by an Australian bank selected by the Lender for that purpose (not being the Lender or a related body corporate of the Lender) to be the rate which most closely approximates that rate;

“Re-acquisition Date” means the date on which an Equivalent Parcel is registered in the name of the Lender (or its nominee or transferee) following delivery of Securities comprising an Equivalent Parcel under clause 8;

“Rebate” means, in relation to a Loan, an amount calculated under clause 9.2;

“Rebate Rate” means, in relation to a Loan, the rate (expressed as a decimal) specified as such in the Confirmation in respect of that Loan, or a rate subsequently agreed between the Parties;

“Reference Price” means, in relation to Securities and on any day, the last sale price of a marketable parcel of those Securities quoted on the SEATS trading system of ASX for the preceding Business Day;

“Required Collateral Value” means, on any day, an amount determined by increasing the Loan Value on that day by the Collateral Amount;

“Return Date” means, in relation to a Loan:

- (a) where the Confirmation in respect of that Loan specifies a Return Date, that date; or
- (b) otherwise, the date on which the Lender is obliged to provide Collateral and the Borrower is obliged to deliver Securities for that Loan in accordance with clause 8.3 or 8.4;

“Rights” means property acquired under a Rights Issue;

"Rights Issue" means, in relation to Securities, a Distribution made in respect of those Securities where the property distributed in respect of each Security consists of a right to acquire, for valuable consideration, further Securities, whether of the same or a different Description;

"Securities" means securities quoted on the stock market of ASX;

"Settlement Date" means, in relation to a Loan, the date specified as such in the relevant Confirmation;

"Supplied Securities" means those Securities which are delivered to the Borrower by the Lender under clause 3.1;

"Supply Request" means a request made (by telephone or otherwise) of the Lender by the Borrower specifying the following details in relation to a proposed Loan:

- (a) the Description and number of the Securities proposed to be supplied;
- (b) the proposed Settlement Date;
- (c) if a fixed term is proposed, the proposed Return Date;
- (d) the proposed manner and place of delivery of the Securities;
- (e) the Description and Value (expressed as a percentage of the Value of the Securities to be supplied) of the Eligible Collateral to be provided by the Borrower; and
- (f) the proposed Fee Rate or Rebate Rate;

"Takeover offer" means any offer made to all the holders (other than the offeror) of Securities of a particular Description to acquire all or a specified proportion of their Securities of that Description;

"Tax Act" means the Income Tax Assessment Act 1936 (Commonwealth);

"Termination Date" means the day on which each Loan terminates under clause 10.2;

"Uncertificated" means, in relation to a Security or a Bond, a Security or a Bond (as the case may be) for which no Certificate exists;

"Unpaid Distribution" means, in relation to a Loan and on any day, a Distribution in respect of Equivalent Securities to which clause 4.1 applies but in respect of which:

- (a) the Lender has not been paid an amount under clause 4.1(c) or 4.4 or delivered Rights under clause 4.6; and
- (b) the Equivalent Parcel has not been adjusted under clause 4.5;

"Value" means, on any day:

- (a) in relation to Securities, the value of those Securities calculated at the Reference Price of those Securities on that day;
- (b) in relation to Bonds, the value of those Bonds calculated as at that day in accordance with the formula published from time to time by the Reserve Bank of Australia for calculating the value of bonds;
- (c) in relation to Collateral, the value of the Collateral on that day calculated:
 - (i) where the Collateral consists of Securities or Bonds or both, in accordance with paragraph (a) or (b) as appropriate; or
 - (ii) where the Collateral consists of cash or a letter of credit, the amount of the cash or the face value of that letter of credit as the case may be; and
- (d) in relation to Unpaid Distributions:
 - (i) if the Unpaid Distribution consists solely of cash, the amount of the Unpaid Distribution; or
 - (ii) if the Unpaid Distribution does not consist solely of cash, an amount equal to the Cash Equivalent; and

“Warranties” means each of the warranties and representations set out in Schedule 5.

1.2 General

In this Agreement unless the context otherwise requires:

- (a) a reference to any legislation or legislative provision includes any statutory modification or re-enactment of, or legislative provision substituted for, and any statutory instrument issued under, that legislation or legislative provision;
- (b) a word denoting the singular number includes the plural number and vice versa;
- (c) a word denoting an individual or person includes a company, corporation, firm, authority, government or governmental authority and vice versa;
- (d) a word denoting a gender includes all genders;
- (e) a reference to a clause or Schedule is to a clause of or a schedule to this Agreement;
- (f) a reference to any agreement or document is to that agreement or document (and, where applicable, any of its provisions) as amended, novated, supplemented or replaced from time to time;
- (g) a reference to any party to this Agreement, or any other document or arrangement, includes that party's executors, administrators, substitutes, successors and permitted assigns;

- (h) an expression defined in, or given a meaning for the purposes of, the Corporations Law (except if defined in clause 1.1) has the same definition or meaning in this Agreement where it relates to the same matters for which it is defined, or given a meaning in the Corporations Law;
- (i) a reference to “cash”, “dollars” or “\$” is a reference to an amount in Australian currency;
- (j) a reference to a time is to that time in Sydney;
- (k) headings are for convenience of reference only and do not affect interpretation; and
- (l) where an expression is defined, another part of speech or grammatical form of that expression has a corresponding meaning.

1.3 Sale and Purchase

The transaction effected by each Loan is an outright disposition by way of sale of Securities by the Lender to the Borrower in consideration of the provision of the Collateral together with an agreement between the Lender and the Borrower for the Lender to purchase in the future (which on performance is an outright acquisition by way of purchase) from the Borrower an Equivalent Parcel of Securities in consideration for the provision of the Collateral.

1.4 Mode of Delivery and Payment

Where either the Lender or the Borrower is obliged, in accordance with the terms of this Agreement:

- (a) to deliver Securities or Bonds, that obligation must be satisfied by:
 - (i) the delivery of Documents of Title to those Securities or Bonds;
 - (ii) the provision of appropriate instructions to an appropriate clearing house or depository facility of which both the lender and the Borrower are members; or
 - (iii) in the case of Uncertificated Securities or Bonds, causing the Securities or Bonds (as the case may be) to be transferred by way of Electronic Transfer; or
- (b) to pay a sum of money, that obligation must be satisfied by:
 - (i) the delivery of a bank cheque for the relevant amount; or
 - (ii) the provision of instructions to an appropriate clearing house or depository facility of which both the Lender and the Borrower are members to credit the appropriate amount to an account of the payee.

2. SUPPLY OF SECURITIES

2.1 Supply Request

The Borrower may at any time make a Supply Request.

2.2 Acceptance

Following receipt of a Supply Request the Lender may, in its absolute discretion, accept that Supply Request by serving on the Borrower a Confirmation which conforms with the terms of the Supply Request or otherwise contains terms to which the Borrower agrees.

2.3 Loan Contract

Following service by the Lender on the Borrower of a Confirmation in accordance with clause 2.2, a contract arises between the Lender and the Borrower on the terms and conditions set out in clauses 3 to 9 (as affected in their terms, meaning and operation by the provisions of this Agreement) which apply severally to each such contract.

2.4 Rejection

If the Lender does not accept a Supply Request under clause 2.2 it must, within a reasonable time, notify the Borrower (orally or in writing) of its non-acceptance.

3. DELIVERY AND TITLE

3.1 Delivery of Securities

On the Settlement Date the Lender must deliver the Securities specified in the Confirmation to the Borrower.

3.2 Provision of Collateral

On the Settlement Date the Borrower must, in accordance with clause 7.1, provide Eligible Collateral to the Lender:

- (a) of the Description specified in the Confirmation; and
- (b) of Collateral Value equal to or in excess of the Required Collateral Value.

3.3 Delivery versus Payment - Supply

Notwithstanding any other provision of the Loan:

- (a) the Lender is not required to deliver Securities under clause 3.1 except against simultaneous provision of Eligible Collateral by the Borrower under clause 3.2; and

- (b) the Borrower is not required to provide Eligible Collateral under clause 3.2 except against simultaneous delivery of Securities by the Lender under clause 3.1.

3.4 Title and Property in Securities

Property in and title to the Securities delivered under clause 3.1 passes absolutely to the Borrower free from all liens and encumbrances, and the Borrower is not obliged under the Loan to re-deliver the same Securities to the Lender.

3.5 Title and Property in Collateral

Property in and title to all Collateral delivered under clause 3.2 passes absolutely to the Lender free from all liens and encumbrances, and the Lender is not obliged under the Loan to re-deliver the same cash, Bonds or Securities to the Borrower which may comprise (all or in part) Collateral.

4. DISTRIBUTIONS

4.1 Cash and Non-Cash Distributions

Where :

- (a) during the Distribution Determination Period the holders of Equivalent Securities (or any of them) become entitled to a Distribution in respect of those Securities; and
- (b) had the Lender been the holder of an Equivalent Parcel on the relevant Distribution Entitlement Date the Lender would have been entitled to participate in that Distribution,

then:

- (c) if the Distribution consists solely of cash, the Borrower must pay to the Lender on the Distribution Payment Date, an amount equal to the amount of the Distribution in respect of an Equivalent Parcel held on the Distribution Entitlement Date; or
- (d) if the Distribution does not consist solely of cash and is a Bonus Issue or renounceable Rights Issue, the Lender must, at least five days prior to the Distribution Entitlement Date, notify the Borrower of its election either:
 - (i) to receive the Cash Equivalent of the Distribution; or
 - (ii) to receive an amount equal to the cash component of the Distribution (if any) and to have the non-cash component of the Distribution added to the Equivalent Parcel under clause 4.5 or delivered to the Lender under clause 4.6 as the case may be.

4.2 Calculation of Cash Equivalent

Where either :

- (a) a Distribution is a non-renounceable Rights Issue; or
- (b) the Lender elects to receive the Cash Equivalent of the Distribution under clause 4.1(d)(i),

the Lender must calculate the Cash Equivalent of the Distribution as at the Distribution Entitlement Date on a fair, reasonable and proper basis having regard (where applicable) to any available market for any non-cash component of the Distribution and must notify the Borrower of the Cash Equivalent so calculated.

4.3 Expert Determination

If the Borrower disputes the determination made by the Lender under clause 4.2 then:

- (a) the Borrower may, by notice to the Lender on or before the Business Day following the day on which the notice under clause 4.2 is served, require that the Cash Equivalent be determined by the Expert;
- (b) where the Borrower has given a notice under clause 4.3(a) the Borrower must, as soon as practicable, request the Chairman for the time being of the Australian Securities Lending Association to appoint an expert to determine the Cash Equivalent;
- (c) the determination of the Cash Equivalent by the Expert under clause 4.3(b) is final and binding between the Parties; and
- (d) the costs of the Expert must be met by the Borrower.

4.4 Payment of Cash Equivalent

Where either:

- (a) a Distribution is a non-renounceable Rights Issue; or
- (b) the Lender elects to receive the Cash Equivalent of the Distribution under clause 4.1(d)(i),

the Borrower must pay to the Lender the Cash Equivalent:

- (c) where the Borrower does not require the Cash Equivalent to be determined by the Expert under clause 4.3(a), on the relevant Distribution Payment Date; or
- (d) where the Borrower does require the Cash Equivalent to be determined by the Expert under clause 4.3(a), on the later of:

- (i) the Business Day following the day on which the Expert's determination is made available to the Borrower; and
- (ii) the relevant Distribution Payment Date.

4.5 Bonus Issues - Adjustment of Equivalent Parcel

If, in relation to a Bonus Issue which is a Distribution to which clause 4.1(d) applies, the Lender makes the election referred to in clause 4.1(d)(ii):

- (a) if any part of the Distribution consists of an amount of cash, the Borrower must pay the Lender, on the later of the Distribution Payment Date and Business Day following the day on which the Lender notifies the Borrower of its election, an amount equal to that amount of cash; and
- (b) the Equivalent Parcel is adjusted as from the Distribution Payment Date in accordance with Schedule 3.

4.6 Renounceable Rights Issues

If, in relation to a renounceable Rights Issue which is a Distribution to which clause 4.1(d) applies, the Lender makes the election referred to in clause 4.1(d)(ii), the Borrower must, on the Distribution Payment Date, deliver to the Lender that number of Securities which corresponds with the Rights issued in respect of the Equivalent Parcel.

4.7 Prompt Registration

Each of the Lender and the Borrower must use its best endeavours to have each transfer of Securities effected under the Loan registered promptly.

4.8 Termination and Unpaid Distributions

Where:

- (a) the Loan is terminated under clause 8; and
- (b) on the Return Date there is an Unpaid Distribution,

the Lender may withhold from the Eligible Collateral provided in relation to that Loan and otherwise to be delivered to the Borrower (except where the Collateral is a letter of credit) Eligible Collateral of the Value of the Unpaid Distribution.

4.9 Adjustment after Termination

Where on the Return Date there is an Unpaid Distribution (whether or not the Lender elects under clause 4.8 to reduce the amount of the Collateral provided) then, notwithstanding termination of the Loan:

- (a) the Borrower continues to be obliged to make any payment required under clause 4.1(c) or 4.4 and to deliver any Rights required under clause 4.6;
- (b) where, but for such termination, clause 4.5 would have applied, on the Distribution Payment Date the Borrower must deliver to the Lender the Securities which would have been added to the Equivalent Parcel by application of Schedule 3; and
- (c) on the Distribution Payment Date the Lender must provide to the Borrower the Eligible Collateral (if any) withheld under clause 4.8.

4.10 Delivery versus Payment - Adjustments

The obligation of the Lender to provide Eligible Collateral under clause 4.9(c) is dependant upon and concurrent with the obligations of the Borrower to make payments and deliver Rights under clause 4.9(a) and to deliver Securities under clause 4.9(b) and vice versa and where the obligations of each Party involve an obligation to pay a sum of money those sums may be set off and only the net sum is payable by the Party owing the larger amount.

4.11 Interest on Collateral Withheld

The Lender must pay interest Monthly in arrears interest (accruing daily) to the Borrower at the Prescribed Rate on the Value of all cash Collateral withheld under clause 4.8.

5. LOSS OF TAX BENEFITS

5.1 Dividend Transfer

Where the Borrower is paid (or is taken by reason of one or more applications of subsection 160AQUA(1) of the Tax Act to be paid) a Franked Dividend in respect of the Supplied Securities then, subject to clause 5.2, if:

- (a) the Lender is an Australian Taxpayer; and
- (b) the Confirmation specifies that the Lender requires compensation for franking credits,

the Borrower must, as soon as practicable after the payment of the Franked Dividend, give to the Lender a Dividend Transfer together with such other documentation (if any) as is required under section 160AQUD of the Tax Act.

5.2 Cum Dividend Transfer

The Borrower is not required to give the Lender the Dividend Transfer and documentation referred to in clause 5.1 in respect of that part of the Supplied Securities (if any) in respect of which the Borrower or its Broker is required under section 160AQUB or 160AQUC of the Tax Act to give a statement in the approved form to a third party, where that third party is an Australian Taxpayer.

5.3 Franked Dividends

Where:

- (a) during the Distribution Determination Period the holders of Equivalent Securities (or any of them) become entitled to a Franked Dividend in respect of those Securities;
- (b) had the Lender been the holder of an Equivalent Parcel on the relevant Distribution Entitlement Date the Lender would have been entitled to participate in that Franked Dividend;
- (c) the Lender is an Australian Taxpayer;
- (d) the Confirmation specifies that the Lender requires compensation for franking credits; and
- (e) the Lender does not receive the full benefit of the imputation credit attached to the Franked Dividend paid on the Equivalent Parcel, whether because of the application of clause 5.2 or for any other reason whatever (other than a reason arising as a consequence of an unreasonable act or omission of the Lender, but for which the full benefit would have been received),

the Borrower must, if required by notice from the Lender, compensate the Lender for the loss of that imputation credit by payment on the relevant Distribution Payment Date of an amount calculated in accordance with the following formula:

$$P = \frac{FT}{1-T}$$

Where:

P = the amount payable;

F = the amount of the Franked Dividend (or, where the Franked Dividend is partly franked, the amount of the franked component of the Franked Dividend) paid or to be paid in respect of an Equivalent Parcel; and

T = the rate of income tax, expressed as a decimal, determined under the Tax Act at the Distribution Payment Date as that payable in respect of a company (other than a private company, a company in the capacity of a trustee or a non-profit company that is a dispensary or a friendly society).

5.4 Unfranked Dividends

Where:

- (a) during the Distribution Determination Period the holders of Equivalent Securities become entitled to a dividend, whether or not it is a Franked Dividend, in respect of those Securities;
- (b) had the Lender been the holder of an Equivalent Parcel on the relevant Distribution Entitlement Date the Lender would have been entitled to participate in that dividend and would have been entitled to a Dividend Rebate in respect of the dividend;
- (c) the Confirmation specifies that the Lender requires compensation for Dividend Rebates; and
- (d) the Lender does not receive the benefit of that Dividend Rebate, whether because of the inapplicability of section 160AQUA of the Tax Act or for any other reason whatever (other than a reason arising as a consequence of an unreasonable act or omission of the Lender, but for which the full benefit would have been received),

the Borrower must, if required by notice from the Lender, compensate the Lender for the loss of that Dividend Rebate by payment on the relevant Distribution Payment Date of an amount calculated in accordance with the following formula:

$$P = \frac{DT}{1-T} - A$$

P = the amount payable;

D = the amount of the dividend paid or to be paid in respect of an Equivalent Parcel;

T = the rate of income tax, expressed as a decimal, determined under the Tax Act at the Distribution Payment Date as that payable in respect of a company (other than a private company, a company in the capacity of a trustee or a non-profit company that is a dispensary or a friendly society); and

A = the amount (if any) payable under clause 5.3.

