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**ANNEXURE 'G'**

This is the annexure marked 'G' of 62 page(s) referred to in the Notice of initial substantial holder.

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Dennis Leong  
Company Secretary, Macquarie Group Limited  
19 January 2012

DATED *June 1* 1997

**THE PERSON WHOSE NAME AND ADDRESS  
IS SET OUT IN THE SCHEDULE**

**("Borrower")**

and

**STATE STREET BANK AND TRUST COMPANY - SYDNEY  
("State Street")**

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**SECURITIES LENDING AGREEMENT**

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THIS AGREEMENT is made on the \_\_\_ day of \_\_\_\_\_ 1997

**BETWEEN: THE PERSON WHOSE NAME AND ADDRESS IS SET OUT IN SCHEDULE 1 ("Borrower")**

**AND: STATE STREET BANK AND TRUST COMPANY**, a trust company duly organized and incorporated under the laws of the Commonwealth of Massachusetts and having a place of business at Level 64, MLC Centre, 19-29 Martin Place, Sydney, New South Wales 2000, Australia ("**State Street**").

**RECITALS:**

- A. State Street has been appointed agent or sub-agent to act on behalf of various clients of the Custodian (as hereinafter defined) in relation to the lending of Securities to persons who have signed agreements similar to this agreement with State Street.
- B. The parties have agreed to enter into this agreement to set out the terms and conditions on which State Street as agent or sub-agent for Clients (as hereinafter defined) will lend Securities to the Borrower.

**OPERATIVE PROVISIONS:**

**1 INTERPRETATION**

1.1 The following words have these meanings in this agreement unless the contrary intention appears.

"**Account Day**" in relation to any sale or purchase of Securities means the Securities Trading Day on which the settlement of a transaction under this agreement is to be made or such other day as may be agreed between the parties.

"**Affiliate**" of another person includes:

- (i) any person directly or indirectly, through one or more intermediaries, controlling, controlled by, or under common control with another person;
- (ii) any officer, director or partner, employee or relative of such other person; and
- (iii) any corporation or partnership of which such other person is an officer, director or partner.

For the purposes of this definition the term "control" means the power to exercise a controlling influence over the management or policies of a person other than an individual.

"**Alternative Collateral**" means Collateral of a Market Value equal to the Collateral delivered pursuant to clause 4 and provided by way of substitution for Collateral originally delivered or previously substituted in accordance with the provisions of clauses 4.3 or 4.4.

"**Applicable Appendix**", with respect to any Loan, means the Appendix executed by the parties pursuant to clause 15 that relates to such Loan. Any Applicable Appendix shall be incorporated by reference into, and deemed to be a part of, this agreement as if set forth in full herein.

**"ASX"** means Australian Stock Exchange Limited.

**"Bank"** means an institution which is a bank as defined in section 5 of the Banking Act 1959 or a bank constituted by or under a law of a State or Territory of Australia.

**"Base Currency"** has the meaning given in the Applicable Appendix.

**"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"** means:

- (a) in relation to Equivalent Collateral at a particular time:
  - (i) in relation to Letters of Credit, the Permitted Amount;
  - (ii) in relation to all other types of non-cash Collateral at a particular time the amount which would be received on a sale of such Collateral at the Bid Price thereof at such time less all brokers fees and commissions and all other costs, fees and expenses (including stamp duty) that would be incurred in connection with selling or otherwise realizing 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 realization; 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 brokers fees and commissions and all other costs, fees and expenses (including stamp duty) that would be incurred in connection with selling or otherwise realizing such Equivalent Securities, 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 realization.

**"Borrowed Security"** means any Security which is delivered as a Loan hereunder, including any Securities purchased by the Borrower pursuant to clause 5.3(a) hereof, until:

- (a) an Equivalent Security is delivered to State Street in substitution for the original security; or
- (b) such Security is replaced by purchase,

except that if any new or different Security (referred to in sub-clause (a) or (b)) shall be exchanged for any Borrowed Security by recapitalization, merger, consolidation or other corporate action, such new or different security shall, effective upon such exchange, be deemed to become a Borrowed Security in substitution for the former Borrowed Security for which such exchange was made.

**"Cash Collateral"** means collateral in the lawful currency of the Collateral Location, or such other currency as is specified in the Applicable Appendix.

**"Clearing Organization"** means any clearing agency for the transfer of securities or cash, the use of which is agreed to by the parties in the Applicable Appendix.

**"Clients"** means those clients for which a Custodian is the custodian and which have appointed State Street as their agent or sub-agent to lend Securities and who are the beneficial owner or beneficial owners of the Securities.

**"Collateral"** means, whether now owned or hereafter acquired, that collateral delivered to State Street or its agent pursuant to clause 4, and all accounts in which such collateral is deposited and all securities and the like in which all Cash Collateral is invested or reinvested.

**"Collateral Location"** is that location as agreed to by the parties, where the transfer of Collateral with respect to a Loan is to occur.

**"Collateral Transfer Day"** shall mean each business day (based on the time of the Collateral Location) on which the office of State Street or its agent at the Collateral Location can receive or make a transfer of Collateral. The Collateral Transfer Day that "next precedes" a Securities Trading Day is the first Collateral Transfer Day that begins prior to the beginning of such Securities Trading Day and so on as the case may be. The Collateral Transfer Day that "next follows" a Securities Trading Day is the first Collateral Transfer Day that begins after the beginning of such Securities Trading Day and so on as the case may be.

**"Collateral Value"** means:

- (a) with respect to Collateral that is Cash, the amount thereof;
- (b) with respect to Collateral consisting of securities, the Market Value thereof; and
- (c) with respect to Collateral consisting of Letters of Credit, the Permitted Amount thereunder.

**"Custodian"** means an Affiliate of State Street which acts as custodian on behalf of a Client in relation to the holding of Securities or any Sub-Custodian.

**"Default Rate"** means the Prime Rate, unless a different rate is specified in the Applicable Appendix.

**"Defaulting Party"** has the meaning given it in clause 11.

**"Delivery Deadline"** has the meaning given it in clause 6.5.

**"Distributions"** shall have the meaning given to it in clause 3.

**"Equivalent Collateral"** or **"Collateral equivalent to"** in relation to any Collateral provided under this agreement means Collateral of an identical type, nominal value, description and amount to particular Collateral so provided and shall include the certificates and other documents of or evidencing title 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, sub-divided, consolidated, redeemed, made the subject of a takeover, capitalization issue or rights issue or event similar to any of the foregoing, the expression shall have the following meaning:

- (a) in the case of conversion, sub-division or consolidation the securities into which the relevant Collateral has been converted, sub-divided or consolidated;
- (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 which the Borrower has directed State Street to accept in accordance with clause 3.2(c);
- (d) in the case of a call on partly paid securities, the paid-up securities provided that the Borrower shall have paid to State Street an amount equal to the sum due in respect of the call;
- (e) in the case of a capitalization 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, which the Borrower has directed State Street to take up in accordance with clause 3.2(c), provided that the Borrower shall have paid to State Street or its agent all and any sum due in respect thereof;
- (g) if a Distribution 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 where an option is exercised to take a distribution in the form of Securities or a certificate which may at a future date be exchanged for Securities, 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.

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

- (a) in the case of conversion, sub-division or consolidation the securities into which the Borrowed Securities have been converted, sub-divided or consolidated;
- (b) in the case of redemption, a sum of money equivalent to the proceeds of the redemption;

- (c) in the case of takeover, a sum of money or securities, being the consideration or alternative consideration which State Street has directed the Borrower to accept in accordance with clause 3.2(c);
- (d) in the case of a call on partly paid securities, the paid-up securities provided that State Street or its agent shall have paid to the Borrower the sum due;
- (e) in the case of capitalization 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, which State Street has directed the Borrower to take up in accordance with clause 3.2(c), provided that State Street or its agent shall have paid to the Borrower all and any sum due in respect thereof;
- (g) in the event that a Distribution 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 where an option is exercised to take a Distribution in the form of Securities or a certificate which may at a future date be exchanged for Securities, 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.

**"Event of Default"** has the meaning given in clause 12.

**"Franked Dividend"** means a dividend with an attached imputation credit (including, for the purposes of this agreement, either a fully franked dividend or a partly franked dividend), whether paid by way of cash, the issue of shares or a combination of both cash and shares.

**"Letter of Credit"** means an irrevocable letter of credit issued by a bank (which is not the Borrower or an Affiliate of the Borrower and which is acceptable to State Street in its sole discretion) and is in form and substance acceptable to State Street in its sole discretion.

**"Loan"** shall mean a loan of Securities hereunder.

**"Market Value"** of a security means the fair market value of such security (including, in the case of any Borrowed Security that is a debt security, the accrued interest on such security), as determined by an independent pricing service designated by State Street and not reasonably objected to by Borrower, or by such other independent sources as may be selected by State Street on a reasonable basis. The Market Value shall be stated in the currency of the Collateral Location.

**"Maximum Margin Amount"** with respect to any Loan, means one hundred and eight percent (108%), or such other percentage as is agreed to by the parties in the Applicable Appendix, multiplied by the Market Value of the Borrowed Securities with respect to such Loan, determined as of the most recent close of business on a Securities Trading Day.

**"Minimum Margin Amount"** with respect to any Loan, means one hundred and five percent (105%), or such other percentage as is agreed to by the parties in the Applicable Appendix, multiplied by the Market Value of the Borrowed Securities with respect to such Loan, determined as of the most recent close of business on a Securities Trading Day.

**"Non-Cash Collateral"** means Collateral other than Cash Collateral.

**"Notice Deadline"** has the meaning given it in clause 6.5(b).

**"Notifiable Consideration"** has the meaning given to that term by section 26BC of the Australian Income Tax Assessment Act.

**"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"** means:

- (a) in relation to Collateral Letters of Credit, the Permitted Amount; and
- (b) in relation to Equivalent Securities or Collateral equivalent to all other types of Collateral the amount it would cost to buy such Equivalent Securities or Equivalent Collateral at the Offer Price thereof together with all brokers fees and commissions and stamp duty and all other 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.

**"Parties"** means State Street for and on behalf of each Relevant Client and the Borrower. "Party" shall be construed accordingly.

**"Permitted Amount"** means, with respect to any Letter of Credit at any time, the amount immediately available to be drawn at the relevant time by State Street as beneficiary under such Letter of Credit.

**"Prime Rate"** means, at any time, the rate per centum per annum being the average (rounded upwards (if necessary) to 4 decimal places) of the buying rates (excluding the highest and lowest) quoted on the page numbered "BBSW" (or any page from time to time intended to substitute for such page) of the Reuters Monitor System at or about 10.00am on that date for Bills having a tenor of 3 months provided further that if for any reason the BBSW Rate cannot be determined in this manner, the Prime Rate shall be the rate as determined by State Street in good faith.

**"Relevant Clients"** means all and any Clients whose Securities are being borrowed in accordance with this agreement. For the avoidance of doubt this term shall not include such Clients whose Securities are not currently the subject of a Loan.

**"Relevant Custodian"** in relation to a Particular Loan means the Custodian who holds either Securities or Collateral or both in relation to such Loan.

**"Relevant Payment Date"** has the meaning given to it in clause 3.2(a).

**"Securities Trading Day"** shall mean each business day (based on the time of the Securities Trading Location) when settlement of securities trades can be made by the

office of the Relevant Custodian (or, if applicable, the Relevant Custodian's Agent) in the Securities Trading Location.

**"Securities Trading Location"** means that location, agreed to by the parties and set forth in the Applicable Appendix, where the transfer of Borrowed Securities with respect to a Loan is to occur.

**"Security"** means any security approved of for the time being by State Street as being eligible for loans.

**"Settlement Date"** means the date upon which Securities are transferred to the Borrower in accordance with this agreement.

**"Sub-Custodian"** means any person to whom the performance of a Custodian's duties have been delegated.

**"Taxes"** means taxes (including income and capital gains), levies, imposts, deductions, charges, withholdings, stamps, transactions, duties and any other duties imposed by an authority whether or not within Australia (together with any related interest, penalties, fines and expenses in connection with them), except if imposed on the overall net income of the Relevant Client.