5.5 Payments Additional

Any amounts payable under clauses 5.3 or 5.4 are payable in addition to, and not in substitution for, each other and any amounts payable under clause 4.

5.6 Effect of Termination

Termination of the Loan under clause 8 does not affect the obligation of the Borrower to make the payments referred to in clauses 5.3 or 5.4.

6. AUTOMATIC ADJUSTMENT TO EQUIVALENT PARCEL

6.1 Application of clauses 6.2 and 6.3

Clauses 6.2 and 6.3 apply, subject to their terms, when any of the events specified in those clauses occurs in respect of any Equivalent Securities comprising the Equivalent Parcel and, if at any time the Equivalent Parcel comprises Securities of more than one Description, those clauses apply distributively to the Securities of each Description.

6.2 Reconstructions of Capital

If during the Distribution Determination Period Equivalent Securities are divided into a greater number of Securities or consolidated into a lesser number of Securities or are subject to a return of capital or similar reconstruction:

- (a) the Description of the Securities comprising the Equivalent Parcel becomes that of the Securities issued in substitution for or arising from the Equivalent Securities by reason of the reconstruction; and
- (b) the number of Equivalent Securities comprising an Equivalent Parcel becomes the number of Securities issued in substitution for or arising from the Equivalent Parcel.

6.3 Takeover Offers

If Equivalent Securities become the subject of a Takeover offer and during the Distribution Determination Period the offeror under the Takeover offer gives a notice (or what purports to be a notice) under subsection 701(4) of the Corporations Law in respect of the Equivalent Securities:

- (a) if the consideration offered under the Takeover offer consists, or includes an alternative consideration which consists solely of cash:
 - (i) the Borrower must on the date on which the holders of Equivalent Securities the subject of the Takeover offer receive the cash consideration pay to the Lender an amount equal to the cash consideration; and
 - (ii) upon such payment the Equivalent Parcel ceases to contain Securities of the Description the subject of the Takeover offer; or
- (b) in any other case:
 - (i) if the consideration under the Takeover offer includes alternative considerations the Lender must as soon as practicable notify the Borrower of the consideration it wishes to apply to the adjustment of the Equivalent Parcel;
 - (ii) if the Applicable Consideration consists partly of cash, the Borrower must, on the later of the date on which the holders of Equivalent

Securities the subject of the Takeover offer receive the Applicable Consideration and the Business Day following the day on which the Lender gives the Borrower a notice under clause 6.3(b)(i), pay to the Lender an amount equal to the cash component of the consideration; and

- (iii) on the date on which the holders of Equivalent Securities the subject of the Takeover offer receive the Applicable Consideration, the number and Description of the Securities comprising the Equivalent Parcel becomes that of the Securities which the holder of an Equivalent Parcel would hold following receipt of the Applicable Consideration.

7. COLLATERAL

7.1 Mode of Provision of Collateral

Unless otherwise agreed, all obligations to provide Eligible Collateral under clauses 3.2, 7.2 and 7.8 must be satisfied:

- (a) in the case of cash, by payment of the relevant amount;
- (b) in the case of a letter of credit, by delivering to the Lender an irrevocable letter of credit for the relevant amount issued by a bank acceptable to the Lender and in a form acceptable to the Lender; and
- (c) in the case of Securities or Bonds, by delivery of Securities or Bonds of relevant Value.

7.2 Re-calculation of the Collateral Value

Either Party may, at any time during the Loan Period, re-calculate the Collateral Value and, subject to clause 7.3:

- (a) if the Collateral Value is less than the Required Collateral Value the Borrower must, on demand by the Lender, provide further Eligible Collateral (being, at the election of the Lender, either cash or Eligible Collateral of the same Description as the Collateral) so as to increase the Collateral Value to the Required Collateral Value; or
- (b) if the Collateral Value is more than the Required Collateral Value:
 - (i) where the Collateral is not solely a letter of credit the Lender must, on demand by the Borrower, provide Eligible Collateral to the Borrower:
 - (A) where the Collateral is solely Securities or Bonds, being Securities or Bonds of the same Description; or
 - (B) where the Collateral is or includes cash, being cash up to the Value of the cash component of the Collateral and thereafter first pursuant to clause 7.2(b)(i)(A) and then pursuant to clause 7.2(b)(ii),

so as reduce the Collateral Value to the Required Collateral Value; or

- (ii) where the Collateral is solely a letter of credit the Lender must, on demand by the Borrower, reduce the Collateral Value to the Required Collateral Value by exchanging that letter of credit for one of lesser Value.

7.3 Minimum Adjustment

Neither Party may require an adjustment to the Collateral under clause 7.2 where the difference between the Collateral Value and the Required Collateral Value is less than the greater of:

- (a) \$5 000; and
- (b) 2% of the Required Collateral Value.

7.4 Time for Adjustment

Where an adjustment to the Collateral is required under clause 7.2 the Party who is required to provide the Collateral must comply:

- (a) where the demand is made prior to 12:00 noon on a Business Day, by 5:00 pm on that day; or
- (b) in any other case, prior to 11:00 am on the following Business Day.

7.5 Application of clauses 7.6 and 7.7

Each of clauses 7.6 and 7.7 applies, subject to its terms, when any of the events specified in that clause occurs in respect of any Securities comprising or included in the Collateral and, if at any time the Collateral includes Securities of more than one Description, those clauses apply distributively to the Securities of each Description.

7.6 Reconstructions of Capital

Where the Collateral is or includes Securities and, during the Distribution Determination Period, Securities of that Description are divided into a greater number of Securities or consolidated into a lesser number of Securities or are subject to a similar reconstruction:

- (a) the Description of the Securities becomes that of the Securities issued in substitution for or arising from Securities of that Description by reason of the reconstruction; and
- (b) the number of Securities of the new Description comprising or forming part of the Collateral is the number of Securities issued in substitution for or arising

from that number of Securities of the relevant Description as comprise the Collateral prior to the reconstruction.

7.7 Takeovers, Rights Issues, Bonus Issues and Dividends

Where the Collateral is or includes Securities and, during the Distribution Determination Period, Securities of that Description become the subject of a Takeover offer or a Distribution then the Borrower may, on or before the day which is five Business Days before the relevant Distribution Entitlement Date serve a notice on the Lender requiring the Lender to deliver to the Borrower Securities in accordance with clause 7.8.

7.8 Substituted Collateral

Where the Borrower serves a notice in accordance with clause 7.7:

- (a) the Lender must, against simultaneous provision by the Borrower of Eligible Collateral of the same Value and of a Description reasonably acceptable to the Lender, within five Business Days after service of that notice deliver to the Borrower that number of Securities of the relevant Description which comprise, or form part of, the Collateral; and
- (b) the Eligible Collateral provided by the Borrower becomes, or becomes part of (as the case may be), the Collateral.

7.9 Letters of Credit

Where the Collateral is or includes a letter of credit the Lender may only draw down under that letter of credit:

- (a) where the Borrower commits a breach of the Loan entitling the Lender to terminate the Loan (whether or not that breach is one to which clause 11.1(b) applies), upon termination of that Loan;
- (b) where the Loan is terminated under clause 10.2, immediately following payment of the amount under clause 10.4;
- (c) where the Loan is terminated under clause 12.1 or 12.2, immediately following payment of the amount under clause 12.6;
- (d) where the Loan is terminated by the Borrower following an essential breach of the Loan by the Lender, following payment to the Borrower of an amount equal to the loss (including any excess of the Collateral Value over the Loan Value) suffered by the Borrower as a result of the breach and termination; or
- (e) as otherwise permitted under the Loan or this Agreement or agreed by the Parties,

and upon the Lender drawing down, whether or not permitted under this clause 7.9, the Collateral (or that part of it represented by the letter of credit) becomes cash Collateral.

7.10 Unpermitted Draw Down

Where the Collateral is or includes a letter of credit and Lender draws down under that letter of credit where not permitted under clause 7.9:

- (a) if still on foot the Loan automatically terminates;
- (b) the proceeds of the letter of credit vest immediately in the Borrower, subject to the terms of this clause 7.10;
- (c) the Borrower may exercise all tracing and analogous remedies in respect of the proceeds of the letter of credit;
- (d) the Lender must immediately account to the Borrower for the proceeds of the letter of credit, subject to the Borrower paying to the Lender an amount equal to the Loan Value on the date of termination of the Loan; and
- (e) the obligations of the Lender to account and of the Borrower to pay an amount under clause 7.10(d) may be set off and only the net amount is payable by the Party obliged to pay the larger amount.

8. RETURN OF SECURITIES

8.1 Return at Lender's Election

Where the Confirmation does not specify a Return Date, the Lender may, at any time during the Loan Period, serve on the Borrower a notice:

- (a) identifying the Loan;
- (b) requiring the Borrower to deliver to the Lender an Equivalent Parcel; and
- (c) specifying the date (being a Business Day not less than five Business Days after the date of service of the notice, or other period in which the sale or purchase of Securities are required to be settled in accordance with the Business Rules) on which the Equivalent Parcel must be delivered.

8.2 Return at Borrower's Election

Where the Confirmation does not specify a Return Date the Borrower may, at any time during the Loan Period, serve on the Lender a notice:

- (a) identifying the Loan;
- (b) notifying the Lender that the Borrower intends to deliver to the Lender an Equivalent Parcel; and

- (c) specifying the date being a Business Day:
 - (i) if the notice is given before 12:00 pm on a Business Day, that day; or
 - (ii) in any other case, not less than one Business Day after the date of service of the notice,on which the Equivalent Parcel will be delivered.

8.3 Return after 12 Months

Where no Equivalent Parcel has been delivered to the Lender under the Loan on the last Business Day before the day which is 360 days after the Settlement Date:

- (a) the Borrower must, on that Business Day, deliver to the Lender Securities comprising an Equivalent Parcel; and
- (b) subject to clause 4.8 the Lender must, on that Business Day, provide to the Borrower the Collateral.

8.4 Return on Demand

Where the Lender serves a notice under clause 8.1 or the Borrower serves a notice under clause 8.2:

- (a) the Borrower must, on the specified date, deliver to the Lender Securities comprising an Equivalent Parcel; and
- (b) subject to clause 4.8 the Lender must, on the specified date, provide to the Borrower the Collateral.

8.5 Return on Return Date

Where the Confirmation specifies a Return Date:

- (a) the Borrower must, on the Return Date, deliver to the Lender Securities comprising an Equivalent Parcel; and
- (b) subject to clause 4.8 the Lender must, on the Return Date, provide to the Borrower the Collateral.

8.6 Mode of Return of Collateral

The obligations of the Lender to provide the Collateral under clauses 4.9, 8.3, 8.4 and 8.5 must be satisfied, unless otherwise provided or agreed:

- (a) where the Collateral is or includes cash, by payment of the relevant amount;

- (b) where the Collateral is or includes a letter of credit, by re-delivering to the Borrower that letter of credit; and
- (c) where the Collateral is or includes Securities or Bonds, by delivery of Securities or Bonds of the relevant Value.

8.7 Delivery versus Payment - Return

Subject to clause 4.9:

- (a) the Lender is not required to deliver Collateral to the Borrower under clause 8.3, 8.4 or 8.5 except against simultaneous provision of Securities comprising an Equivalent Parcel by the Borrower; and
- (b) the Borrower is not required to provide Securities comprising an Equivalent Parcel to the Lender under clause 8.3, 8.4 or 8.5 except against simultaneous delivery of the Collateral by the Lender.

9. REBATE OR FEE

9.1 Payment of Rebate

Where the Collateral is or includes cash, the Lender must pay to the Borrower, in respect of each period of one Month or part of one Month which falls during the Loan Period, the sum of the Rebates for each day in that Month or part Month within five Business Days after the last day of that Month.

9.2 Calculation of Rebate

Where the Collateral is or includes cash, the Rebate on any day is calculated as follows:

$$R = \frac{rC}{365}$$

where:

- R = the amount of the Rebate for that day;
- r = the Rebate Rate on that day; and
- C = the amount of the cash component of the Collateral on that day;

9.3 Payment of Fee

Where the Collateral is not, or includes an amount which is not cash, the Borrower must pay to the Lender in respect of each period of one Month or part of one Month which falls during the Loan Period, the sum of the Fees for each day in that Month or part Month within five Business Days after the last day of that Month.

9.4 Calculation of Fee

Where the Collateral is not, or includes an amount which is not cash, the Fee on any day is calculated as follows:

$$F = \frac{f(A - C)}{365}$$

where:

F = the amount of the Fee;

f = the Fee Rate;

A = the Loan Value for that day; and

C = the average amount of the cash component of the Collateral (if any) during that month or part Month (as the case may be).

9.5 Notifiable Consideration

The Notifiable Consideration consists of:

- (a) [fee] the Fee;
- (b) [adjustment for variations in the market value of eligible securities] the obligations of the Borrower under clause 7.2(a); and
- (c) [other consideration] the obligations of the Borrower:
 - (i) to provide Eligible Collateral under clause 3.2;
 - (ii) to pay amounts under clause 4.1(c) and 4.4;
 - (iii) to deliver rights under clause 4.6; and
 - (iv) to deliver those Securities forming part of the Equivalent Parcel, if any, which are not "replacement securities" within the meaning of subsection 26BC(3) of the Tax Act, under clause 8.3, 8.4, or 8.5.

9.6 Interest on Overdue Amounts

Any amounts payable under clauses 9.1 or 9.3 which are not paid on the due date attract interest at the Prescribed Rate.

9.7 Daily Accrual

All amounts by way of Fee or Rebate accrue daily notwithstanding that they are payable monthly.

10. DEFAULT, CLOSE-OUT, TERMINATION AND SET OFF

10.1 Close-Out Notice

Either Party may at any time in its absolute discretion following the occurrence of a Close-Out Event serve on the other Party a notice:

- (a) specifying the date on which the notice is to take effect, being the date of service of the notice or any subsequent date; and
- (b) notifying that Party that some or all of the Loans as specified in the notice are terminated as at the time specified in the notice.

10.2 Termination of Loans

Where:

- (a) a Party becomes the subject of a Close-Out Event; and
- (b) a Close-Out Notice is served on a Party,

then at the time specified in the Close-Out Notice each relevant Loan terminates.

10.3 Effect of Termination

Upon termination of each relevant Loan under clause 10.2:

- (a) subject to this clause 10.3, all obligations of each Party under each terminated Loan are discharged and this Agreement becomes the sole source of the rights and obligations of the Parties in relation to the subject matter of each terminated Loan;
- (b) all amounts due from one Party to another under any terminated Loan (not including any amount by way of Unpaid Distribution or Collateral but including any accrued Fee or Rebate) remain due and are payable in accordance with clause 10.4;
- (c) there becomes due from the Lender to the Borrower an amount equal to the sum of the Values on the Termination Date of the Collateral under all of the terminated Loans (not including any Loan which has been terminated under clause 11 or 12); and
- (d) there becomes due from the Borrower to the Lender an amount equal to the sum of:
 - (i) the Loan Values on the Termination Date under all of the terminated Loans (not including any Loan which has been terminated under clause 11 or 12); and
 - (ii) all amounts which but for the termination of the relevant Loans would have become payable (in respect of Distributions which are Unpaid Distributions on the Termination Date) under clause 5.3 or 5.4.

10.4 Set Off after Termination

After termination of the Loans under clause 10.2 the total of the amounts due from the Lender to the Borrower under clauses 10.3(b), 10.3(c) 11.3 and 12.6, and the total of the amounts due from the Borrower to the Lender under clauses 10.3(b), 10.3(d), 11.2 and 12.6 may be set off against one another and only the net amount is payable on the Termination Date by the Party owing the larger amount.

10.5 Set Off of Rebate and Fee

Where on any day an amount is payable by the Lender to the Borrower under a Loan or Loans by way of Rebate or under clause 7.2(b) and an amount is payable by the Borrower to the Lender under a Loan or Loans by way of Fee or under clause 7.2(a) those amounts may be set off against one another and only the net amount is payable by the Party owing the larger amount.

10.6 Purpose of clause 10

The purpose and intent of this clause 10 is:

- (a) to determine, on the Termination Date, the economic benefit or detriment of each terminated Loan to each Party (not including any Loan dealt with under clause 11 or 12);
- (b) to sum the economic benefits and detriments under all of the terminated Loans on the Termination Date (including any Loan to which clause 11 or 12 applies) and thereby to determine the net economic benefit to one Party and equal net economic detriment to the other Party of all such Loans on the Termination Date; and
- (c) to provide for the payment of a single sum representing that net benefit and detriment by the Party enjoying the benefit to the Party suffering the detriment,

and it should be construed accordingly.

11. FAILURE TO RE-DELIVER

11.1 Failure to re-deliver Securities or Collateral

Where:

- (a) the Lender is not ready, willing and able to provide Collateral; or
- (b) the Borrower under a Loan is not ready, willing and able to deliver an Equivalent Parcel,

in either case as required by clause 8, then in either case (without affecting the nature of any other breach of a Loan) the failure to be so ready, willing and able is an essential breach of that Loan entitling the other Party to claim liquidated damages under clause 11.2 or 11.3 as the case may be and, provided that it is ready, willing and able to perform its obligations under clause 8, to terminate that Loan.