**"Value Date"** has the meaning given it in clause 11.

- 1.2 Any schedules and appendices to this agreement constitute part of this agreement.
- 1.3 All headings appear for convenience only and shall not affect the interpretation hereof.
- 1.4 Notwithstanding the use of expressions such as "borrow", "lend", "Collateral", "redeliver", etc., which are used to reflect terminology used in the market for transactions of the kind provided for in this agreement, legal and beneficial title to Securities "borrowed" or "lent" and "Collateral" provided in accordance with this agreement shall pass from one Party to another as provided for in this agreement, the Party obtaining such title being obliged to redeliver Equivalent Securities or Equivalent Collateral as the case may be.

## 2 LOAN OF SECURITIES

- 2.1 Upon request by the Borrower, State Street may, from time to time, in its discretion and on behalf of the Clients, lend Securities to the Borrower subject to the terms of this agreement against the receipt of Collateral delivered by the Borrower. Subject to the terms and conditions of this agreement, the Borrower and State Street will agree on the terms of each Loan, including the identity and amount of the Securities to be lent and the method and location of their delivery, the basis of compensation, the duration of the Loan, the type and amount of Collateral to be delivered by the Borrower and the method and location of its delivery. Such terms may be amended during the period of the Loan only by mutual agreement of the parties hereto.
- 2.2 Loans, all applicable terms and conditions thereof, and amendments and activity, if any, with respect thereto, shall be evidenced by State Street's records including, without limitation, the records of any Custodian, or records of any agent of State Street or of any agent of any Custodian pertaining to the Loan maintained by State

Street in the regular course of its business and such records shall represent prima facie evidence thereof except for manifest error or willful misconduct. State Street will send the Borrower monthly statements of Loans showing Loan activity for the prior month which the Borrower agrees to examine promptly and to advise State Street of any errors or exceptions. The foregoing shall not be construed to prevent the parties hereto from mutually agreeing to amend or correct such statements if there has been manifest error in the preparation of such statements.

- 2.3 Notwithstanding any other provision in this agreement with respect to when a Loan occurs, a Loan hereunder will not occur until the Borrowed Securities and the Collateral therefor are delivered. If, on any Collateral Transfer Day, the Borrower delivers Collateral as provided in clause 4.1 hereunder, and State Street does not deliver the Borrowed Securities by the close of the Securities Trading Day specified by the parties as the date for transfer of the Securities to be loaned, the Borrower shall have the absolute right to the prompt return of the Collateral.

### 3 RIGHTS AND TITLE

- 3.1 State Street and the Borrower 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 delivered pursuant to clause 10;
- (c) any Collateral delivered pursuant to clause 4;
- (d) any Equivalent Collateral delivered pursuant to clause 4 or 10,

shall pass from one Party to the other subject to the terms and conditions mentioned herein and on delivery or redelivery of the same in accordance with this agreement, free from all liens, charges and encumbrances. In the case of Securities or Collateral, title to which is registered on a computer based system which provides for the recording and transfer of title of such Securities or Collateral by way of book 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. The Party acquiring such right title and interest shall have no obligation to return or redeliver any of the assets so acquired but, in so far as any Securities are borrowed or any Collateral is delivered to such Party, such Party shall be obliged, subject to the terms of this agreement, to deliver Equivalent Securities and Equivalent Collateral, as applicable. Where title passes to State Street, it will receive this as trustee for the Relevant Client.

- 3.2 (a) The Relevant Client shall be entitled to receive all distributions (including payments upon maturity or other redemption) made on or in respect of the Borrowed Securities, the record or payable dates for which are during the term of the Loan and which are not otherwise received by the Relevant Client, to the full extent it would be so entitled if the Borrowed Securities had not been lent to Borrower, including, but not limited to:
- (i) all cash dividends;
  - (ii) all other distributions of cash or property;

- (iii) stock dividends and bonus issues;
  - (iv) securities received as a result of split-ups of the Borrowed Securities and distributions in respect thereof;
  - (v) interest payments;
  - (vi) all rights to elect the type of distribution; and
  - (vii) all rights to purchase additional securities
- (each a "Distribution").

In case of any Distribution comprising a payment, the amount ("Manufactured Dividend") payable by the Borrower shall be equal to the amount of the relevant Distribution, together with an amount equal to any tax credit associated with such Distribution (including for the avoidance of doubt, a franking credit under the Australian dividend imputation system) unless a lesser amount is agreed between the parties. Unless otherwise specified in the Applicable Appendix, Manufactured Dividends and other Distributions shall be paid gross of any withholding taxes.

Unless otherwise specified in the Applicable Appendix, each cash Distribution shall be paid to State Street in the same currency that the issuer of the Borrowed Security makes such Distribution. Any cash Distributions and non-cash Distributions (other than those in the nature of stock splits or stock dividends) made on or in respect of the Borrowed Securities which State Street is entitled to receive pursuant to this section shall be paid to State Street by the Borrower on payable, maturity, or redemption date, as applicable (the "Relevant Payment Date"). Non-cash Distributions which are in the nature of stock splits, stock dividends, or bonus issues and which are received by the Borrower shall be added to the Borrowed Securities and shall be considered such for all purposes, except that if the Borrowed Securities have been returned to State Street or if the Borrower is in Default hereunder, the Borrower shall forthwith deliver any such non-cash Distributions to State Street. With respect to the rights described in clause 3.2(a)(vi) the Borrower shall consult with State Street and follow State Street's instructions as to the exercise of such rights.

If the Borrower fails to remit either directly or by its nominee any Distribution on the Relevant Payment Date, the Borrower undertakes to pay interest thereon at the Default Rate to State Street or its agent (upon demand) on the amount due and outstanding, in the case of Cash Distributions, or on the Market Value thereof, in the case of non-cash Distributions, in accordance with clause 20. Such sum shall accrue daily commencing on and inclusive of the third Business Day after the Relevant Payment Date, unless otherwise agreed between the Parties.

- (b) Any payment to be made by the Borrower under this clause shall be paid in such manner as shall be agreed between the parties.

#### 4 DELIVERIES AND TREATMENT OF COLLATERAL

- 4.1 Subject to clauses 4.2 and 4.3 below, no later than the Collateral Transfer Day that is coincident with or next precedes the Securities Trading Day upon which the Borrowed Securities are to be transferred to the Borrower (unless otherwise agreed in the Applicable Appendix), the Borrower shall deliver to State Street or its agent Collateral of a type agreed to by State Street and having a Collateral Value not less than the Minimum Margin Amount. The Borrower undertakes to deliver Collateral to the Relevant Custodian (or in accordance with State Street's instructions) together with appropriate instruments of transfer duly stamped and such other instruments as may be requisite to vest title thereto in State Street or the Relevant Client. The Collateral will be delivered by such one or more of the following methods as are agreed by the parties pursuant to clause 2.1:
- (a) the Borrower transferring funds by electronic means, physically delivering cash or a cheque or funds through an agreed Clearing Organization, which results in funds being immediately available to the Relevant Custodian;
  - (b) the Borrower delivering to State Street an irrevocable Letter of Credit;
  - (c) the Borrower delivering to State Street securities (of a type as the parties have agreed as acceptable in the Applicable Appendix) through an agreed Clearing Organization or in such other manner as may be agreed by the parties; or
  - (d) the Borrower delivering to State Street, one or more of such other types of Collateral as the parties have agreed, are acceptable in the Applicable Appendix.
- 4.2 Where Cash Collateral is provided the sum of money so transferred, as such sum may be adjusted in accordance with clause 6, shall be the property of State Street or the Relevant Client and there shall be no obligation on State Street to deliver Equivalent Collateral to the Borrower until Equivalent Securities (in respect of the Securities borrowed) are delivered to State Street or its agent. Subject to clause 5.3(b), an amount equal to the Cash Collateral may be paid to the Borrower at the same time as such delivery of Equivalent Securities takes place. The Borrower shall not have any interest in the Cash Collateral and shall not assign, charge, dispose of or otherwise deal with any right to a future payment in respect of the Cash Collateral. If the Borrower fails to comply with its obligations for such delivery of Equivalent Securities, State Street shall have the right to apply the Cash Collateral on behalf of the Relevant Client in accordance with clause 11. If the Cash Collateral is in a currency other than Australian dollars, State Street, shall, for the purpose of effecting any set-off in accordance with clause 11, have the right to convert the currency or currencies of the Cash Collateral into Australian dollars at the spot rate for the purchase of Australian dollars with such currency or currencies as quoted by State Street's bank at the date such set-off is effected.
- 4.3 The Borrower may from time to time call for the payment equivalent to any Cash Collateral or the delivery of Equivalent Collateral provided that immediately prior to such payment or delivery the Borrower delivers Alternative Collateral acceptable to State Street.
- 4.4 The Borrower acknowledges that any Cash Collateral is the property of State Street or the Relevant Clients and may be invested by State Street on behalf of the Relevant Clients. Such use or investment shall be at the risk of the Relevant Clients and, subject to the payment of an agreed rebate fee to the Borrower pursuant to clause 7.2, the Relevant Client shall be entitled to retain all income and profits therefrom and shall bear all losses therefrom.

- 4.5 The Borrower shall be entitled to receive all distributions made on or in respect of Non-Cash Collateral, the payment record or payable dates for which are during the term of the Loan and which are not otherwise received by the Borrower, to the full extent it would be so entitled if the Collateral had not been delivered to State Street provided that the amount, type or value of such distribution which the Borrower is entitled to receive hereunder shall not exceed the amount, type and value delivered by the issuer to State Street. Any distributions made on or in respect of such Collateral which the Borrower is entitled to receive under this clause shall be paid in the same currency as such distribution is paid by the issuer (unless otherwise specified in the Applicable Appendix), by State Street to the Borrower forthwith upon receipt by State Street, so long as the Borrower is not in Default at the time of such receipt.
- 4.6 Where the Parties have agreed to deliver Collateral or Equivalent Collateral through a settlement or a transfer system, the Parties agree to deliver Collateral or Equivalent Collateral strictly in accordance with the requirements of such system.

## **5 DELIVERIES AND TREATMENT OF BORROWED SECURITIES**

- 5.1 On or after the Borrower has delivered Collateral as described in clause 4 State Street shall on the Securities Trading Day agreed to by the Parties, deliver the Borrowed Securities to the Borrower on behalf of the Relevant Clients by one of the following methods, as agreed by the Parties pursuant to clause 2.1:
- (a) by delivering to the Borrower certificates representing the Borrowed Securities together with such transfer documents as are customary for such securities in which event State Street shall list the Borrowed Securities on a schedule which the Borrower shall execute and return when the Borrowed Securities are received;
  - (b) by causing the Borrowed Securities to be credited to the Borrower's account at a Clearing Organization, and such crediting and debiting shall result in receipt by the Borrower and State Street of a Clearing Organization notice, which shall constitute a schedule of the Borrowed Securities; or
  - (c) by any other method customary for the delivery of securities at the Securities Trading Location and agreed to by the parties in the Applicable Appendix.
- 5.2 The Borrower shall exercise all of the incidents of ownership with respect to the Borrowed Securities, including the right to transfer the Borrowed Securities to others, until Equivalent Securities are delivered to State Street in accordance herewith.
- 5.3 With respect to any rights to acquire additional securities referred to in clause 3.2 hereof, State Street may, at its sole option on behalf of the Relevant Client:
- (a) direct in a timely manner the Borrower to purchase additional Securities subject to first placing the Borrower in sufficient funds to make such purchase; or

- (b) terminate the Loan of Securities so that the Relevant Client may exercise its purchase rights.

In the case of option (a) above, the Borrower may elect either:

- (i) to retain such additional Securities as part of its Loan in which case State Street and the Borrower shall make such arrangements as are necessary to provide that the Borrower has adequate funds to purchase such additional Securities and that the Loan of such additional Securities is collateralized as required by clause 4; or
- (ii) to deliver such additional Securities to the Relevant Custodian (on the date specified by State Street).