11.2 Default by Lender

Where the Lender commits a breach of a Loan under clause 11.1(a):

- (a) if the Collateral includes Securities or Bonds, there becomes due from the Lender to the Borrower:
 - (i) where the Borrower notifies the Lender within 10 Business Days after the Return Date that it has purchased Securities or Bonds of the same Description and Value in the market, an amount equal to the cost of purchasing those Securities or Bonds (including all brokerage, commissions and stamp duty payable on that purchase); or
 - (ii) otherwise, an amount equal to 105% of the Value of the Securities or Bonds on the Return Date;
- (b) if the Collateral includes cash, there becomes due from the Lender to the Borrower the amount of that cash;
- (c) if the Collateral includes a letter of credit, the Lender must re-deliver that letter of credit to the Borrower;
- (d) there becomes due from the Borrower to the Lender:
 - (i) where the Borrower notifies the Lender within 10 Business Days after the Return Date that it has sold an Equivalent Parcel in the market, an amount equal to the proceeds of that sale (less any brokerage, commissions and stamp duty payable on that sale); or
 - (ii) otherwise, an amount equal to the 95% of the Loan Value on the Return Date; and
- (e) the sum of the amounts due under clauses 11.2(a) and (b) and the Value of the letter of credit under clause 11.2(c) (if applicable) must be set off against the amount due under clause 11.2(d) and the net amount is payable by the Party owing the larger amount (if by the Lender as liquidated damages).

11.3 Default by Borrower

Where the Borrower commits a breach of a Loan under clause 11.1(b):

- (a) where the Collateral is or includes a letter of credit, the Lender may draw down under that letter of credit;
- (b) there becomes due from the Borrower to the Lender:
 - (i) where the Lender notifies the Borrower within 10 Business Days after the Return Date that it has purchased an Equivalent Parcel in the market, an amount equal to the cost of purchasing the Equivalent Parcel (including all brokerage, commissions and stamp duty on that purchase)

together with the Value of all Unpaid Distributions on the Return Date;
or

- (ii) otherwise, an amount equal to 105% of the Loan Value on the Return Date;
- (c) there becomes due from the Lender to the Borrower an amount equal to the Collateral Value on the Return Date; and
- (d) the amounts due under clause 11.3(b) must be set off against the amount due under clause 11.3(c) and the net amount is payable by the Party owing the larger amount (if by the Borrower as liquidated damages).

11.4 Accrued Rights

Termination of a Loan under clause 11.1 and recovery of amounts under clause 11.2 or 11.3 do not affect the right of either Party to recover any amounts which have become due under the Loan (including amounts by way of Fee or Rebate), whether or not payable at the date of termination and:

- (a) those amounts must be paid on the Return Date; and
- (b) where payable by different Parties, those amounts and the amounts under clause 11.2 or 11.3 may be set off so that only the net amount is payable by the Party owing the larger amount.

12. DE-LISTING OF SECURITIES

12.1 De-Listing of Equivalent Securities

Where during the period:

- (a) where a notice is given under clauses 8.1 or 8.2, from the day that notice is given until (and including) the day specified in that notice; or
- (b) where clause 8.3 or 8.5 applies, from the day five Business Days before the day specified in that clause until (and including) that day,

Equivalent Securities cease to be quoted on or are suspended from trading on ASX:

- (c) notwithstanding clause 11.1 a failure by the Borrower to be ready, willing and able to deliver Securities under clause 8 is not a breach of that Loan; and
- (d) the Borrower may, by notice to the Lender, terminate the Loan and elect to have the rights and obligations of the Parties discharged in accordance with clause 12.3.

12.2 De-Listing of Securities forming Collateral

Where during the period:

- (a) where a notice is given under clauses 8.1 or 8.2, from the day that notice is given until (and including) the day specified in that notice; or
- (b) where clause 8.3 or 8.5 applies, from the day five Business Days before the day specified in that clause until (and including) that day,

Securities forming all or part of the Collateral cease to be quoted on or are suspended from trading on ASX:

- (c) notwithstanding clause 11.1 a failure by the Lender to be ready, willing and able to provide Collateral under clause 8 is not a breach of that Loan; and
- (d) the Lender may, by notice to the Borrower, terminate the Loan and elect to have the rights and obligations of the Parties discharged in accordance with clause 12.3.

12.3 Termination

Upon termination of a Loan under clause 12.1 or 12.2:

- (a) there becomes due from the Lender to the Borrower an amount equal to the Collateral Value on that day, adjusted so that the Value of all Securities forming part of the Collateral to which clause 12.2 applies are valued in accordance with clause 12.4; and
- (b) there becomes due from the Borrower to the Lender an amount equal to:
 - (i) where clause 12.1 applies, the reasonable value of the Equivalent Parcel on that day determined in accordance with clause 12.4 together with the Value of all Unpaid Distributions on that day; or
 - (ii) otherwise, the Loan Value on that day.

12.4 Valuation of Unlisted Securities

Subject to clause 12.5, the reasonable value of the Securities to which clause 12.3 applies must be determined by the Lender in good faith having regard to any available market for those Securities and the Lender must notify the Borrower of the value so determined.

12.5 Expert Determination

If the Borrower disputes the determination of the reasonable value of the Securities made by the Lender under clause 12.4 then:

- (a) the Borrower may, by notice to the Lender on or before the Business Day following the day on which the notice under clause 12.4 is served, require that the reasonable value of the Equivalent Parcel be determined by the Expert;

- (b) where the Borrower has given a notice under clause 12.5(a) the Borrower must as soon as practicable request the Chairman for the time being of the Australian Securities Lending Association to appoint an expert to determine the reasonable value of the Equivalent Parcel;
- (c) the determination of the reasonable value of the Equivalent Parcel by the Expert under clause 12.5(b) is final and binding between the Parties; and
- (d) the costs of the Expert must be met by the Parties equally.

12.6 Payment and Set Off

Where a Loan is terminated under clause 12.1 or 12.2 the amount due from the Lender to the Borrower under clause 12.3(a) and the amount due from the Borrower to the Lender under clause 12.3(b) may be set off against one another and only the net amount is payable by the Party owing the larger amount:

- (a) where the Borrower does not require the reasonable value of the Securities to be determined by the Expert under clause 12.5, on the Business Day following the day on which the Lender gives notice under clause 12.4; or
- (b) where the Borrower requires the reasonable value of the Securities to be determined by the Expert under clause 12.5, on the Business Day following the day on which the Expert's valuation is made available to both Parties.

13. TAXES

13.1 Stamp Duty

The Borrower must pay to the Lender on demand an amount equal to all stamp duty and similar taxes or imposts payable by the Lender on this Agreement or in connection with any transfer of Collateral or Securities under any Loan or otherwise required or expressly permitted under this Agreement, except to the extent that liability to such stamp duty or tax arises from conduct of the Lender which causes any normally applicable stamp duty or tax exemption to be inapplicable.

13.2 Increased Taxes

Each Party must pay to the other the amount necessary to compensate the second Party for any Increased Tax payable by it arising as a result of or in consequence of the breaching or failure to comply with any term of this Agreement or any Loan by the first Party.

14. NOTICES

14.1 Mode of Service

All notices required or permitted to be given to a Party under this Agreement must be in writing and (without affecting the validity of service by other means) are properly served if:

- (a) left at the Party's address;
- (b) sent to the Party's address by priority paid mail (by air mail if outside Australia);
- (c) transmitted by telex; or
- (d) transmitted by facsimile,

in each case to the address, telex or facsimile number specified in Schedule 2 or, if a replacement address, telex or facsimile number is subsequently notified to the other Party, to that replacement address or number.

14.2 Time of Service

A notice given in accordance with clause 14.1 is treated as having been received:

- (a) where served under clause 14.1(a):
 - (i) if delivered during Business Hours on a Business Day, at the time of delivery; or
 - (ii) otherwise, at 10.00am on the Business Day following the day of delivery;
- (b) where served under clause 14.1(b), at 10.00am on the third Business Day after posting;
- (c) where served under clause 14.1(c), at 10.00am on the Business Day following the day of transmission, provided that the Party's answerback code is received by the sender;
- (d) where served under clause 14.1(d):
 - (i) where transmitted before 12 midday on a Business Day, at 3.00pm on that day; or
 - (ii) otherwise, at 10.00am on the Business Day following the day of transmission,

provided in either case that the sender receives no intimation (whether from the workings of the facsimile machine or otherwise) that the facsimile transmission was not fully and legibly received; or

- (e) in any other case, when it is actually received in full by the Party.

15. GENERAL

15.1 Amendment

No variation or waiver of, or any consent to any departure by a Party from, a provision of this Agreement is of any force or effect unless it is confirmed in writing signed by the Parties and then that variation, waiver or consent is effective only to the extent for which it is made or given.

15.2 Waiver

The failure, delay, relaxation or indulgence on the part of any Party in exercising any power or right conferred upon that Party by this Agreement or any Loan 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 this Agreement or any Loan.

15.3 Severance

If any provision of this Agreement or any Loan is invalid and not enforceable in accordance with its terms, other provisions which are self-sustaining and capable of separate enforcement with regard to the invalid provision are and continue to be valid and enforceable in accordance with their terms.

15.4 Further Assurance

Each Party must do, sign, execute and deliver and must procure that each of its employees and agents does, signs, executes and delivers, all deeds, documents, instruments and acts as reasonably required of it or them by notice from the other Party effectively to carry out and give full effect to this Agreement and each Loan and the rights and obligations of the Parties under them.

15.5 Counterparts

This Agreement may be executed by any number of counterparts and all of those counterparts taken together constitute one and the same instrument.

15.6 Attorneys

Where this Agreement is executed on behalf of a Party by an attorney, that attorney by executing declares that the attorney has no notice of the revocation of the power of attorney under the authority of which the attorney executes the Agreement on behalf of that Party.

15.7 Confidentiality

The Parties must maintain absolute confidentiality concerning the existence and terms of this Agreement and no public announcement or communication relating to the negotiations of the parties or the existence, subject matter or terms of this Agreement may be made or authorised by or on behalf of a Party without the prior written approval of the other Parties except that a Party may make such disclosures in relation to this Agreement as it may in its absolute discretion think necessary:

- (a) to its professional advisers, bankers, financial advisers and financiers or to any person whose consent is required under this Agreement or for a transaction contemplated by it upon those persons undertaking to keep confidential any information so disclosed; or
- (b) to comply with any applicable law or the requirement of any regulatory body (including any relevant stock exchange).

15.8 Governing Law and Jurisdiction

This Agreement and each Loan are governed by, and are to be construed in accordance with, the law of 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.

15.9 Currency Conversion

Where for the purpose of this Agreement it is necessary to convert any currency into Australian Dollars the calculation must be made at the closing wholesale rate of exchange published in the latest available edition of the Australian Financial Review or, if an appropriate rate is not published in that newspaper or that newspaper ceases to be published, at a rate nominated as being as nearly as possible equivalent to that rate by an Australian Bank nominated by the Lender (not being the Lender or a related body corporate of the Lender).

15.10 Frustrated Contracts Act 1978

The Frustrated Contracts Act 1978 (New South Wales) does not apply to this Agreement nor to any Loan.

15.11 Warranties and Representations

Each Party:

- (a) warrants to the other that each of the Warranties is true, complete and accurate at the date of this Agreement and at the date of entry into of each Loan; and
- (b) together with each person who signs this instrument on behalf or purportedly on behalf of that Party or as part of the execution or purported execution by that Party of this instrument, upon such signature or execution, whether or not such signature or execution gives rise to an enforceable agreement, severally makes a representation in terms of each of the Warranties with the intention that each such representation be relied upon by the other Party.

15.12 Borrowing by Lender

If at any time the Parties agree that they will enter into transactions under which the Borrower will lend Securities to the Lender then, subject to any agreement to the contrary:

- (a) this Agreement governs those transactions; and
- (b) in the application of this Agreement (except this clause) to each such transaction, the expression "Lender" refers to the Borrower and the expression "Borrower" refers to the Lender.

15.13 Status of Confirmations and Notices

Each Confirmation and each Notice given by the Lender to the Borrower under clause 7.2(a) forms part of this Agreement.

15.14 Assignments

- (a) Neither Party may assign any of its rights under this Agreement without the written consent by notice of the other Party.
- (b) Any assignee of any rights of a Party under this Agreement, whether such assignment is made in accordance with clause 15.14(a) or otherwise, takes the benefit of those rights subject to all rights of set-off of the other Party, whether those rights of set off are present, contingent or future.

SCHEDULE 1

CONFIRMATION OF SUPPLY REQUEST

TO: []

Date:

Our Ref:

[] hereby confirms particulars in respect of the following Supply Request which has been accepted by us pursuant to the Domestic Securities Lending Agreement between us dated

Date of Supply Request:

Description of Securities:

Title of Securities:

Quantity of Securities:

Lender requires compensation for franking credits? Yes / No:

Lender requires compensation for Dividend Rebates? Yes / No:

Settlement Date:

Return Date (if known):

Manner and place of delivery of Securities:

Description of Collateral:

Collateral Amount (expressed as a percentage of Value of Supplied Securities):

Manner and Place of Delivery of Collateral:

Fee Rate:

Rebate Rate:

PLEASE TELEPHONE OR TELEX US IMMEDIATELY SHOULD THE PARTICULARS OF THIS CONFIRMATION NOT BE IN ACCORDANCE WITH YOUR UNDERSTANDING. PLEASE SIGN THE ATTACHED DUPLICATE OF THIS CONFIRMATION AND RETURN IT TO US AS SOON AS POSSIBLE.

.....
the Lender
Per:

.....
the Borrower
Per:

SCHEDULE 2

NOTICES

The Lender: Address: Macquarie Bank Limited
 Level 22
 20 Bond Street
 SYDNEY NSW 2000

Telex: 127797 MACOPT
Facsimile: (02) 237-3433
Telephone: (02) 237-3318
Authorised
Persons: Ottmar Weiss
 Mark Konda
 Tracey Taylor
 Henry Lee

The Borrower: Address: Were Stockbroking Limited
 Level 17
 101 Collins Street
 MELBOURNE VIC 3000

Telex:
Facsimile: (02) 9321 8656
Telephone: (02) 9321 8790
Authorised
Persons: Stephen Mahnken
 Christopher Despotelis
 Darren McNulty
 Andrea Broom

SCHEDULE 3

BONUS ISSUES - ADJUSTMENTS TO EQUIVALENT PARCEL

In this Schedule 3, in relation to a Bonus Issue:

- (a) **“Issue Ratio”** means the general ratio used by the person making the issue to determine the entitlement of persons to participate in the issue;
- (b) **“Issue Numerator”** means the component of the Issue Ratio which refers to the property the subject of the issue; and
- (c) **“Issue Denominator”** means the component of the Issue Ratio which refers to the Securities to the holders of which the issue is made.

PART 1 SAME CLASS

Where the Bonus Issue is of Securities of the same Description as those to the holders of which the issue is made:

$$A = \frac{B(N + D)}{D}$$

where:

A = the number of Securities of the relevant Description constituting the Equivalent Parcel (or part thereof) after the Bonus Issue;

B = the number of Securities of that Description constituting the Equivalent Parcel (or part thereof) before the Bonus Issue;

N = the Issue Numerator of the Bonus Issue; and

D = the Issue Denominator of the Bonus Issue.

PART 2 DIFFERENT CLASS

Where the Bonus Issue is of Securities other than Securities of the same Description as those to the holders of which the issue is made:

$$A = \frac{BN}{D}$$

where:

A = the number of additional Securities of the Description of those the subject of the Bonus Issue constituting part of the Equivalent Parcel after the Bonus Issue;

B = the number of Equivalent Securities to the holders of which the issue is made constituting the Equivalent Parcel (or part thereof) before the Bonus Issue;

N = the Issue Numerator of the Bonus Issue; and

D = the Issue Denominator of the Bonus Issue.

SCHEDULE 4

CLOSE-OUT EVENTS

1. A Party passing a resolution for its voluntary winding-up otherwise than for the purpose of corporate reconstruction or amalgamation.
2. The making of an application for the winding-up of a Party.
3. The making of an administration order in relation to a Party.
3. The appointment of a receiver over any of the assets of a Party or a mortgagee lawfully taking possession of any of any of the assets of a Party.
4. Any event occurring which causes a floating charge over the assets of a Party to crystallise.
5. A Party fails to pay any amount due to be paid by it under this Agreement within two Business Days of the due date for payment unless the Party is disputing, in good faith, its obligation to make such payment.
6. A Party fails to perform any obligation required to be performed by it under this Agreement and that failure is incapable of remedy or, if capable of remedy, continues for ten Business Days after the Party receives a notice from the other Party requiring that the failure be remedied.
7. A representation or warranty made or repeated in or in connection with this Agreement is untrue or misleading (whether by omission or otherwise) in any material respect when so made or repeated.

SCHEDULE 5

WARRANTIES

1. STATUS AND AUTHORITIES

- 1.1 The Party is duly incorporated and validly exists under the law of a State or Territory of Australia.
- 1.2 The Party is duly registered and authorised to carry on in all places in which its business is conducted.
- 1.3 The Party is not insolvent and no receiver has been appointed over any of the Party's assets and no such appointment has been threatened.
- 1.4 The Party is not in liquidation or official management and no proceedings have been brought or threatened for the purpose of winding up the Party or placing it under official management.