In the case of option (b) above, the applicable provisions of this agreement regarding the termination of Loans shall apply.

- 5.4 In addition to State Street's rights under clause 11, if State Street does not receive all Distributions as required by clause 3.2, then State Street, on behalf of the Relevant Client, shall be entitled immediately to set-off against the Collateral the amount (or an amount equivalent) in question and if the amount in question exceeds the Collateral, the Borrower shall forthwith pay State Street the excess.
- 5.5 If the Relevant Client does not receive a Franked Dividend on Borrowed Securities in circumstances where the Relevant Client would have been entitled to a Franked Dividend if it had remained the owner of such Borrowed Securities, then unless State Street advises otherwise in addition to any dividend or dividend equivalent amount received by the Relevant Custodian, the Borrower shall pay to the Relevant Custodian State Street or its agent at the time of payment of the dividend or dividend equivalent amount an amount, determined in accordance with Appendix 2 thereto by way of compensation to the Relevant Client for the loss of any imputation credit it would otherwise have been entitled to.

## **6 MARKS TO MARKET: MAINTENANCE OF COLLATERAL**

- 6.1 The Borrower shall daily mark to market any Loans hereunder and in the event that as of the opening of business on any Collateral Transfer Day, the Collateral Value of all the Collateral delivered by the Borrower to the Relevant Custodian with respect to any Loan hereunder shall be less than the Minimum Margin Amount, the Borrower shall deliver to State Street or its agent additional Collateral by the close of such Collateral Transfer Day, so that the Collateral Value of such additional Collateral, when added to Collateral Value previously delivered with respect to such Loan, shall equal at least the Minimum Margin Amount.
- 6.2 In the event that as of the opening of business on any Collateral Transfer Day, the Collateral Value of all the Collateral delivered by the Borrower with respect to any Loan hereunder shall be less than the Minimum Margin Amount, State Street may, by oral notice to the Borrower on such Collateral Transfer Day, demand that the Borrower deliver to State Street or its agent additional Collateral so that the Collateral Value of such additional Collateral, when added to the Collateral Value of the Collateral previously delivered with respect to such Loan, shall equal at least the Minimum Margin Amount.

- 6.3 In the event that as of the opening of business on any Collateral Transfer Day, the Collateral Value of all Collateral delivered hereunder by the Borrower with respect to any Loan shall be greater than the Maximum Margin Amount, the Borrower may, by oral notice to State Street on such Collateral Transfer Day, demand that State Street procure the delivery to the Borrower of such amount of Equivalent Collateral as may be selected by the Borrower, so long as the Collateral Value of the remaining Collateral equals at least the Minimum Margin Amount.
- 6.4 Collateral required to be delivered pursuant to clause 6.1, 6.2 and 6.3 shall be delivered by a method described in clause 4.1, as agreed to by the Parties pursuant to clause 2.1 provided that where Equivalent Collateral is to be delivered to the Borrower, the delivery of Equivalent Collateral in respect of Collateral delivered under clause 4.1(b) shall mean the appropriate reduction of the Permitted Amount under the Letter of Credit evidenced by documentation satisfactory to State Street in its sole discretion.
- 6.5 Unless otherwise specified in the Applicable Appendix the timing of the delivery of Collateral in response to a notice and demand made pursuant to clause 6.2 or 6.3 shall be as follows:
- (a) If the Collateral Location is in Australia:
    - (i) such delivery is to be made by 2.00 pm (Sydney time) of such Collateral Transfer Day if such notice is given by 11.00 am (Sydney time); and
    - (ii) if such notice is given after 11.00 am (Sydney time) on such Collateral Transfer Day, such delivery is to be made by 2.00 pm (Sydney time) of the next Collateral Transfer Day, unless:
      - (A) such notice has been superseded by a proper demand made pursuant to clause 6.3 given before 11.00 am (Sydney time) of the next Collateral Transfer Day; or
      - (B) additional Collateral is required to be delivered on that next Collateral Transfer Day pursuant to clause 6.1.
  - (b) If the Collateral Location is not in Australia:
    - (i) such delivery shall be made not later than a time of such Collateral Transfer Day specified in the Applicable Appendix (the "Delivery Deadline") if such notice is given prior to a time (the "Notice Deadline") that is specified in the Applicable Appendix; or
    - (ii) if such notice is not given prior to such Notice Deadline (or if no Notice Deadline has been specified) such delivery is to be made by the Delivery Deadline on the next Collateral Transfer Day, unless:
      - (A) such notice has been superseded by a proper demand made pursuant to section 6.3 given before the Notice Deadline (if applicable) of that next Collateral Transfer Day; or
      - (B) additional Collateral is required to be delivered pursuant to section 6.1.

## 7 FEES AND COSTS

- 7.1 When the agreement to lend Securities is made, the Borrower and State Street shall agree on the basis of remuneration to be paid in respect of the Loan. The Notifiable Consideration will be as set out in item 7.1 of Appendix 1.
- 7.2 To the extent that a Loan of Borrowed Securities is collateralized by Cash Collateral, the parties may agree that State Street's remuneration shall consist of the right to use and invest such Cash Collateral, and that, in consideration for such right to use and invest Cash Collateral on behalf of the Relevant Client, State Street will pay the Borrower a loan rebate fee computed for each such Loan based on the amount of Cash Collateral delivered with respect to such Loan. Unless otherwise specified in the Applicable Appendix the amount of such loan rebate shall be computed daily from the first Collateral Transfer Day that Cash Collateral is delivered in respect of such Loan. Computation of such loan rebate fee shall be made daily through and including the earliest of:
- (i) the Collateral Transfer Day next preceding the Collateral Transfer Day such Cash Collateral is returned to the Borrower or as otherwise specified in the Applicable Appendix;
  - (ii) the date of Default by the Borrower; and
  - (iii) the date State Street gives notice of termination pursuant to clause 10.2 provided that the Parties may mutually agree that a loan rebate fee will be paid for all or an agreed upon number of days after such notice is given (but in no event for a period beyond the earliest of the dates described in points (i) and (ii)).
- Such loan rebate fee shall be payable in the currency of the Collateral Location (unless otherwise specified in the Applicable Appendix):
- (i) in the case of corporate securities, before the tenth Collateral Transfer Day following the rendering of a correct invoice by the Borrower; and
  - (ii) in the case of government securities, upon the date the Equivalent Securities are delivered to State Street upon termination of the Loan, so long as in either case, as applicable, the Borrower is not in Default at the time such payment is due.
- 7.3 To the extent that a Loan of Borrowed Securities is collateralized by Non-Cash Collateral, the Parties may agree that the Borrower shall pay to State Street a loan premium based on the par value or Market Value, as the Parties may agree, of any Borrowed Securities that are debt securities and the Market Value assigned to any Borrowed Securities that are equity securities, at the time the Loan is made, as adjusted by any daily marks to market processed subsequently. The amount of such loan premium shall be computed daily from the first Securities Trading Day that the Borrowed Securities are delivered to the Borrower, through and including the date next preceding the date on which Equivalent Securities are returned to State Street pursuant to clause 10 or the date that State Street makes a purchase of securities or an election to exercise its rights pursuant to clause 11. Any fee payable by the Borrower hereunder shall be payable in the currency of the

Securities Trading Location (unless otherwise specified in the Applicable Appendix) upon the earliest of the following:

- (a) the seventh Securities Trading Day of the calendar month following the month in which the fee was incurred;
  - (b) immediately, in the event of a Default hereunder by the Borrower; or
  - (c) the date this agreement is terminated.
- 7.4 The Borrower shall pay and indemnify State Street against all costs, including any and all Taxes, fees (if any), penalties and fines, with respect to any transfers hereunder of the Borrowed Securities or Collateral or incurred by State Street in respect of this agreement and any transactions arising out of this agreement.
- 7.5 The Borrower shall ensure that this Agreement and all instruments of transfer of any Securities or transferred pursuant to the terms of this agreement have been duly stamped in accordance with all applicable legislation.

## **8 REPRESENTATION OF THE PARTIES**

- 8.1 Each Party hereto represents and warrants and undertakes to the other on a continuing basis (and such warranties shall survive the completion of any transaction contemplated herein) that:
- (a) it has the power to execute and deliver this agreement, to enter into the Loans contemplated hereby, and to perform its obligations hereunder;
  - (b) it has taken all necessary action to authorize such execution, delivery, and performance; and
  - (c) this agreement constitutes a legal, valid, and binding obligation enforceable against it (in the case of State Street, in its capacity as agent of the Clients).
- 8.2 Each Party hereto represents and warrants that the execution, delivery and performance by it of this agreement and each Loan hereunder will at all times comply with all applicable laws and regulations.
- 8.3 Each Party represents and warrants that it has made its own determination as to the tax treatment of any dividends, remuneration, or other funds received hereunder.
- 8.4 The Borrower hereby warrants and undertakes to State Street (for itself and on behalf of the Clients) on a continuing basis to the intent that such warranty shall survive the completion of any transaction contemplated herein that the Borrower is absolutely entitled to pass in full beneficial ownership of all Collateral provided by it hereunder to the Relevant Client free from all liens, charges and encumbrances.
- 8.5 The Borrower represents that the statements provided to State Street pursuant to clause 9.1 fairly represent its financial condition and the financial condition of any parent company as of the date of such statements, and that there has been no

material adverse change in its financial condition or the financial condition of any parent company since that date that has not been disclosed in writing to State Street. Each request by the Borrower for a Loan shall constitute a present representation that there has been no material adverse change in the Borrower's financial condition or in the financial condition of any parent company that has not been disclosed in writing to State Street, since the date of the most recent statements furnished to State Street pursuant to clause 9.1.

- 8.6 State Street hereby represents and warrants for the benefit of the Borrower that:
- (a) the Relevant Client has all necessary power and authority to enter into the Loans made by State Street on its behalf; and
  - (b) State Street has been duly authorized by the Relevant Client to enter into Loans on behalf of the Relevant Client and the obligations assumed by State Street and the Relevant Client under this Agreement and each Loan are valid and binding obligations, enforceable in accordance with their terms.
- 8.7 The Borrower represents that it is duly incorporated in the Australian Capital Territory and licensed under the Banking Act 1959 (Commonwealth of Australia) to carry on banking business.

## 9 COVENANTS

- 9.1 The Borrower covenants that upon execution of this agreement, the Borrower shall deliver to State Street the Borrower's and any parent company's most recent available financial information, including (without limitation) the most recent available audited and unaudited statements of the Borrower's and any parent company's financial condition that the Borrower or such parent company is required to provide to any governmental agency or self-regulatory body. As long as any Loan is outstanding under this agreement, the Borrower will promptly deliver to State Street all such financial information that is subsequently available, and any other financial information or statements that State Street may reasonably request.
- 9.2 The Borrower agrees to be liable as principal with respect to its obligations hereunder.
- 9.3 The Borrower agrees to cause every Letter of Credit delivered by it and constituting Collateral hereunder to be renewed or replaced by Collateral of equal current Market Value to the Letter of Credit it is replacing (including, without limitation, a renewal or replacement Letter of Credit) satisfactory to State Street in its sole discretion at least three business days prior to the scheduled expiration date of such Letter of Credit or at any time in the event that State Street in its sole discretion otherwise determines that such Letter of Credit shall no longer constitute Collateral.
- 9.4 The Borrower covenants that at all times it shall comply with those provisions of all relevant tax legislation concerning the taxation of securities lending arrangements so that neither State Street, any Custodian or any Client incurs any Taxes (other than income tax in respect of fees payable under this agreement)

arising out of the provisions of Borrowed Securities to the Borrower and the delivery of Equivalent Securities.

- 9.5 In addition, if the Borrower is a Broker, it covenants to deliver promptly to State Street all financial reports required to be filed by it with the ASX.
- 9.6 State Street undertakes, for the benefit of the Borrower, that it will notify the Borrower forthwith in the event that the authority of State Street to act on behalf of any Relevant Client in connection with any Loan is in any way modified or withdrawn.