2. DUE AUTHORISATIONS

- 2.1 The execution and delivery of this Agreement has been properly authorised by all necessary corporate action of the Party.
- 2.2 The Party has full corporate power and lawful authority to execute and deliver this Agreement and each Loan and to consummate and perform or cause to be performed its obligations under this Agreement and each Loan.
- 2.3 This Agreement and each Loan constitutes a legal, valid and binding obligation of the Party enforceable in accordance with its terms by appropriate legal remedy.
- 2.4 This Agreement and each Loan do not conflict with or result in a breach of or default under any provision of the memorandum and articles of association of the Party or any material term or provision of any agreement or deed or any writ, order or injunction, judgment, law, rule or regulation to which it is a party or is subject or by which it is bound.

3. TITLE

- 3.1 The Party is the sole legal and beneficial owner of all Supplied Securities and Collateral.

Executed as an agreement

SIGNED for **MACQUARIE BANK**)
LIMITED by its attorneys)
under power of attorney dated)
in the presence of:)

L Allinson
.....
Signature of Witness

LISA ALLINSON
.....
Name of Witness

[Signature]
.....
Signature of Attorney

TRACEY L TAYLOR - Associate Director
.....
Name (printed)

[Signature]
.....
Signature of Attorney

ANDREW HARDING
.....
Name (printed)

By executing this agreement each attorney states
that the attorney has received no notice of
revocation of the related power of attorney.

SIGNED for [])
LIMITED by its attorney)
under power of attorney)
dated)
in the presence of:)

.....
Signature of Witness

.....
Name of Witness

.....
Signature of Attorney

.....
Name (printed)

By executing this agreement the attorney
states that the attorney has received no notice of
revocation of the related power of attorney.

THE COMMON SEAL OF
~~WERE~~ STOCKBROKING LIMITED
WAS AFFIXED IN ACCORDANCE
WITH THE ARTICLES OF ASSOCIATION

[Signature] DIRECTOR
[Signature] SECRETARY



ANNEXURE 'G'

This is the annexure marked 'G' of 42 page(s) referred to in the Notice of change of interests of substantial holder.

Dennis Leong
Company Secretary, Macquarie Group Limited
30 March 2012



Australian Securities Lending Association Limited

(ACN 054 944 482)
Level 18, 20 Bond Street
Sydney NSW 2000
Tel: (02) 9220 1413
Fax: (02) 9220 1379

AUSTRALIAN MASTER SECURITIES LENDING AGREEMENT *

(Version: November 2003)

dated as of: 3 August 2010

Between: (1) (Name of Company) **Morgan Stanley Australia Securities Limited**

(ACN or ARBN (as applicable)) ACN 078 652 276 _____

a company incorporated under the laws of New South Wales _____

of (Business address) Level 39 Chifley Tower, 2 Chifley Square, Sydney,
New South Wales, 2000, Australia _____

And: (2) (Name of Company) **Macquarie Bank Limited**

(ACN or ARBN (as applicable)) ACN 008 583 542 _____

a company incorporated under the laws of Australian Capital Territory

of (Business address) Level 2, No.1 Martin Place,
Sydney, NSW, 2000 Australia

- * The original (Version: 4 April 1997) version of this agreement was adapted from the ISLA Overseas Securities Lender's Agreement (Version: December 1995, as amended by 1996 UK Tax Addendum), prepared by Clifford Chance, London, England for use by parties required to meet UK Inland Revenue tax requirements. The 4 April 1997 version has been updated in December 2002 and November 2003 to take account of, among other things, intervening Australian tax, stamp duty and regulatory changes, and also to better reflect Australian market practice.
- * The original and updated versions of this agreement are both also subject to the "Warning and Disclaimer" on the coversheet to the original (Version: 4 April 1997) and updated (Version: November 2003) "User's Guide" relating to this agreement.

© m

Governor Phillip Tower
1 Farrer Place
Sydney NSW 2000
Telephone (02) 9296 2000
Fax (02) 9296 3999
DX 113 Sydney Ref: JCK

Australian Securities Lending Association Limited



(ACN 004 941 452)
 Level 18, 20 Bond Street
 Sydney NSW 2000
 Tel: (02) 9239 7413
 Fax: (02) 9239 7373

AUSTRALIAN MASTER SECURITIES LENDING AGREEMENT

(Version: November 2005)

Dated as of:

1 August 2010

Between:

(1) ASLA (ACN 004 941 452) (ASLA)

(2) [Name of Lender] (Lender)

ASLA is a company incorporated under the laws of New South Wales.

Lender is a company incorporated under the laws of New South Wales.

And:

(3) [Name of Depositor] (Depositor)

ASLA is a company incorporated under the laws of New South Wales.

Depositor is a company incorporated under the laws of New South Wales.

ASLA is a company incorporated under the laws of New South Wales.

The purpose of this Agreement is to provide for the lending of securities by ASLA to Lender, and for the deposit of securities by Lender to ASLA, in accordance with the terms and conditions set out in this Agreement. The parties agree that this Agreement shall be governed by the law of New South Wales.

The parties agree that this Agreement shall be subject to the terms and conditions set out in this Agreement, and that the parties shall be bound by the terms and conditions of this Agreement.

ASLA
 (Australian Securities Lending Association Limited)
 Level 18, 20 Bond Street
 Sydney NSW 2000
 Telephone: (02) 9239 7413
 Fax: (02) 9239 7373
 E-mail: info@asla.asn.au

This document is a legal instrument and should be read in conjunction with the other documents referred to in this Agreement. The parties agree that this Agreement shall be subject to the terms and conditions set out in this Agreement, and that the parties shall be bound by the terms and conditions of this Agreement.

| Contents | Australian Master Securities Lending Agreement | Page No |
|-----------------|--|----------------|
| 1 | Interpretation | 1 |
| 2 | Loans of Securities | 2 |
| 3 | Delivery of Securities | 3 |
| 4 | Title, Distributions and Voting | 3 |
| 5 | Fees | 5 |
| 6 | Collateral | 5 |
| 7 | Redelivery of Equivalent Securities | 8 |
| 7A | Suspended Securities | 9 |
| 8 | Set-off etc. | 9 |
| 9 | Stamp duty, taxes etc and loss of tax benefits | 11 |
| 10 | Lender's warranties | 15 |
| 11 | Borrower's warranties | 15 |
| 12 | Events of Default | 16 |
| 13 | Outstanding payments | 17 |
| 14 | Transactions entered into as agent | 17 |
| 15 | Termination of course of dealings by notice | 18 |
| 16 | No reliance on tax or accounting representations by other Party | 19 |
| 17 | Observance of procedures | 19 |
| 18 | Severance | 19 |
| 19 | Specific performance | 19 |
| 20 | Notices | 19 |
| 21 | Assignment | 20 |
| 22 | Non-Waiver | 20 |
| 23 | Time | 20 |
| 24 | Recording | 20 |
| 25 | Miscellaneous | 20 |

| | | |
|-------------------|---|-----------|
| 26 | Definitions | 21 |
| 27 | Governing Law and Jurisdiction | 29 |
| Schedule 1 | Particulars | 30 |
| Schedule 2 | Specimen Form of Borrowing Request (see clause 2.1 and definition of “Borrowing Request” in clause 26) | 33 |
| Schedule 3 | Supplementary Terms and Conditions (if any) | 34 |

AGREEMENT

Recitals:

- A. The Parties hereto are desirous of agreeing to a procedure whereby either one of them (the “**Lender**”) will make available to the other of them (the “**Borrower**”) from time to time Securities (as hereinafter defined).
- B. All transactions carried out under this Agreement will be effected in accordance with the Rules (as hereinafter defined), if applicable, **together with** current market practices, customs and conventions, in so far as they are not inconsistent with the terms of this Agreement.

Operative provisions:

1 Interpretation

- 1.1 **[Definitions]** The terms defined in clause 26 and in Schedule 1 have the meanings therein specified for the purposes of this Agreement.
- 1.2 **[Inconsistency]** In the event of any inconsistency between the provisions of Schedule 1 and the other provisions of this Agreement, Schedule 1 will prevail. In the event of any inconsistency between the provisions (if any) of Schedule 3 and the other provisions of this Agreement (including Schedule 1), Schedule 3 will prevail. In the event of any inconsistency between the provisions of any Confirmation and this Agreement (including Schedules 1 and 3), such Confirmation will prevail for the purpose of the relevant transaction.
- 1.3 **[Single agreement]** All transactions are entered into in reliance on the fact that this Agreement and all Confirmations form a single agreement between the Parties (collectively referred to as this “**Agreement**”), and the Parties would not otherwise enter into any transactions.
- 1.4 **[Interpretation]** In this Agreement:
 - (a) Unless the context otherwise requires:
 - (i) The **singular** includes the plural and vice versa.
 - (ii) A **person** includes a corporation.
 - (iii) A **corporation** includes any body corporate and any statutory authority.
 - (iv) A reference to a statute, ordinance, code or other law or the Rules includes regulations or other instruments under it or them and consolidations, amendments, re-enactments or replacements of any of them.
 - (b) Notwithstanding the use of expressions such as “borrow”, “lend”, “Collateral”, “Margin”, “redeliver” etc., which are used to reflect

terminology used in the market for transactions of the kind provided for in this Agreement, all right, title and interest in and to Securities “borrowed” or “lent” and “Collateral” which one Party Transfers to the other in accordance with this Agreement (“title”) shall pass from one Party to the other free and clear of any liens, claims, charges or encumbrances or any other interest of the Transferring Party or of any third party (other than a lien routinely imposed on all securities in a relevant clearance system), the Party obtaining such title being obliged to redeliver Equivalent Securities or Equivalent Collateral, as the case may be. Each Transfer under this Agreement will be made so as to constitute or result in a valid and legally effective transfer of the Transferring Party’s legal and beneficial title to the recipient.

- (c) Where, in respect of any transaction, any distribution is made, or Income or fee is paid, other than in cash, the provisions of this agreement (other than clause 4.2(b)) shall apply, with necessary modifications, to the same extent as if the distribution, Income or fee had been made or paid in cash, and terms such as “pay” and “amount” shall be construed accordingly.

1.5 **[Headings]** All headings appear for convenience only and shall not affect the interpretation of this Agreement.

1.6 **[Currency conversion]** For the purposes of clauses 6, 8.3 and 8.4, when a conversion into the Base Currency is required, all prices, sums or values (including any Value, Offer Value and Bid Value) of Securities, Equivalent Securities, Collateral or Equivalent Collateral (including Cash Collateral) stated in currencies other than the Base Currency shall be converted into the Base Currency at the rate quoted by an Australian bank selected by the Lender (or, if an Event of Default has occurred in relation to the Lender, by the Borrower) at or about 11.00am (Sydney time) on the day of conversion as its spot rate for the sale by the bank of the Base Currency in exchange for the relevant other currency.

1.7 **[Other agreements]** Where at any time there is in existence any other agreement between the Parties the terms of which make provision for the lending of Securities (as defined in this Agreement) as well as other securities, the terms of this Agreement shall apply to the lending of such Securities to the exclusion of any other such agreement.

1.8 **[Nominees]** If payment is made or Securities, Equivalent Securities, Collateral or Equivalent Collateral is Transferred to a Party’s nominee or otherwise in accordance with the directions of a Party (whether by the other Party or by a third party), it shall be deemed, for the purposes of this agreement, to have been paid or made or Transferred to the first mentioned Party.

2 Loans of Securities

2.1 **[Borrowing Request and acceptance thereof]** The Lender will lend Securities to the Borrower, and the Borrower will borrow Securities from the Lender, in accordance with the terms and conditions of this Agreement and with the Rules. The terms of each Loan should be agreed prior to the commencement of the relevant Loan, either orally or in writing (including any agreed form of electronic communication) and confirmed in such form and on such basis as is agreed between the Parties. Any confirmation produced by a Party shall not supersede or prevail over the prior oral, written or electronic communication (as the case may be).

2.2 **[Changes to a Borrowing Request]** The Borrower has the right to reduce the amount of Securities referred to in, or otherwise vary, a Borrowing Request **provided that:**

- (a) the Borrower has notified the Lender of such reduction or variation no later than midday Australian Eastern standard or summer (as appropriate) time on the day which is two Business Days prior to the Settlement Date, unless otherwise agreed between the Parties, and
- (b) the Lender shall have accepted such reduction or variation (by whatever means).

3 Delivery of Securities

[Delivery of Securities] The Lender shall procure the delivery of Securities to the Borrower or deliver such Securities in accordance with the relevant agreement **together with** appropriate instruments of transfer (where necessary) duly stamped (where necessary) and such other instruments (if any) as may be requisite to vest title thereto in the Borrower. Such Securities shall be deemed to have been delivered by the Lender to the Borrower on delivery to the Borrower or as it shall direct of the relevant instruments of transfer and certificates or other documents of title (if any), or in the case of Securities title to which is registered in a computer based system which provides for the recording and transfer of title to the same by way of electronic entries (such as CHESS), on the transfer of title in accordance with the rules and procedures of such system as in force from time to time, or by such other means as may be agreed.

4 Title, Distributions and Voting

4.1 **[Passing of title]** The Parties shall execute and deliver all necessary documents and give all necessary instructions to procure that all right, title and interest in:

- (a) any Securities borrowed pursuant to clause 2;
- (b) any Equivalent Securities redelivered pursuant to clause 7;
- (c) any Collateral delivered pursuant to clause 6;
- (d) any Equivalent Collateral redelivered pursuant to clauses 6 or 7,

shall pass from one Party to the other, free from all liens, charges, equities and encumbrances, on delivery or redelivery of the same in accordance with this Agreement. In the case of Securities, Collateral, Equivalent Securities or Equivalent Collateral title to which is registered in a computer based system which provides for the recording and transfer of title to the same by way of electronic entries, delivery and transfer of title shall take place in accordance with the rules and procedures of such system as in force from time to time.

4.2 **[Distributions]**

- (a) **[Distributions]** Unless otherwise agreed, where Income is paid by the issuer in relation to any Securities on or by reference to an Income Payment Date on which such Securities are the subject of a loan under this Agreement, the Borrower shall, on the date of the payment of such Income, or on such other date as the Parties may from time to time agree, (the **"Relevant Payment Date"**) pay to the Lender a sum of money (a

“**Substitute payment**”) equivalent to the amount that the Lender would have been entitled to receive (after any deduction, withholding or payment for or on account of any tax made by the relevant issuer (or on its behalf) in respect of such Income) had such Securities not been loaned to the Borrower and been held by the Lender on the Income Payment Date, irrespective of whether the Borrower received the same.

- (b) **[Corporate actions]** Subject to paragraph (c) (unless otherwise agreed), where, in respect of any borrowed Securities or any Collateral, any rights relating to conversion, subdivision, consolidation, pre-emption, rights arising under a takeover offer or other rights, including those requiring election by the holder for the time being of such Securities or Collateral, become exercisable prior to the redelivery of Equivalent Securities or Equivalent Collateral, then the Lender or Borrower, as the case may be, may, within a reasonable time before the latest time for the exercise of the right or option, give written notice to the other Party that, on redelivery of Equivalent Securities or Equivalent Collateral, as the case may be, it wishes to receive Equivalent Securities or Equivalent Collateral in such form as will arise if the right is exercised or, in the case of a right which may be exercised in more than one manner, is exercised as is specified in such written notice.
- (c) **[1936 Tax Act sections 26BC(3)(c)(ii) and (v) requirements]** Notwithstanding paragraph (b), where, in respect of any borrowed Securities or any Collateral, the relevant issuer company, trustee, government or government authority issues any right or option in respect of the borrowed Securities or Collateral, as the case may be, the Borrower or the Lender, respectively, must deliver or make available, as the case may be, to the other Party on the date of such issue or on such other date as the Parties may from time to time agree:
 - (i) the right, or option; or
 - (ii) an identical right or option; or
 - (iii) a payment equal to the value to the Lender or the Borrower, respectively, of the right or option;

together with any such endorsements or assignments as shall be customary and appropriate.
- (d) **[Manner of payment]** Any payment to be made by the Borrower under this clause shall be made in a manner to be agreed between the Parties.

- 4.3 **[Voting]** Unless paragraph 4 in Schedule 1 specifies that this clause 4.3 does not apply, each Party undertakes that, where it holds Securities of the same description as any Securities borrowed by it or transferred to it by way of Collateral at a time when a right to vote arises in respect of such Securities, it will use its best endeavours to arrange for the voting rights attached to such Securities to be exercised in accordance with the instructions of the other Party **provided always that** each Party shall use its best endeavours to notify the other of its instructions in writing no later than seven Business Days prior to the date upon which such votes are exercisable, or as otherwise agreed between the Parties, and that the Party concerned shall not be obliged so to exercise the votes in respect of the number of Securities greater than the number so lent or transferred to it. For the avoidance of doubt, the Parties agree that, subject as hereinbefore provided, any voting rights

attaching to the relevant Securities, Equivalent Securities, collateral and/or Equivalent Collateral shall be exercisable by the persons in whose name they are registered, or in the case of Securities, Equivalent Securities, collateral and/or Equivalent Collateral in bearer form by the persons by or on behalf of whom they are held, and not necessarily by the Borrower or the Lender (as the case may be).