## 10 **TERMINATION OF LOAN WITHOUT DEFAULT**

- 10.1 The Borrower may cause the termination of a Loan, at any time, by delivering Equivalent Securities to the Relevant Custodian. For the avoidance of doubt any reference herein or in any other agreement or communication between the parties (howsoever expressed) to an obligation to redeliver or account for or act in relation to Borrowed Securities shall accordingly be construed as a reference to an obligation to deliver or account for or act in relation to Equivalent Securities.
- 10.2 State Street may cause the termination of a Loan by giving notice of termination of such Loan to the Borrower prior to the close of business on any Securities Trading Day. Upon such notice, the Borrower shall deliver Equivalent Securities to the Relevant Custodian, no later than the earlier of:-
  - (a) the close of the last Securities Trading Day of the customary delivery period for such Securities following the day on which State Street gives notice of termination of such Loan to the Borrower; or
  - (b) except as otherwise agreed in the Applicable Appendix, the close of the fifth Securities Trading Day following the day on which State Street gives notice of termination of such Loan to the Borrower.
- 10.3 Unless otherwise provided in the Applicable Appendix, if a Loan shall not have been sooner terminated by Lender or the Borrower, it shall be terminated automatically on the first anniversary of the Loan. In such event, the Borrower shall deliver the Borrowed Securities to the Lender no later than such first anniversary date.
- 10.4 The Borrower's delivery of Equivalent Securities to State Street pursuant to clauses 10.1 or 10.2 shall be made by a method permitted under clause 5.1. No later than the close of the Collateral Transfer Day that next follows the Securities Trading Day upon which the Borrower so delivers the Equivalent Securities State Street shall return the Collateral or delivery Equivalent Collateral with respect to such Loan (as adjusted pursuant to clause 6) to the Borrower, together with any amounts not primarily paid to the Borrower pursuant to clause 4.5. If the Collateral is a Letter of Credit, delivery of Equivalent Securities shall be considered final settlement payment.

## 11 **SET-OFF**

- 11.1 Upon the occurrence of an Event of Default in relation to a Party (the "Defaulting Party") the other Party shall be entitled (in addition to any other remedies provided herein or under any applicable law and without further notice to

the Defaulting Party) to withhold delivery or payment, as the case may be, under any outstanding delivery or payment obligation it has at the time of the occurrence of such Event of Default and in this event:

- (a) the Defaulting Party's delivery and payment obligations (and any other obligations it has under this agreement) shall be accelerated so as to require performance thereof at the time the Event of Default occurs;
- (b) 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 11.2; and
- (c) on the basis of the Relevant Values so established, an account shall be taken (as at the occurrence of the Event of Default (**the "Value 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 sum 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 Value Date,

but such that the provisions set out above will apply separately in respect of the obligations owed by and the each Relevant Client, so as to result in a separate account being taken for transactions relating to each Relevant Client.

11.2. For the purposes of clause 11.1 the Relevant Value:

- (a) of any cash payment obligation shall equal its par value in the Base Currency (any conversion required in respect of any Currency obligation in a currency other than the Base Currency to be made in accordance with clause 16 hereof);
- (b) of any Securities due to be delivered to the Defaulting Party shall, subject to paragraph (d) below, equal the Offer Value thereof; and
- (c) of any Securities to be delivered by the Defaulting Party shall, subject to paragraph (d) below, equal the Bid Value thereof; and
- (d) the Relevant Values so established shall be adjusted to take account of any sums then owing by either Party to the other under the terms of this agreement.

11.3 For the purposes of clause 11.2 the Bid Value and Offer Value of any Securities shall be calculated at the close of business in the relevant market for such Securities on the Value Date.

11.4 Any reference in this clause 11 to Securities shall include any asset other than cash provided by way of Collateral.

11.5 If the Borrower or State Street on behalf of the Relevant Client for any reason fails to comply with its respective obligations under clauses 4.3 or 4.4 to call for the delivery of or deliver Equivalent Collateral or return Cash Collateral the provisions

of sub-paragraphs (a) and (b) of clause 11.1 and clauses 11.2 and 11.3 shall apply and the Party who has failed to comply with its obligations shall be treated as the Defaulting Party for the purpose of such provisions. If State Street is the Defaulting Party the provisions set out in paragraphs (a) and (b) of clause 11.1 shall apply separately in respect of the obligations owed by and to each Relevant Client, so as to result in a separate amount being owed by or to the Borrower in respect of each Relevant Client.

- 11.6 Where, pursuant to the provisions of this agreement, a Party performs an obligation in respect of the delivery of Securities or Collateral or the payment or transfer of money (by way of deposit or otherwise) at a time when the other Party, in accordance with this agreement, is required to perform a similar obligation but, nevertheless, the second Party's obligation remains unperformed, the second Party shall hold on trust for the first Party any assets (including cash) that it receives from the first Party prior to the performance of its own obligation being completed **PROVIDED ALWAYS THAT** the second Party shall be at liberty to dispose of any such assets to the extent such disposal occurs in the ordinary course of its business for the settlement of bargains and **PROVIDED FURTHER THAT** any such trust shall terminate upon the completion of the performance of the aforesaid obligations of the second Party or disposal of such assets whichever shall first occur.
- 11.7 Without limiting the foregoing provisions of this clause 11 and any remedies under any applicable law if an Event of Default occurs in relation to the Borrower, State Street may terminate all or any of the Loans and seek recovery of damages from the Borrower.
- 11.8 Without limiting the foregoing provisions of this clause 11 and any remedies under any applicable law if an Event of Default occurs in relation to either State Street or the Relevant Client, Borrower may terminate all or any Loans made by that Relevant Client and seek recovery of damages from State Street on behalf of that Client.

## 12 EVENTS OF DEFAULT

All references to "State Street" in this Agreement shall be construed to reflect that each Client shall have, in connection with any Loan or Loans entered into by State Street as an agent on its behalf, the rights, responsibilities, privileges and obligations of "State Street" as if it were a party to this Agreement and directly entering into Loan or Loans with Borrower under the Agreement. Both State Street and its Client shall be deemed "parties" to this Agreement such that all references to State Street in this Agreement shall be deemed to include references to each Client; provided, however, a default by State Street and/or Client with respect to a loan or loans on behalf of one Client shall be an event of default by that Client and the Borrower may not treat all other loans between Borrower and State Street (on behalf of non-defaulting Clients) as being in Default.