5 Fees

- 5.1 **[Fees]** In respect of each loan of Securities:
- (a) for which the Collateral is cash:
 - (i) the Lender must pay a fee to the Borrower in respect of the amount of that Collateral, calculated at the rate agreed between them; and
 - (ii) unless the Parties otherwise agree, the Borrower is not obliged to pay a fee to the Lender;
 - (b) for which there is no Cash Collateral, the Borrower must pay a fee to the Lender, calculated at the rate agreed between them.
- 5.2 **[Where there are different types of Collateral]** Where the Collateral comprises only partly cash, clause 5.1 is to be construed as if there were separate loans of Securities, one secured solely by Cash Collateral and the other secured solely by non-cash Collateral.
- 5.3 **[Calculation of fees]** In respect of each loan of Securities, the payments referred to in clause 5.1 of this clause shall accrue daily in respect of the period commencing on and inclusive of the Settlement Date and terminating on and exclusive of the Business Day upon which Equivalent Securities are redelivered or Cash Collateral is repaid. Unless otherwise agreed, the sums so accruing in respect of each calendar month shall be paid in arrears by the Borrower to the Lender or to the Borrower by the Lender (as the case may be) not later than the Business Day which is one week after the last Business Day of the calendar month to which such payment relates or such other date as the Parties from time to time agree. Any payment made pursuant to clause 5.1 shall be in Australian currency, unless otherwise agreed, and shall be paid in such manner and at such place as shall be agreed between the Parties.

6 Collateral

- 6.1 **[Borrower's obligation to provide Collateral]** Unless otherwise agreed, subject to the other provisions of this clause 6, the Borrower undertakes to deliver to or deposit with the Lender (or in accordance with the Lender's instructions) Collateral of the kind specified in the relevant Borrowing Request or as otherwise agreed between the Parties (together with appropriate instruments of transfer duly stamped (where necessary) and such other instruments as may be requisite to vest title thereto in the Lender) simultaneously with delivery of the borrowed Securities by the Lender.
- 6.2 **[Global margining]**
- (a) **[Adjustments to Collateral]** Unless otherwise agreed between the Parties, subject to paragraph (b), clause 6.4 and paragraph 1.5 in Schedule 1:
 - (i) The aggregate Value of the Collateral delivered to or deposited with the Lender or its nominated bank or depositary (excluding any

Collateral repaid or redelivered under paragraph (ii) below (as the case may be)) in respect of **all** loans of Securities outstanding under this Agreement ("**Posted Collateral**") shall from day to day and at any time be at least the aggregate of the Required Collateral Values in respect of such loans.

- (ii) If at any time the aggregate Value of the Posted Collateral in respect of all loans of Securities outstanding under this Agreement exceeds the aggregate of the Required Collateral Values in respect of such loans, the Lender shall (on demand) repay such Cash Collateral and/or redeliver to the Borrower such Equivalent Collateral as will eliminate the excess.
- (iii) If at any time the aggregate Value of the Posted Collateral in respect of all loans of Securities outstanding under this Agreement falls below the aggregate of Required Collateral Values in respect of all such loans, the Borrower shall (on demand) provide such further Collateral to the Lender as will eliminate the deficiency.

- (b) **[Netting of Collateral obligations where a Party is both Lender and Borrower]** Unless otherwise agreed between the Parties, subject to clause 6.4 and paragraph 1.5 in Schedule 1, where paragraph (a) applies, if a Party (the "**first Party**") would, but for this paragraph, be required under paragraph (a) to repay Cash Collateral, redeliver Equivalent Collateral or provide further Collateral in circumstances where the other Party (the "**second Party**") would, but for this paragraph, also be required to repay Cash Collateral, redeliver Equivalent Collateral or provide further Collateral under paragraph (a), then the Value of the Cash Collateral, Equivalent Collateral or further Collateral deliverable by the first Party ("**X**") shall be set-off against the Value of the Cash Collateral, Equivalent Collateral or further Collateral deliverable by the second Party ("**Y**") and the only obligation of the Parties under paragraph (a) shall be, where X exceeds Y, an obligation of the first Party, or where Y exceed X, an obligation of the second Party, (on demand) to repay Cash Collateral, redeliver Equivalent Collateral or deliver further Collateral having a Value equal to the difference between X and Y.

- 6.3 **[Required Collateral Value]** For the purposes of clause 6.2(a), the Value of the Posted Collateral to be delivered or deposited in respect of any loan of Securities, while the loan of Securities continues, shall be equal to the aggregate of the Value of the borrowed Securities and the Margin applicable thereto (the "**Required Collateral Value**").
- 6.4 **[Time for payment/repayment of Collateral]** Except as provided in clause 6.1 or clause 6.6 or as otherwise agreed, where any Cash Collateral is to be repaid, Equivalent Collateral is to be redelivered or further Collateral is to be provided under this clause 6, it shall be paid or delivered as stated in paragraph 1.4 in Schedule 1.
- 6.5 **[Substitution of Alternative Collateral]** The Borrower may from time to time call for the repayment of Cash Collateral or the redelivery of Equivalent Collateral prior to the date on which the same would otherwise have been repayable or redeliverable, provided that, at the time of such repayment or redelivery, the Borrower shall have delivered or delivers Alternative Collateral acceptable to the Lender.

- 6.6 **[Return of Collateral/Equivalent Collateral on redelivery of Equivalent Securities]**
- (a) Cash Collateral shall be repaid and Equivalent Collateral shall be redelivered at the same time as Equivalent Securities in respect of the Securities borrowed are redelivered.
 - (b) Where Collateral is provided through a book entry transfer system (such as Austraclear or RITS), the obligation of the Lender shall be to redeliver Equivalent Collateral through such book entry transfer system in accordance with this Agreement. If the loan of Securities in respect of which Collateral was provided has not been discharged when the Equivalent Collateral is redelivered, any payment obligation generated within the book entry transfer system on such redelivery shall, until the loan of Securities is discharged or further Collateral is provided, be deemed to constitute an obligation to pay Cash Collateral.
- 6.7 **[Receipt by Lender of Income on Collateral]** Where Collateral (other than Cash Collateral) is delivered in respect of which any Income may become payable and an Income Payment Date in respect of that Collateral occurs prior to the redelivery of Equivalent Collateral, then, unless such Income is paid directly to the Borrower, the Lender shall, on the date on which such Income is paid or on such other date as the Parties may from time to time agree, pay to the Borrower a sum of money (a “**Substitute payment**”) equivalent to the amount of such Income that (after any deduction, withholding or payment for or on account of any tax made by the relevant issuer (or on its behalf) in respect of such Income) the Lender either actually received, or would have been entitled to receive had such Collateral been held by the Lender on the Income Payment Date, irrespective of whether the Lender received the same. If the Lender is required by law, as modified by the practice of any relevant taxing authority, to make any deduction or withholding from any Substitute payment to be made under the preceding sentence, then the Lender must:
- (a) promptly pay to the relevant taxing authority the full amount of the deduction or withholding; and
 - (b) forward to the Borrower on request a copy of any official receipt or other evidence showing that the full amount of any such deduction or withholding has been paid over to the relevant taxing authority.
- 6.8 **[Borrower’s rights re Collateral are not assignable]** The Borrower may not assign, transfer or otherwise dispose of, or mortgage, charge or otherwise encumber, or otherwise deal with its rights in respect of any Collateral without the prior written consent of the Lender.
- 6.9 **[Lender may set off obligation to repay or return Equivalent Collateral]** If the Borrower fails to comply with its obligation to redeliver Equivalent Securities, the obligation of the Lender in respect of any Collateral may be the subject of a set-off in accordance with clause 8.
- 6.10 **[Collateral provided to Lender’s Nominee]** Without limiting clause 1.8, where Collateral is provided to the Lender’s nominee, any obligation under this Agreement to repay or redeliver or otherwise account for Equivalent Collateral shall be an obligation of the Lender, notwithstanding that any such repayment or redelivery may be effected in any particular case by the nominee.

- 6.11 **[Letters of Credit]** If the Collateral in respect of one or more loans of Securities is or includes a letter of credit, the Lender may only draw down under that letter of credit when an Event of Default occurs in relation to the Borrower and, upon the Lender drawing down, whether or not permitted under this clause 6.11, the Collateral (or that part of it represented by the letter of credit) becomes Cash Collateral.
- 6.12 **[Non-Cash Collateral]** If the Collateral in respect of one or more loans of Securities is or includes other Securities and either the Borrower is a taxpayer to whom the Tax Act applies in respect of the disposal of those other Securities or in any other case the Parties so agree:
- (a) The Parties acknowledge that the provision of those other Securities is by way of a loan of Securities under this Agreement, to which section 26BC(3)(a) of the 1936 Tax Act may apply (subject to the re-acquisition time being less than 12 months after the original disposal time).
 - (b) For the purposes of section 26BC(3)(d) of the 1936 Tax Act, the notifiable consideration in respect of the provision of those Securities by way of loan is specified as follows:
 - (i) There is no fee.
 - (ii) There is no adjustment for variations in the market value of the Collateral or Equivalent Collateral.
 - (iii) There is other consideration: see the obligations of the recipient of the Collateral under clauses 4.2(b), 4.2(c), 4.3 and 6.7.
 - (c) For the avoidance of doubt, this clause 6.12 is directed solely at clarifying either or both of the following issues: that the provision of the other Securities as Collateral is eligible for the application of first section 26BC and secondly, where applicable, sections 216-10 and 216-30 of the 1997 Tax Act. Accordingly, clauses 2, 4.2(a), 5, 6.1 to 6.11, 7, 8, 9.1, 9.2 (unless otherwise agreed), 9.4 and 12 do not apply to any loan of Securities under paragraph (a). Instead, those Securities are simply to be regarded as Collateral for the purposes of those clauses.

7 Redelivery of Equivalent Securities

- 7.1 **[Borrower's obligation to redeliver Equivalent Securities]** The Borrower undertakes to redeliver Equivalent Securities in accordance with this Agreement and the terms of the relevant Borrowing Request.
- 7.2 **[Lender may call for redelivery of Equivalent Securities]** Subject to clause 8 and the terms of the relevant Borrowing Request, the Lender may call for the redelivery of all or any Equivalent Securities at any time by giving notice on any Business Day of not less than the Standard Settlement Time for such Equivalent Securities or the equivalent time on the exchange or in the clearing organisation through which the relevant borrowed Securities were originally delivered. The Borrower shall as hereinafter provided redeliver such Equivalent Securities not later than the expiry of such notice in accordance with the Lender's instructions.
- 7.3 **[Lender may terminate loan if Borrower defaults]** If the Borrower does not redeliver Equivalent Securities in accordance with such call, the Lender may elect to continue the loan of Securities; **provided that**, if the Lender does not elect to

continue the loan, the Lender may by written notice to the Borrower elect to terminate the relevant loan. Upon the expiry of such notice the provisions of clauses 8.2 to 8.5 shall apply as if upon the expiry of such notice an Event of Default had occurred in relation to the Borrower (who shall thus be the Defaulting Party for the purposes of this Agreement) and as if the relevant loan were the only loan outstanding.

- 7.4 **[Consequence of exercise of “buy-in” against Lender, as a result of Borrower default]** In the event that, as a result of the failure of the Borrower to redeliver Equivalent Securities to the Lender in accordance with this Agreement, a “buy-in” is exercised against the Lender, then, provided that reasonable notice has been given to the Borrower of the likelihood of such a “buy-in”, the Borrower shall account to the Lender for the total costs and expenses reasonably incurred by the Lender as a result of such “buy-in”.
- 7.5 **[Right of Borrower to terminate loan early]** Subject to the terms of the relevant Borrowing Request, the Borrower shall be entitled at any time to terminate a particular loan of Securities and to redeliver all and any Equivalent Securities due and outstanding to the Lender in accordance with the Lender’s instructions.

7A Suspended Securities

- 7A.1 This clause 7A applies if:
- (a) dealings in any borrowed Securities or Collateral Securities are suspended from trading by the stock exchange on which the Securities were listed at the time of delivery under this Agreement, whether by reason of the adverse position of the issuer or otherwise; or
 - (b) for any other reason concerning the issuer of those Securities (such as the liquidation, provisional liquidation, administration or receivership of the issuer, or the Securities ceasing to be listed for trading on the stock exchange on which they were listed at the time of delivery under this Agreement), or concerning the exchange or clearing house through which they are traded, one Party is unable to transfer title to those Securities or Equivalent Securities to the Other Party.
- 7A.2 At any time while a situation described in clause 7A.1 prevails in relation to particular borrowed or Collateral Securities (the “**Suspended Securities**”), either the Lender or the Borrower may give notice (a “**Suspension Notice**”) to the other, in which event clauses 7A.3 and 7A.4 shall apply.
- 7A.3 If a Suspension Notice is given, the Borrower and the Lender shall promptly enter into negotiations in good faith with a view to promptly agreeing the market value of the Suspended Securities for the purposes of this clause 7A. Neither the Borrower nor the Lender may unreasonably withhold or delay its agreement to a market value reasonably proposed by the other Party.
- 7A.4 Any market value agreed under clause 7A.3 applies to the Suspended Securities notwithstanding the definition of Value in clause 26.

8 Set-off etc.

- 8.1 **[Requirement for simultaneous delivery]** On the date and time that Equivalent Securities are required to be redelivered by the Borrower in accordance with the

provisions of this Agreement the Lender shall simultaneously redeliver the Equivalent Collateral and repay any Cash Collateral held (in respect of the Equivalent Securities to be redelivered) to the Borrower. Neither Party shall be obliged to make delivery (or make a payment as the case may be) to the other unless it is satisfied that the other Party will make such delivery (or make an appropriate payment as the case may be) to it simultaneously. If it is not so satisfied (whether because an Event of Default has occurred in respect of the other Party or otherwise), it shall notify the other Party and, unless that other Party has made arrangements which are sufficient to assure full delivery (or the appropriate payment as the case may be) to the notifying Party, the notifying Party shall (provided it is itself in a position, and willing, to perform its own obligations) be entitled to withhold delivery (or payment, as the case may be) to the other Party.

- 8.2 **[Netting following occurrence of Event of Default]** If an Event of Default occurs in relation to either Party, the Parties' delivery and payment obligations (and any other obligations they have under this Agreement) shall be accelerated so as to require performance thereof at the time such Event of Default occurs (the date of which shall be the "**Performance Date**" for the purposes of this clause), and in such event:
- (a) the Relevant Value of the Securities to be delivered (or payment to be made, as the case may be) by each Party shall be established in accordance with clause 8.3; and
 - (b) on the basis of the Relevant Values so established, an account shall be taken (as at the Performance Date) of what is due from each Party to the other and (on the basis that each Party's claim against the other in respect of delivery of Equivalent Securities or Equivalent Collateral or any cash payment equals the Relevant Value thereof) the sums due from one Party shall be set-off against the sums due from the other and only the balance of the account shall be payable (by the Party having the claim valued at the lower amount pursuant to the foregoing) and such balance shall be payable on the Performance Date.
- 8.3 **[Relevant Value]** For the purposes of clause 8.2 the Relevant Value:
- (a) of any cash payment obligation shall equal its par value (disregarding any amount taken into account under (b) or (c) below);
 - (b) of any Securities to be delivered by the Defaulting Party shall, subject to clause 8.4(b) and (c) below, equal the Offer Value thereof; and
 - (c) of any Securities to be delivered to the Defaulting Party shall, subject to clause 8.4(b) and (c) below, equal the Bid Value thereof.
- 8.4 **[Bid Value/Offer Value]**
- (a) For the purposes of clause 8.3, but subject to (b) and (c) below, the Bid Value and Offer Value of any Securities shall be calculated as at the Close of Business in the most appropriate market for Securities of the relevant description (as determined by the Non-Defaulting Party) on the first Business Day following the Performance Date, or, if the relevant Event of Default occurs outside the normal business hours of such market, on the second Business Day following the Performance Date (the "**Default Valuation Time**").

- (b) Where the Non-Defaulting Party has, following the occurrence of an Event of Default but prior to the Default Valuation Time, purchased Securities forming part of the same issue and being of an identical type and description to those to be delivered by the Defaulting Party and in substantially the same amount as those Securities or sold Securities forming part of the same issue and being of an identical type and description to those to be delivered by the Non-Defaulting Party to the Defaulting Party and in substantially the same amount as those Securities, the cost of such purchase or the proceeds of such sale, as the case may be, (taking into account all reasonable costs, fees and expenses that would be incurred in connection therewith) shall be treated as the Offer Value or Bid Value, as the case may be, of the relevant Securities for the purposes of this clause 8.
 - (c) Where the amount of any Securities sold or purchased as mentioned in (b) above is not in substantially the same amount as those Securities to be valued for the purposes of clause 8.3, the Offer Value or the Bid Value (as the case may be) of those Securities shall be ascertained by:
 - (i) dividing the net proceeds of sale or cost of purchase by the amount of the Securities sold or purchased so as to obtain a net unit price; and
 - (ii) multiplying that net unit price by the amount of the Securities to be valued.
- 8.5 **[Interpretation: “Securities”]** Any reference in this clause 8 to Securities shall include any asset other than cash provided by way of Collateral, and, for the avoidance of doubt, shall include Equivalent Securities and Equivalent Collateral.
- 8.6 **[Interpretation: “Event of Default”]** If the Borrower or the Lender for any reason fails to comply with its respective obligations under clause 6.6 in respect of the redelivery of Equivalent Collateral or the repayment of Cash Collateral, such failure shall be an Event of Default for the purposes of this clause 8, and the person failing to comply shall thus be the Defaulting Party.
- 8.7 **[Waiver of right to require simultaneous delivery]** Subject to and without prejudice to its rights under clause 8.1, either Party may from time to time in accordance with market practice and in recognition of the practical difficulties in arranging simultaneous delivery of Securities, Collateral and cash transfers waive its right under this Agreement in respect of simultaneous delivery and/or payment; **provided that** no such waiver in respect of one transaction shall bind it in respect of any other transaction.

9 Stamp duty, taxes etc and loss of tax benefits

- 9.1 **[Stamp duty etc]** The Borrower hereby undertakes promptly to pay and account for any transfer or similar duties or taxes, and any loan security or other stamp duties, (if any) chargeable in connection with any transaction effected pursuant to or contemplated by this Agreement, and shall indemnify and keep indemnified the Lender against any liability arising in respect thereof as a result of the Borrower’s failure to do so.
- 9.2 **[Borrower to give Transfer of Distribution Statement to Lender re Franked Distributions]** If:

- (a) an Income Payment Date occurs during an Income Determination Period in relation to a particular loan of Securities;
- (b) had the Lender been the holder of those Securities on the relevant Income Payment Date, it would have received a Franked Distribution in respect of those Securities;
- (c) the Agreement or the relevant Confirmation states that the Lender is an Australian Taxpayer;
- (d) the failure of the Lender to receive a Franked Distribution is not due to any unreasonable act or omission by or on behalf of the Lender; and
- (e) neither paragraph 7 in Schedule 1 nor the relevant Confirmation states that the Lender is **not** entitled to compensation for the loss of Imputation Benefits;

then:

- (f) the Borrower must either:
 - (i) if section 216-10 of the 1997 Tax Act applies, as soon as practicable, and in any event within 10 Business Days after the relevant Income Payment Date, give to the Lender a Transfer of Distribution Statement in respect of those Securities (which the Borrower is to be taken as having warranted is correct in all material respects and is effective for the purposes of section 216-30 of the 1997 Tax Act); or
 - (ii) otherwise, on the 10th Business Day after the relevant Income Payment Date pay to the Lender an amount equal to the Franking Credit allocated (or, under section 202-65 of the 1997 Tax Act, taken to have been allocated) to the Franked Distribution and specified in the Distribution Statement for that Franked Distribution.

9.3 [Deleted.]

9.4 **["Notifiable consideration" for the purposes of s 26BC(3)(d) of the 1936 Tax Act]** For the purposes of section 26BC(3)(d) of the 1936 Tax Act, the notifiable consideration in respect of any loan of Securities is dissected as follows:

- (a) a fee - see clause 5.1 (as applicable); and
- (b) other consideration - see clauses 4.2, 6 and 9 and the definition of "Equivalent Securities" in clause 26.

9.5 **[GST]**

- (a) All payments (including the provision of any non-monetary consideration) to be made by either Party under or in connection with this Agreement have been calculated without regard to GST.
- (b) If all or part of any such payment is the consideration for a Taxable Supply, then, when the payer makes the payment, the payer must, after receipt of a Tax Invoice, pay to the supplier additional consideration equal to the GST Amount. Such additional amount is to be paid on the earlier of:
 - (i) the date of the first payment for the Taxable Supply; and

- (ii) the date five Business Days after the date on which the Tax Invoice for the Taxable Supply is received by the payer.
- (c) Where under or in connection with this Agreement a Party is required to reimburse or indemnify for an amount, that Party will pay the relevant amount:
 - (i) including any sum in respect of GST which has been paid by the payee upon any supply made to the payee in connection with the circumstances giving rise to the operation of the indemnity or right of reimbursement;
 - (ii) less any GST Input Tax Credit that that Party determines (acting reasonably) that the payee is entitled to claim in respect of the circumstances giving rise to the operation of the indemnity or right of reimbursement.
- (d) If a person is a member of a GST Group, references to GST for which the person is liable and to Input Tax Credits to which the person is entitled include GST for which the Representative Member of the GST Group is liable and Input Tax Credits to which the Representative Member is entitled.
- (e) In this clause:

GST means the goods and services tax as imposed by the GST Law together with any related interest, penalties, fines or other charges.

GST Amount means in relation to a Taxable Supply the amount of GST for which the supplier is liable in respect of the Taxable Supply.

GST Group has the meaning given to this term by the GST Law.

GST Law has the meaning given to that term in A New Tax System (Goods and Services Tax) Act 1999 (or, if that Act does not exist for any reason, means any Act imposing or relating to the imposition or administration of a goods and services tax in Australia) and any regulation made under that Act.

Input Tax Credit has the meaning given to that term by the GST Law.

Invoice has the meaning given to that term by the GST Law.

Representative Member has the meaning given to that term by the GST Law.

Taxable Supply has the meaning given to that term by the GST Law.

Tax Invoice has the meaning given to that term by the GST Law.

9.6 [Non-Australian GST]

- (a) All payments (including the provision of any non-monetary consideration) to be made by either Party under or in connection with this Agreement have been calculated without regard to Non-Australian GST.
- (b) If all or part of any such payment is the consideration for a supply of goods or services (however defined) in respect of which Non-Australian GST is payable (whether by a Party or its Related Entities or any person on its behalf or in its place (the “**supplier**”)) to any relevant tax authority or government agency, the other Party must pay to the supplier additional

consideration equal to the amount of any such Non-Australian GST. Such additional amount is to be paid on demand by the supplier.

- (c) Where under or in connection with this Agreement a Party is required to reimburse or indemnify for an amount, that Party will pay the relevant amount:
 - (i) including any sum in respect of non-Australian GST which has been paid by the payee upon any supply made to the payee in connection with the circumstances giving rise to the operation of the indemnity or right of reimbursement;
 - (ii) less any input tax credit (however defined or described) that that Party determines (acting reasonably) that the payee is entitled under the law applicable to that Non-Australian GST to claim in respect of the circumstances giving rise to the operation of the indemnity or right of reimbursement.
- (d) In this clause, the expression *Non-Australian GST* means any goods and services tax, value added tax or similar transactional tax, however described, imposed on supplies of goods or services (however defined) under the law of any jurisdiction outside Australia, together with any related interest, penalties, fines or other charges.

9.7 [Grossing up]

- (a) All payments under clauses 4.2 (a), 5.1(a), 5.1(b) and 13 of this Agreement are to be made free and clear of, and without any deduction or withholding for or on account of, any taxes.
- (b) Accordingly, if any deduction or withholding in respect of any such payment is required by law, as modified by the practice of any relevant taxing authority, then the payer must:
 - (i) pay to the other Party, in addition to the payment to which that other Party is otherwise entitled under this Agreement, such additional amount as is necessary to ensure that the net amount (free and clear of any taxes payable by deduction or withholding, whether assessed against one Party or the other) will equal the full amount that that other Party would have received had no such deduction or withholding been required;
 - (ii) promptly pay to the relevant taxing authority the full amount of the deduction or withholding by the payer; and
 - (iii) forward to the payee on request a copy of any official receipt or other evidence showing that the full amount of any such deduction or withholding has been paid over to the relevant taxing authority.
- (c) Otherwise, unless otherwise agreed in respect of a particular loan of Securities or a particular payment, no such gross up is required in respect of any payment under this Agreement.

10 Lender's warranties

[Lender's warranties] Each Party hereby warrants and undertakes to the other on a continuing basis, to the intent that such warranties shall survive the completion of any transaction contemplated by this Agreement, that, where acting as a Lender:

- (a) it is duly authorised and empowered to perform its duties and obligations under this Agreement;
- (b) it is not restricted under the terms of its constitution or in any other manner from lending Securities in accordance with this Agreement or from otherwise performing its obligations under this Agreement;
- (c) it is absolutely entitled to pass full legal and beneficial ownership of all Securities provided by it under this Agreement to the Borrower free from all liens, charges, equities and encumbrances;
- (d) where paragraph 3 in Schedule 1 specifies that this clause 10(d) applies, it is not resident in Australia for the purposes of the Tax Act and either:
 - (i) does not have a branch or other permanent establishment in Australia for the purposes of the Tax Act or of any applicable double tax agreement between Australia and its country of tax residence; or
 - (ii) if it does have such a branch or other permanent establishment in Australia, that the loan is not entered into in the course of carrying on business through such branch or permanent establishment; and
- (e) unless clause 14 applies, it is acting as principal in respect of this Agreement.

11 Borrower's warranties

[Borrower's warranties] Each Party hereby warrants and undertakes to the other on a continuing basis, to the intent that such warranties shall survive the completion of any transaction contemplated by this Agreement, that, where acting as a Borrower:

- (a) it has all necessary licences and approvals, and is duly authorised and empowered, to perform its duties and obligations under this Agreement and will do nothing prejudicial to the continuation of such authorisation, licences or approvals;
- (b) it is not restricted under the terms of its constitution or in any other manner from borrowing Securities in accordance with this Agreement or from otherwise performing its obligations under this Agreement;
- (c) it is absolutely entitled to pass full legal and beneficial ownership of all Collateral provided by it under this Agreement to the Lender free from all liens, charges, equities and encumbrances;
- (d) it is acting as principal in respect of this Agreement; and
- (e) unless otherwise agreed, it shall in respect of every loan of Securities return to the Lender Equivalent Securities not later than 360 days from the date of delivery by the Lender of the original Securities to the Borrower.

12 Events of Default

- 12.1 **[Events of Default]** Each of the following events occurring in relation to either Party (the “**Defaulting Party**”, the other Party being the “**Non-Defaulting Party**”) shall be an Event of Default for the purpose of clause 8:
- (a) the Borrower or Lender failing to pay or repay Cash Collateral or deliver or redeliver Collateral or Equivalent Collateral upon the due date, and the Non-Defaulting Party serves written notice on the Defaulting Party;
 - (b) the Lender or Borrower failing to comply with its obligations under clause 6, and the Non-Defaulting Party serves written notice on the Defaulting Party;
 - (c) the Borrower failing to comply with clause 4.2 or clause 9.2 and the Non-Defaulting Party serves written notice on the Defaulting Party;
 - (d) an Act of Insolvency occurring with respect to the Lender or the Borrower and (except in the case of an Act of Insolvency which is the presentation of a petition for winding up or any analogous proceeding or the appointment of a liquidator or analogous officer of the Defaulting Party in which case no such notice shall be required) the Non-Defaulting Party serves written notice on the Defaulting Party;
 - (e) any representations or warranties made by the Lender or the Borrower being incorrect or untrue in any material respect when made or repeated or deemed to have been made or repeated, and the Non-Defaulting Party serves written notice on the Defaulting Party;
 - (f) the Lender or the Borrower admitting to the other that it is unable to, or it intends not to, perform any of its obligations hereunder and/or in respect of any loan hereunder, and the Non-Defaulting Party serves written notice on the Defaulting Party;
 - (g) the Lender (if appropriate) or the Borrower being declared in default by the appropriate authority under the Rules or being suspended or expelled from membership of or participation in any securities exchange or association or other self-regulatory organisation, or suspended from dealing in securities by any government agency, and the Non-Defaulting Party serves written notice on the Defaulting Party;
 - (h) any of the assets of the Lender or the Borrower or the assets of investors held by or to the order of the Lender or the Borrower being ordered to be transferred to a trustee by a regulatory authority pursuant to any securities regulating legislation and the Non-Defaulting Party serves written notice on the Defaulting Party, or
 - (i) the Lender or the Borrower failing to perform any other of its obligations hereunder and not remedying such failure within 30 days after the Non-Defaulting Party serves written notice requiring it to remedy such failure, and the Non-Defaulting Party serves a further written notice on the Defaulting Party.
- 12.2 **[Obligation of each Party to notify its Event of Default]** Each Party shall notify the other if an event occurs which would constitute an Event of Default in relation to it with the giving of notice.

13 Outstanding payments

[Default interest] In the event of either Party failing to remit sums in accordance with this Agreement, such Party hereby undertakes to pay to the other Party upon demand interest (before as well as after judgment) on the net balance due and outstanding, for the period commencing on and inclusive of the original due date for payment to (but excluding) the date of actual payment, in the same currency at a rate per annum equal to the cost (without proof or evidence of any actual cost) to the relevant payee (as certified by it in good faith) if it were to fund or of funding the relevant amount, plus 2% (or other agreed percentage) per annum.

14 Transactions entered into as agent

14.1 **[Agency Transactions]** Subject to the following provisions of this clause, the Lender may enter into loans as agent (in such capacity, the “**Agent**”) for a third person (a “**Principal**”), whether as custodian or investment manager or otherwise (a loan so entered into being referred to in this clause as an “**Agency Transaction**”).

14.2 **[Conditions for Agency Transactions]** A Lender may enter into an Agency Transaction if, but only if:

- (a) it specifies that loan as an Agency Transaction at or before the time when it enters into it;
- (b) it enters into that loan on behalf of a single Principal whose identity is disclosed to the Borrower (whether by name or by reference to a code or identifier which the Parties have agreed will be used to refer to a specified Principal) at the time when it enters into the loan or as otherwise agreed between the Parties;
- (c) it has at the time when the loan is entered into actual authority to enter into the loan and to perform on behalf of that Principal all of that Principal’s obligations under the agreement referred to in clause 14.4(b) below; and
- (d) the Borrower has agreed that the Lender may act as Agent in respect of the relevant loan, including as indicated (if at all) in paragraph 8 in Schedule 1.

14.3 **[Undertakings by Lender]** The Lender undertakes that, if it enters as agent into an Agency Transaction, forthwith upon becoming aware:

- (a) of any event which constitutes an Act of Insolvency with respect to the relevant Principal; or
- (b) of any breach of any of the warranties given in clause 14.5 below or of any event or circumstance which has the result that any such warranty would be untrue if repeated by reference to the current facts,

it will inform the Borrower of that fact and will, if so required by the Borrower, furnish it with such additional information as it may reasonably request.

14.4 **[Consequences of Agency Transaction]**

- (a) Each Agency Transaction shall be a transaction between the relevant Principal and the Borrower and no person other than the relevant Principal and the Borrower shall be a party to or have any rights or obligations under an Agency Transaction. Without limiting the foregoing, the Lender shall not

be liable as principal for the performance of an Agency Transaction or for breach of any warranty contained in clause 10(d) of this Agreement, but this is without prejudice to any liability of the Lender under any other provision of this clause.

- (b) All the provisions of the Agreement shall apply separately as between the Borrower and each Principal for whom the Agent has entered into an Agency Transaction or Agency Transactions as if each such Principal were a party to a separate agreement with the Borrower in all respects identical with this Agreement other than this paragraph and as if the Principal were Lender in respect of that agreement; **provided that:**
 - (i) if there occurs in relation to the Agent an Event of Default or an event which would constitute an Event of Default if the Borrower served written notice under any paragraph of clause 12, the Borrower shall be entitled by giving written notice to the Principal (which notice shall be validly given to the Lender in accordance with clause 20) to declare that, by reason of that event, an Event of Default is to be treated as occurring in relation to the Principal. If the Borrower gives such a notice, then an Event of Default shall be treated as occurring in relation to the Principal at the time when the notice is deemed to be given; and
 - (ii) if the Principal is neither incorporated nor has established a place of business in Australia, the Principal shall for the purposes of the agreement referred to in the preamble in this paragraph (b) be deemed to have appointed as its agent to receive on its behalf service of process in the courts of Australia the Agent, or, if the Agent is neither incorporated nor has established a place of business in Australia, the person appointed by the Agent for the purposes of this Agreement, or such other person as the Principal may from time to time specify in a written notice given to the other party.
- (c) The foregoing provisions of this clause do not affect the operation of the Agreement as between the Borrower and the Lender in respect of any transactions into which the Lender may enter on its own account as principal.

- 14.5 **[Warranty by Lender]** The Lender warrants to the Borrower that it will, on every occasion on which it enters or purports to enter into a transaction as an Agency Transaction, have been duly authorised to enter into that loan and perform the obligations arising thereunder on behalf of the person whom it specifies as the Principal in respect of that transaction and to perform on behalf of that person all the obligations of that person under the agreement referred to in clause 14.4(b).

15 Termination of course of dealings by notice

Each Party shall have the right to bring the course of dealing contemplated under this Agreement to an end by giving not less than 15 Business Days' notice in writing to the other Party (which notice shall specify the date of termination), subject to an obligation to ensure that all loans which have been entered into but not discharged at the time such notice is given are duly discharged in accordance with this Agreement and with the Rules (if applicable).

16 No reliance on tax or accounting representations by other Party

Each Party acknowledges, represents and warrants to the other that, except as expressly stated in this Agreement or any Confirmation:

- (a) it has not relied on any advice, statement, representation or conduct of any kind by or on behalf of the other Party in relation to any tax (including stamp duty) or accounting issues concerning this Agreement or any transactions effected under it; and
- (b) it has made its own determination as to the tax (including stamp duty) and accounting consequences and treatment of any transaction effected under this Agreement, including (without limitation) of any moneys paid or received or any property transferred or received in connection with any such transaction.

17 Observance of procedures

Each of the Parties hereto agrees that, in taking any action that may be required in accordance with this Agreement, it shall observe strictly the procedures and timetable applied by the Rules (if and to the extent applicable) and, further, shall observe strictly any agreement (oral or otherwise) as to the time for delivery or redelivery of any money, Securities, Equivalent Securities, Collateral or Equivalent Collateral entered into pursuant to this Agreement.

18 Severance

If any provision of this Agreement is declared by any judicial or other competent authority to be void or otherwise unenforceable, that provision shall be severed from the Agreement and the remaining provisions of this Agreement shall remain in full force and effect. The Agreement shall, however, thereafter be amended by the Parties in such reasonable manner so as to achieve, without illegality, the intention of the Parties with respect to that severed provision.

19 Specific performance

Each Party agrees that, in relation to legal proceedings, it will not seek specific performance of the other Party's obligation to deliver or redeliver Securities, Equivalent Securities, Collateral or Equivalent Collateral, but without prejudice to any other rights it may have.

20 Notices

20.1 **[Effectiveness]** Any notice or other communication in respect of this Agreement may be given in any manner set forth below (except that a notice or other communication under clause 12 or clause 15 may not be given by facsimile transmission or electronic messaging system) to the address or number or in accordance with the electronic messaging system details provided (see paragraph 6 in Schedule 1) and will be deemed effective as indicated:

- (a) if in writing and delivered in person or by courier, on the date it is delivered;
- (b) if sent by telex, on the date the recipient's answerback is received;

- (c) if sent by facsimile transmission, on the date that transmission is received by a responsible employee of the recipient in legible form (it being agreed that the burden of proving receipt will be on the sender and may be met by a transmission report generated by the sender's facsimile machine);
- (d) if sent by certified or registered mail (airmail, if overseas) or the equivalent (return receipt requested), on the date that mail is delivered or its delivery is attempted; or
- (e) if sent by electronic messaging system, on the date that electronic message is received,

unless the date of that delivery (or attempted delivery) or the receipt, as applicable, is not a Business Day or that communication is delivered (or attempted) or received, as applicable, after the close of business on a Business Day, in which case that communication shall be deemed given and effective on the first following day that is a Business Day.

- 20.2 **[Change of Address]** Either Party may by notice to the other change the address, telex or facsimile number or electronic messaging system details at which notices or other communications are to be given to it.

21 Assignment

Neither Party may assign, transfer or otherwise dispose of all or any of its rights or obligations under this Agreement without the prior written consent of the other Party.

22 Non-Waiver

No failure or delay by either Party to exercise any right, power or privilege under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege as provided in this Agreement.

23 Time

Time shall be of the essence of the Agreement.

24 Recording

The Parties agree that each may electronically record all telephonic conversations between them.

25 Miscellaneous

- 25.1 **[Entire Agreement]** This Agreement constitutes the entire agreement and understanding of the Parties with respect to its subject matter and supersedes all oral communication and prior writings with respect thereto.
- 25.2 **[Amendments]** No amendment in respect of this Agreement will be effective unless in writing (including a writing evidenced by a facsimile transmission) and executed

by each of the Parties or confirmed by an exchange of telexes or electronic messages on an electronic messaging system.

- 25.3 **[Survival of Obligations]** The obligations of the Parties under this Agreement will survive the termination of any transaction.
- 25.4 **[Remedies Cumulative]** Except as provided in this Agreement, the rights, powers, remedies and privileges provided in this Agreement are cumulative and not exclusive of any rights, powers, remedies and privileges provided by law.
- 25.5 **[Counterparts]** This Agreement (and each amendment in respect of it) may be executed and delivered in counterparts (including by facsimile transmission), each of which will be deemed an original.
- 25.6 **[Expenses]** A Defaulting Party will, on demand, indemnify and hold harmless the other Party for and against all reasonable out-of-pocket expenses, including legal fees and stamp duty, incurred by such other Party by reason of the enforcement and protection of its rights under this Agreement or by reason of the early termination of any transaction, including, but not limited to, costs of collection.

26 Definitions

In this Agreement:

Act of Insolvency means in relation to either Party:

- (a) its making a general assignment for the benefit of, or entering into a reorganisation, arrangement, or composition with creditors; or
- (b) its admitting in writing that it is unable to pay its debts as they become due; or
- (c) its seeking, consenting to or acquiescing in the appointment of any trustee, administrator, receiver or liquidator or analogous officer of it or any material part of its property; or
- (d) the presentation or filing of a petition in respect of it (other than by the other Party to this Agreement in respect of any obligation under this Agreement) in any court or before any agency alleging or for the bankruptcy, winding-up or insolvency of such Party (or any analogous proceeding) or seeking any reorganisation, arrangement, composition, re-adjustment, administration, liquidation, dissolution or similar relief under any present or future statute, law or regulation, such petition (except in the case of a petition for winding-up or any analogous proceeding in respect of which no such 30 day period shall apply) not having been stayed or dismissed within 30 days of its filing; or
- (e) the appointment of a receiver, administrator, liquidator or trustee or analogous officer of such Party over all or any material part of such Party's property; or
- (f) the convening of any meeting of its creditors for the purpose of considering a compromise or arrangement within Part 5.1 of the Corporations Law of Australia (or any analogous proceeding).

In this definition:

- (g) “liquidator” shall be deemed to include a “provisional liquidator”;
- (h) “receiver” shall be deemed to include a “receiver and manager”;
- (i) “administrator” shall be deemed to include an “official manager”;
- (j) “arrangement” shall be deemed to include a “scheme of arrangement”;
and
- (k) “creditors” shall be deemed to include “any class of creditors”.

Agent has the meaning given in clause 14.

Alternative Collateral means Collateral of a Value equal to the Collateral delivered pursuant to clause 6 and provided by way of substitution for Collateral originally delivered or previously substituted in accordance with the provisions of clause 6.5.

Australian Taxpayer means any person other than:

- (a) a Party who is not a resident of Australia for the purposes of the Tax Act (whether that Party is acting as a trustee, nominee or agent or in some other capacity) at the time a Distribution is paid; or
- (b) a Party who is acting in the capacity of trustee, nominee or agent for a person who is not a resident of Australia for the purposes of the Tax Act at the time a Distribution is paid.

Bankers Acceptances has the meaning given in paragraph 1.1(d) in Schedule 1.

Base Currency has the meaning given in paragraph 2 in Schedule 1.

Bid Price, in relation to Equivalent Securities or Equivalent Collateral, means the best available bid price thereof on the most appropriate market in a standard size.

Bid Value, subject to clause 8.5, means:

- (a) in relation to Equivalent Collateral at a particular time:
 - (i) in relation to Collateral type (h) (more specifically referred to in paragraph 1.1 in Schedule 1), the Value thereof as calculated in accordance with paragraph 1.2(d) in Schedule 1;
 - (ii) in relation to all other types of Collateral (more specifically referred to in paragraph 1.1 in Schedule 1), the amount which would be received on a sale of such Collateral at the Bid Price thereof at such time **less** all costs, fees and expenses that would be incurred in connection with selling or otherwise realising such Equivalent Collateral, calculated on the assumption that the aggregate thereof is the least that could reasonably be expected to be paid in order to carry out such sale or realisation and adding thereto the amount of any interest, dividends, distributions or other amounts paid to the Lender and in respect of which equivalent amounts have not been paid to the Borrower in accordance with clause 6.7 prior to such time in

respect of such Equivalent Collateral or the original Collateral held gross of all and any tax deducted or paid in respect thereof; and

- (b) in relation to Equivalent Securities at a particular time, the amount which would be received on a sale of such Equivalent Securities at the Bid Price thereof at such time **less** all costs, fees and expenses that would be incurred in connection therewith, calculated on the assumption that the aggregate thereof is the least that could reasonably be expected to be paid in order to carry out the transaction.

Borrower, in relation to a particular loan of Securities, means the Borrower as referred to in Recital A of this Agreement.

Borrowing Request means a request which may be oral or in writing in such form as is agreed between the Parties (a written example of which comprises Schedule 2 to this Agreement) by the Borrower to the Lender pursuant to clause 2.1 specifying, as necessary:

- (a) the description, title and amount of the Securities required by the Borrower;
- (b) the description (if other than Australian currency) and amount of any Collateral to be provided;
- (c) the proposed Settlement Date;
- (d) the duration of such loan (if other than indefinite);
- (e) the mode and place of delivery, which shall, where relevant, include the bank, agent, clearing or settlement system and account to which delivery of the Securities and any Collateral is to be made;
- (f) the Margin in respect of the transaction (if different from that stated in Schedule 1 or Schedule 3, as appropriate); and
- (g) the Fee.

Business Day means a day on which banks and securities markets are open for business generally in each place stated in paragraph 5 in Schedule 1 and, in relation to the delivery or redelivery of any of the following in relation to any loan, in the place(s) where the relevant Securities, Equivalent Securities, Collateral (including Cash Collateral) or Equivalent Collateral are to be delivered.

Cash Collateral means Collateral that takes the form of a deposit of currency.

Close of Business means:

- (a) in relation to any borrowing of Securities or redelivery of Equivalent Securities under this Agreement, the final time on a Business Day at which settlement of the transfer of those Securities can take place in order to constitute good delivery on that day; and
- (b) in relation to the provision of Collateral or return of Equivalent Collateral or the making of any other payment under this agreement, the time at which trading banks close for general banking business in

the place in which payment is to be made or Collateral or Equivalent Collateral is to be delivered or redelivered.

Collateral means such securities or financial instruments or deposits of currency as are referred to in paragraph 1.1 in Schedule 1 or any combination thereof which are delivered by the Borrower to the Lender in accordance with this Agreement and includes the certificates or other documents of title (if any) and transfer in respect of the foregoing (as appropriate), and includes Alternative Collateral.

Confirmation means the Borrowing Request, as it may be amended pursuant to clause 2.2, or other confirming evidence exchanged between the Parties confirming the terms of a transaction.

Defaulting Party has the meaning given in clause 12.

Distribution has the meaning given to that term in section 995-1(1) of the 1997 Tax Act.

Distribution Statement means a statement given in accordance with section 202-80 (as it may be finally amended under section 202-85) of the 1997 Tax Act.

Equivalent Collateral or Collateral equivalent to, in relation to any Collateral provided under this Agreement, means securities, cash or other property, as the case may be, of an identical type, nominal value, description and amount to particular Collateral so provided and shall include the certificates or other documents of title (if any) and transfer in respect of the foregoing (as appropriate). If and to the extent that such Collateral consists of securities that are partly paid or have been converted, subdivided, consolidated, redeemed, made the subject of a takeover, capitalisation issue, rights issue or event similar to any of the foregoing, the expression shall have the following meaning:

- (a) in the case of conversion, subdivision or consolidation the securities into which the relevant Collateral has been converted, subdivided or consolidated **provided that**, if appropriate, notice has been given in accordance with clause 4.2(b);
- (b) in the case of redemption, a sum of money equivalent to the proceeds of the redemption;
- (c) in the case of a takeover, a sum of money or securities, being the consideration or alternative consideration of which the Borrower has given notice to the Lender in accordance with clause 4.2(b);
- (d) in the case of a call on partly paid securities, the paid-up securities **provided that** the Borrower shall have paid to the Lender an amount of money equal to the sum due in respect of the call;
- (e) in the case of a capitalisation issue, the relevant Collateral **together with** the securities allotted by way of a bonus thereon;
- (f) in the case of a rights issue, the relevant Collateral **together with** the securities allotted thereon, **provided that** the Borrower has given notice to the Lender in accordance with clause 4.2(b), and has paid to the Lender all and any sums due in respect thereof;

- (g) in the event that a payment or delivery of Income is made in respect of the relevant Collateral in the form of securities or a certificate which may at a future date be exchanged for securities or in the event of an option to take Income in the form of securities or a certificate which may at a future date be exchanged for securities, and notice has been given to the Lender in accordance with clause 4.2(b), the relevant Collateral **together with** securities or a certificate equivalent to those allotted; and
- (h) in the case of any event similar to any of the foregoing, the relevant Collateral **together with** or replaced by a sum of money or securities equivalent to that received in respect of such Collateral resulting from such event.

For the avoidance of doubt, in the case of Bankers' Acceptances (Collateral type (d)), Equivalent Collateral must bear dates, acceptances and endorsements (if any) by the same entities as the bill to which it is intended to be equivalent and, for the purposes of this definition, securities are equivalent to other securities where they are of an identical type, nominal value, description and amount and such term shall include the certificate and other documents of or evidencing title and transfer in respect of the foregoing (as appropriate).

Equivalent Securities means securities of an identical type, nominal value, description and amount to particular Securities borrowed and such term shall include the certificate and other documents of or evidencing title and transfer in respect of the foregoing (if appropriate). If and to the extent that such Securities are partly paid or have been converted, subdivided, consolidated, redeemed, made the subject of a takeover, capitalisation issue, rights issue or event similar to any of the foregoing, the expression shall have the following meaning:

- (a) in the case of conversion, subdivision or consolidation the securities into which the borrowed Securities have been converted, subdivided or consolidated **provided that** if appropriate, notice has been given in accordance with clause 4.2(b);
- (b) in the case of redemption, a sum of money equivalent to the proceeds of the redemption;
- (c) in the case of a takeover, a sum of money or securities, being the consideration or alternative consideration of which the Lender has given notice to the Borrower in accordance with clause 4.2(b);
- (d) in the case of a call on partly paid securities, the paid-up securities **provided that** the Lender shall have paid to the Borrower an amount of money equal to the sum due in respect of the call;
- (e) in the case of a capitalisation issue, the borrowed Securities **together with** the securities allotted by way of a bonus thereon;
- (f) in the case of a rights issue, the borrowed Securities **together with** the securities allotted thereon, **provided that** the Lender has given notice to the Borrower in accordance with clause 4.2(b), and has paid to the Borrower all and any sums due in respect thereof;

- (g) in the event that a payment or delivery of Income is made in respect of the borrowed Securities in the form of securities or a certificate which may at a future date be exchanged for securities or in the event of an option to take Income in the form of securities or a certificate which may at a future date be exchanged for securities, and notice has been given to the Borrower in accordance with clause 4.2(b), the borrowed Securities **together with** securities or a certificate equivalent to those allotted; and
- (h) in the case of any event similar to any of the foregoing, the borrowed Securities **together with** or replaced by a sum of money or securities equivalent to that received in respect of such borrowed Securities resulting from such event.

For the purposes of this definition, securities are equivalent to other securities where they are of an identical type, nominal value, description and amount and such term shall include the certificate and other documents of or evidencing title and transfer in respect of the foregoing (as appropriate).

Event of Default has the meaning given in clause 12.

Fee, in respect of a transaction, means the fee payable by one Party to the other in respect of that transaction under clause 5.

Franked Distribution has the meaning given to that term in section 995-1(1) of the 1997 Tax Act.

Franking Credit has the meaning given to that term in section 995-1(1) of the 1997 Tax Act.

Imputation Benefits has the meaning given to that term in section 204-30(6) (other than paragraph (d) thereof) of the 1997 Tax Act.

Imputation System has the meaning given to that term in section 995-1(1) of the 1997 Tax Act.

Income means any dividends, interest or other distributions of any kind whatsoever with respect to any Securities or Collateral.

Income Determination Period, in relation to a particular loan of Securities, means:

- (a) in relation to the Securities, the period commencing when the Securities cease to be registered in the name of the Lender (or the relevant transferor) upon or before delivery of those Securities under clause 3 and ending when Equivalent Securities are registered in the name of the Lender (or the relevant transferee) upon or following redelivery of those Equivalent Securities under clause 7.1; and
- (b) in relation to Collateral (other than Cash Collateral), the period commencing when the Collateral ceases to be registered in the name of the Borrower (or the relevant transferor) upon or before delivery of that Collateral under clause 6.1 and ending when Equivalent Collateral is registered in the name of the Borrower (or the relevant transferee) upon or following redelivery of that Equivalent Collateral under clause 6.6.

Income Payment Date, in relation to any Securities or Collateral, means the date on which Income is paid in respect of such Securities or Collateral, or, in the case of registered Securities or Collateral, the date by reference to which particular registered holders are identified as being entitled to payment of Income.

Lender, in relation to a particular loan of Securities, means the Lender as referred to in Recital A of this Agreement.

Margin has the meaning in paragraph 1.3 in Schedule 1.

Nominee means an agent or a nominee appointed by either Party to accept delivery of, hold or deliver Securities, Equivalent Securities, Collateral and/or Equivalent Collateral on its behalf whose appointment has been notified to the other Party.

Non-Defaulting Party has the meaning given in clause 12.

Offer Price, in relation to Equivalent Securities or Equivalent Collateral, means the best available offer price thereof on the most appropriate market in a standard size.

Offer Value, subject to clause 8.5, means:

- (a) in relation to Collateral equivalent to Collateral type (h) (more specifically referred to in paragraph 1.1 in Schedule 1), the Value thereof as calculated in accordance with paragraph 1.2(d) in Schedule 1; and
- (b) in relation to Equivalent Securities or Collateral equivalent to all other types of Collateral (more specifically referred to in paragraph 1.1 in Schedule 1), the amount it would cost to buy such Equivalent Securities or Equivalent Collateral at the Offer Price thereof at such time **plus** all costs, fees and expenses that would be incurred in connection therewith, calculated on the assumption that the aggregate thereof is the least that could reasonably be expected to be paid in order to carry out the transaction.

Paid, in relation to a Distribution, includes credited, distributed or issued and like terms are to be construed accordingly.

Parties means the Lender and the Borrower and **Party** shall be construed accordingly.

Performance Date has the meaning given in clause 8.

Posted Collateral has the meaning given in clause 6.2(a)(i).

Principal has the meaning given in clause 14.

Reference Price means:

- (a) in relation to the valuation of Securities, Equivalent Securities, Collateral and/or Collateral equivalent to type (g) or (i) (more specifically referred to in paragraph 1.1 in Schedule 1), such price as is equal to the mid market quotation of such Securities, Equivalent Securities, Collateral and/or Equivalent Collateral as derived from a

reputable pricing information service (such as the services provided by SEATS, Bloomberg or Reuters) reasonably chosen in good faith by the Lender or if unavailable the market value thereof as derived from the prices or rates bid by a reputable dealer for the relevant instrument reasonably chosen in good faith by the Lender, in each case at Close of Business on the previous Business Day; and

- (b) in relation to the valuation of Securities, Equivalent Securities, Collateral and/or Collateral equivalent to Collateral types (b)-(f) (more specifically referred to in paragraph 1.1 in Schedule 1), the market value thereof as derived from the prices or rates bid by a market maker or reputable dealer for the relevant instrument reasonably chosen by the Lender in good faith or, in the absence of such a bid, the average of the rates bid by two leading market makers reasonably chosen in good faith by the Lender in each case at Close of Business on the previous Business Day.

Relevant Payment Date has the meaning given in clause 4.2(a).

Required Collateral Value has the meaning given in clause 6.3.

Rules means the rules for the time being of the Stock Exchange (where either Party is a member of the Stock Exchange) and/or any other regulatory authority whose rules and regulations shall from time to time affect the activities of the Parties pursuant to this Agreement (**provided that** in an Event of Default, where either Party is a member of the Stock Exchange, the Rules and Regulations of the Stock Exchange shall prevail).

Securities means “eligible securities” within the meaning of section 26BC(1) of the 1936 Tax Act which the Borrower is entitled to borrow from the Lender in accordance with the Rules and which may be or are the subject of a loan or provided as Collateral pursuant to this Agreement and such term shall include the certificates or other documents of title (if any) in respect of the foregoing.

Settlement Date means the date upon which Securities are or are to be transferred to the Borrower in accordance with this Agreement.

Standard Settlement Time in relation to a Security means the period of time within which transactions in such Securities are customarily required to be settled.

Stock Exchange means the Australian Stock Exchange Limited.

Tax Act includes:

- (a) the Income Tax Assessment Act 1936 (the “**1936 Tax Act**”);
- (b) the Income Tax Assessment Act 1997 (the “**1997 Tax Act**”); and
- (c) Schedule 1 to the Taxation Administration Act 1953.

Transfer means:

- (a) in relation to Cash, payment or delivery by wire transfer into one or more bank accounts;

- (b) in relation to certificated securities that cannot, or which the Parties have agreed will not, be paid or delivered by book-entry, payment or delivery in appropriate physical form to the recipient or its account accompanied by any duly executed instruments of transfer, assignments in blank, transfer tax stamps and any other documents necessary to constitute a valid and legally effective transfer to the recipient;
- (c) in relation to securities that must, or which the Parties have agreed will, be paid or delivered by book-entry, initiating the Transfer by the giving of written instructions (including instructions given by telephone, facsimile transmission, telex, e-mail or message generated by an electronic messaging system or otherwise) to the relevant depository institution or other entity specified by the recipient, together with a written copy thereof to the recipient, sufficient if complied with to result in a valid and legally effective transfer of the relevant interest to the recipient.

Transfer of Distribution Statement, in relation to Distributions, means a properly completed document in the form, or substantially in the form, of Appendix 6.27 to the Rules or a properly completed statement in another form which is acceptable for the purposes of section 216-30 of the 1997 Tax Act.

Transferring Party means the Party making or effecting a Transfer to the other Party.

Value at any particular time means, in relation to Securities and Equivalent Securities, the Reference Price thereof then current and in respect of Collateral and/or Equivalent Collateral such worth as determined in accordance with paragraph 1.2 in Schedule 1.

27 Governing Law and Jurisdiction

- 27.1 **[Governing law]** This Agreement is governed by, and shall be construed in accordance with, the law in force in New South Wales, Australia.
- 27.2 **[Consent to jurisdiction]** Each Party irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of New South Wales in respect of any dispute in connection with this Agreement.

EXECUTED as an agreement

| | |
|-------------------|--------------------|
| Schedule 1 | Particulars |
|-------------------|--------------------|

1 COLLATERAL *(see definition in clause 26, and also clause 6)*

1.1 Types *(see definition of “Collateral” in clause 26)*

Collateral acceptable under this Agreement may include the following or otherwise, as agreed between the Parties from time to time, whether transferable by hand or within a depositary:

- (a) Cash;
- (b) Australian Government Inscribed Stock;
- (c) Australian, State or Territory Government stock, bonds or promissory notes (including those issued by any central borrowing authority such as Treasury Corporation of New South Wales);
- (d) Bills of exchange accepted by any bank carrying on business in Australia (“**Bankers Acceptances**”) with an S&P rating of A1+ or a Moody’s rating of P1;
- (e) Promissory notes issued by any such bank;
- (f) Negotiable Certificates of Deposit issued by any such bank;
- (g) Corporate bonds in registrable form;
- (h) Irrevocable Standby Letters of Credit issued or confirmed by any such bank; and
- (i) At the discretion of the Lender, Equity Securities listed on the Australian Stock Exchange and included in the S&P/ASX 200 Index.

1.2 Valuation of Collateral *(see definition of “Value” in clause 26 and clause 6.2)*

Collateral provided in accordance with this Agreement shall be evaluated by reference to the following, or by such means as the Parties may from time to time agree:

- (a) in respect of Collateral type (a), the amount thereof in, or converted into, the Base Currency;
- (b) in respect of Collateral type (b), the value calculated by reference to the middle market price of each stock as determined daily by the Reserve Bank of Australia, adjusted to include the accumulated interest thereon;
- (c) in respect of Collateral types (c) to (g) and (i), the Reference Price thereof;
- (d) in respect of Collateral type (h), the value specified therein.

1.3 Margin *(see definition in clause 26 and clause 6.3)*

The Value of any Collateral delivered, or to be delivered, pursuant to clause 6 by the Borrower to the Lender under the terms and conditions of this Agreement shall on each Business Day represent not less than the Value of the borrowed Securities together with the following additional percentages, hereinbefore referred to as (the “**Margin**”), unless otherwise agreed between the Parties:

- (a) in the case of Collateral type (a): 5%; or
- (b) in the case of Collateral types (b) to (f) and (h): 5% (except that, for Negotiable Certificates of Deposit, the Margin shall be the accumulated interest thereon); or
- (c) in the case of Collateral type (g): 5%; or
- (d) in the case of Collateral type (i): such amount as is notified by the Lender to the Borrower and, in the event no amount is notified, then 10%.

If the Value of the borrowed Securities includes any margin over the mid market price of the borrowed Securities, this shall be taken into account in determining the Margin applicable.

1.4 Basis of Margin Maintenance (see clause 6.4)

Minimum period after demand for transferring Collateral or Equivalent Collateral other than Letters of Credit:

- (a) if a request is received prior to 11am EST (on a Sydney Business Day), then prior to close of business on the day the request is received;
- (b) if the request is received after 11am EST, then prior to 11am the following Sydney Business Day;
- (c) minimum period after demand for transferring Letter of Credit: within **two** Business Days."

1.5 Minimum adjustments (see clauses 6.2(a)(ii) and (iii))

- (a) The Lender may not demand that further Collateral be provided by the Borrower if the aggregate deficiency calculated in accordance with clause 6.2 is less than the lesser of:
 - (i) **\$5,000**; and
 - (ii) 2% of the Value of the Required Collateral Value.
- (b) The Borrower may not demand the return of Collateral provided to the Lender if the Borrower has committed an Event of Default in respect of any transaction or if the aggregate excess calculated in accordance with clause 6.2 is less than the lesser of:
 - (i) **\$5,000**; and
 - (ii) 2% of the Required Collateral Value.

2 BASE CURRENCY (see definition in clause 26 and clause 1.6)

The Base Currency applicable to this Agreement is Australian Dollars.

3 LENDER'S WARRANTIES (see clause 10(d))

Not applicable

4 VOTING (see clause 4.3)

Clause 4.3 ~~does~~/does not* apply.

5 PLACE OF BUSINESS (see definition of "Business Day" in clause 26)

Sydney.

6 ADDRESS FOR NOTICES AND STATUS OF PARTIES (see clause 20.1)

6.1 Address for notices or communications to: Morgan Stanley Australia Securities Limited _____

Address: Level 39, Chifley Tower, 2 Chifley Square, Sydney,
New South Wales, 2000, Australia

Attention: Equity Documentation Group _____

Facsimile No: +612 9770 1101 _____

Telephone No: +612 9770 1111 _____

Electronic Messaging System Details: _____;

which is an Australian Taxpayer.

6.2 Address for notices or communications to: Macquarie Bank Limited

Address: Macquarie Securities Group, Level 2, No.1 Martin
Place, Sydney, NSW 2000 Australia

Attention: Head Legal and Compliance

Facsimile No: (61 2) 8232 6882

Telephone No: (61 2) 8232 3333

Electronic Messaging System Details: _____

which is an Australian Taxpayer.

7 COMPENSATION FOR LOSS OF IMPUTATION BENEFITS (see clause 9.2)

Is not required by

and

[INSERT NAME OF RELEVANT AUSTRALIAN TAXPAYER PARTY (if applicable). OTHERWISE, DELETE THE PARAGRAPH OR LEAVE IT BLANK.

Note: There is no need to insert the name of any Party who **is not** an Australian Taxpayer, as such a party is not entitled to compensation in any event.]

8 [Substituted in November 2003]

8 AGENCY (see clause 14.2(d))

Clause 14 may apply to Morgan Stanley Australia Securities Ltd...: Yes/No *.

Clause 14 may apply to Macquarie Bank Limited ...: Yes/No *.

*** DELETE ONE ALTERNATIVE**

| | |
|-------------------|---|
| Schedule 2 | Specimen Form of Borrowing Request (see clause 2.1 and definition of “Borrowing Request” in clause 26) |
|-------------------|---|

To: [Name and Address of Lender]

This is a Borrowing Request under the Master Securities Lending Agreement between us dated # (the “Agreement”)

1 We wish to make the following borrowing of Securities:

- | | | |
|-----|--|---|
| (a) | Description of Securities: | # [eg “fully paid ordinary shares in # ”] |
| (b) | Amount of Securities: | # [eg “1 million”] |
| (c) | Proposed Settlement Date of Borrowing: | # [eg “today”] |
| (d) | Time, Mode and Place of Delivery of Securities, including (as appropriate) settlement system and account to which delivery is to be made: | # [eg “to the account of #, HIN #, in CHESS”] |
| (e) | Duration of Loan: | No longer than eleven months and 20 days after the Borrowed Securities are delivered under this Borrowing Request. |
| (f) | Type of Collateral: | # [eg “Cash”] |
| (g) | Time, Mode and Place of Delivery of Collateral: | # [eg “dvp on CHESS”] |
| (h) | Rates (see clause 5.1 of the Agreement): | #[eg (a) “ # % per annum on the Cash Collateral”, or (b) “# % per annum on the daily value of the Borrowed Securities” as appropriate]. |

2 Please confirm your acceptance of this Borrowing Request by return fax.

Dated: #

For and on behalf of [Name of Borrower]

Signature of Authorised Representative

Name and title of Authorised Representative

Schedule 3 Supplementary Terms and Conditions (if any)

This Schedule forms part of and amends the Master Securities Lending Agreement (including Schedule 1) to which it is a Schedule, as follows:

1. **Clause 4.3** is amended by replacing the word “collateral” in lines 13 and 15 with the word “Collateral”.
2. **Clause 5.1(b)** shall be amended by deletion of the words “at the rate agreed between them” and substitution of the following “by applying such rate as shall be agreed between the Parties from time to time to the daily Value of the Securities”.
3. Clause 15 is amended by adding the following at the end of the existing clause:

“Any termination pursuant to this clause 15 will be without prejudice to the rights or remedies of either party against the other in respect of any breach of this Agreement occurring before such termination.”
4. **Clause 26 Definitions**

The definition of **Securities** is amended by adding the following after “foregoing”:

“, provided that such eligible securities are listed on the Australian Stock Exchange Limited”.
5. **Paragraph 1.1 of Schedule 1** is amended by deleting from paragraph (i) the words “At the discretion of the Lender,”.
6. **Paragraph 1.4 of Schedule 1** is deleted and replaced with the following:

“**1.4 Basis of Margin Maintenance** (*see clause 6.4*)

Minimum period after demand for transferring Collateral or Equivalent Collateral shall be within one Business Day.”
7. **Paragraph 1.5 of Schedule 1** is deleted and replaced with the following:

“**1.5 Minimum adjustments** (*see clauses 6.2(a)(ii) and (iii)*)

(a) The Lender may not demand that further Collateral be provided by the Borrower if the aggregate deficiency calculated in accordance with clause 6.2 is less than AUD100,000.

(b) The Borrower may not demand the return of Collateral provided to the Lender if the Borrower has committed an Event of Default in respect of any transaction or if the aggregate excess calculated in accordance with clause 6.2 is less than AUD100,000.”
8. **Clause 7 of Schedule 1** is deleted and replaced with the following:

“**7. COMPENSATION FOR LOSS OF IMPUTATION BENEFITS** (*see clause 9.2*)

Is required unless the Lender notifies the Borrower as at the time of the Borrowing Request that compensation is not required.”

9. **Clause 8 of Schedule 1** – is deleted and replaced with the following:

“Clause 14 may apply to Morgan Stanley Australia Securities Ltd: Yes.

Clause 14 may apply to Macquarie Bank Limited: No.”

10. **Clause 4.2(b)**

For the purposes of this paragraph (b), a reasonable time is not less than the Standard Settlement Time for such Securities or Collateral.

11. **Clause 9.2(g)**

The word "and" and the following provision is inserted after clause 9.2(f):

“and

9.2(g) the Borrower is under an obligation to pay any Franked Distributions to the Lender calculated in accordance with clause 4.2(a).”

12. **Clause 12.1(a)**

Clause 12.1(a) is amended by inserting “, Equivalent Securities” after the words “redeliver Collateral” in line 2.

Clause 12.1(b) is amended by inserting “or clause 7” after “clause 6” in line 1.

13. **Clause 26**

Clause 26 is amended as follows:

The definition of “Act of Insolvency” is amended by replacing the words “Corporations Law of Australia” in sub clause (f) with the words “Corporations Act 2001 (Cwlth)”.

The definition of “Close of Business” is amended by replacing the word “agreement” in sub clause (b) with the word “Agreement”.

14. **Reverse Stock Loan Transactions**

With respect to stock loan transactions agreed by the Parties to be ‘reverse stock loan’ transactions:

- (a) Paragraph 1.1 of Schedule 1 shall be amended to delete Collateral types (b) to (i) inclusive so that only Collateral type (a) Cash shall be acceptable;

- (b) Paragraph 1.3(a) of Schedule 1 shall be deleted and replaced with the following

“(a) in the case of Collateral type (a): -5% (negative five per cent); and

(b) in the case of Collateral types (b) to (i): not applicable.”

Clause 1 of Schedule 1 - is a head and related with the following

Yes Clause 14 may apply to the same effect as the following

No Clause 14 may apply to the same effect as the following

Clause 14(1)

For the purposes of this paragraph, the following shall be taken to be the same as the following

Clause 14(1)

The word "and" in the following paragraph is to be taken to be the same as the following

and

It is the intention of the following paragraph that the following shall be taken to be the same as the following

Clause 14(1)

Clause 14(1) is amended by inserting "and the word 'and' after the word 'and' in the following paragraph"

Clause 14(1) is amended by inserting "and the word 'and' after the word 'and' in the following paragraph"

Clause 14

Clause 14 is amended by inserting

The definition of "and of the word" is amended by replacing the word "and" with the word "and" in the following paragraph

The definition of "and of the word" is amended by replacing the word "and" with the word "and" in the following paragraph

Clause 14(1) is amended by inserting

With regard to the following paragraph, the following shall be taken to be the same as the following

(a) Paragraph 1 of Schedule 1 shall be amended to read as follows

(b) Paragraph 1 of Schedule 1 shall be amended to read as follows

(c) In the following paragraph, the word "and" shall be replaced by the word "and"

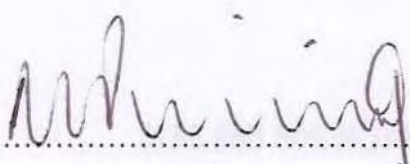
(d) In the following paragraph, the word "and" shall be replaced by the word "and"

Execution page

SIGNED for and on behalf of MORGAN)
STANLEY AUSTRALIA)
SECURITIES LIMITED in the presence)
of)
Signature of witness)
Paul Szalayko)
Name of witness (block letters))

Signature of

MACQUARIE BANK LIMITED

By: 

Name: Michael Pickering
Title: Division Director
Date: 3/8/10

By: 

Name: Leslie Petro
Title: Executive Director
Date: 4/8/2010



Australian Securities Lending Association Limited

(ACN 054 944 482)
Level 18, 20 Bond Street
Sydney NSW 2000
Tel: (02) 9220 1413
Fax: (02) 9220 1379

Coversheet to

AUSTRALIAN MASTER SECURITIES LENDING AGREEMENT*

(Version: November 2003)

dated as of:

**Between: MORGAN STANLEY AUSTRALIA SECURITIES LIMITED
(ACN 078 652 276)**

And: MACQUARIE BANK LIMITED (ACN 008 583 542)

- * *The original (Version: 4 April 1997) version of this agreement was adapted from the ISLA Overseas Securities Lender's Agreement (Version: December 1995, as amended by 1996 UK Tax Addendum), prepared by Clifford Chance, London, England for use by parties required to meet UK Inland Revenue tax requirements. The 4 April 1997 version has been updated in December 2002 and November 2003 to take account of, among other things, intervening Australian tax, stamp duty and regulatory changes, and also to better reflect Australian market practice.*
- * *The original and updated versions of this agreement are both also subject to the "Warning and Disclaimer" on the coversheet to the original (Version: 4 April 1997) and updated (Version: November 2003) "User's Guide" relating to this agreement.*

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