Each of the following shall be an Event of Default for the purpose of clause 11:

- (a) if either Party fails to return Equivalent Securities or Collateral as required by clause 10 hereof;
- (b) if either Party fails to deliver or return Collateral, as required by clause 6 hereof;

- (c) if the Borrower fails to comply with the requirements of clause 3.2 hereof and such failure is not cured within one Securities Trading Day of notice of such failure to the Borrower;
- (d) if it is found that the Borrower has made a material misrepresentation of its financial condition;
- (e) if the Borrower breaches any covenants or agreements herein in any material manner;
- (f) if a final judgment for the payment of money shall be rendered against the Borrower or State Street which, in the reasonable opinion of State Street, will affect the ability of the Borrower or State Street to perform its obligations under this Agreement, or if the Borrower or the Relevant Client present a petition for the winding-up of or the making of an administration order, and such judgment, petition or order, shall not have been discharged or its execution stayed pending appeal within sixty days of entry or such judgment shall not have been discharged within sixty days of expiration of any such stay;
- (g) the Borrower, State Street, or the Relevant Client passing a resolution for its voluntary winding-up (otherwise than for the purpose of corporate reconstruction or amalgamation);
- (h) intentionally omitted;
- (i) the appointment of a receiver or administrator over any of the assets of the Borrower, or the Relevant Client;
- (j) the Borrower or the Relevant Client ceasing or threatening to cease to carry on its business;
- (k) a floating charge over the assets or any part of the assets of either the Borrower or the Relevant Client crystallizing;
- (l) the Borrower or the Relevant Client enters into, or resolves to enter into, a scheme of arrangement or composition with, or assignment for the benefit of, all or any class of its creditors, or it proposes a reorganization, moratorium or other administration involving any of them;
- (m) the Borrower or the Relevant Client calls a meeting to appoint an official manager or becomes insolvent;
- (n) the Borrower or the Relevant Client takes any steps to obtain protection, or is granted protection from its creditors, under any applicable legislation or calls a meeting of its creditors;
- (o) if State Street or any Relevant Client breaches any covenants or agreements given by it or on its behalf under this Agreement and in respect of any Loan in any material manner.

Each Party shall notify the other if an Event of Default occurs in relation to it.

### **13 INDEMNIFICATION AND CAPACITY OF STATE STREET AND THE CLIENTS**

- 13.1 The Borrower hereby indemnifies and hold harmless State Street, State Street's agents, each Client, and in the case of a Client that is an employee benefit scheme, pension fund or collective investment scheme, the trustees of such scheme or fund, from any and all reasonable and foreseeable damages, losses, costs, and expenses (including legal fees and expenses) that State Street or any such Client, scheme or fund sponsor or trustee may incur or suffer due to the Borrower's Default or other failure to perform its obligations under this agreement. This right to indemnification shall survive the termination of any Loan or of this agreement. In no case shall Borrower have any liability punitive or exemplary damages.
- 13.2 The Borrower hereby indemnifies and shall keep State Street and the Relevant Client indemnified against all Taxes (but excluding, for the avoidance of doubt, any tax in respect of fees payable under this Agreement or income tax) chargeable in connection with the provision of Borrowed Securities to the Borrower, the provision of Collateral to State Street, and the delivery of Equivalent Securities and Equivalent Collateral pursuant to this Agreement (including in respect of the failure by the Borrower to duly and punctually perform its obligations under this Agreement) except that the Borrower shall not be responsible for any Taxes assessed against or incurred as a result of State Street's or the Client's negligence or failure to act consistently with this Agreement, or for any Taxes incurred as a result of any scheme entered into by State Street or any Client. Further, notwithstanding anything herein to the contrary, Borrower shall not indemnify State Street or the Relevant Client against any capital gains tax unless said tax is incurred or assessed against the Relevant Client by reason of the Borrower failing to duly and punctually perform its obligations under this Agreement.
- 13.3 As State Street enters into this agreement as agent for the Clients State Street itself shall have no personal liability under this agreement except in respect of any breach of any representation, warranty or undertaking made by State Street in this agreement. The liability of the Clients in respect of the duties and obligations accepted hereby by State Street on their behalf shall be several and not joint.

### **14 WAIVER**

The failure of either party to insist upon strict adherence to any term of this agreement on any occasion shall not be considered a waiver or deprive that party of the right thereafter to insist upon strict adherence to that term or any other term of this agreement. All waivers in respect of a Default must be in writing.

### **15 APPENDICES**

The parties shall enter into an Appendix to the Agreement with respect to Loans of each specified type of securities to be loaned at a Securities Trading Location and to be secured by specified types of Collateral at a specified Collateral Location. Each such Appendix shall be executed by an authorized representative of each party and shall be substantially in the same form as Appendix No. 1 attached hereto. Each Appendix shall be considered a part of this agreement and may be modified only as provided in clause 22.

### **16 CURRENCY CONVERSION**

If it is necessary to convert from a value under one currency to any other currency for any purpose under this agreement, the exchange rate used shall be based on the rate most recently announced, prior to the time such conversion is actually made, by the Federal Reserve Bank of New York pursuant to its authority under Section 552 of the US Tariff Act of 1930 as amended unless a different rate is specified in the Applicable Appendix.

## **17 CONTINUING AGREEMENT; TERMINATION; REMEDIES**

It is the intention of the parties hereto that, subject to the termination provisions set forth herein, this agreement shall constitute a continuing agreement in every respect and shall apply to each and every Loan, whether now existing or hereafter made by State Street to the Borrower. The Borrower and State Street may each at any time terminate this agreement upon five Securities Trading Days' written notice to the other to that effect. The sole effect of any termination of this agreement shall be made or considered made hereunder, but the provisions hereof shall continue in full force and effect in all other respects until all Loans have been terminated and all obligations satisfied as herein provided.

## **18 NOTICES**

Except as otherwise specifically provided herein, notices under this agreement may be made orally, in writing, or by any other means mutually acceptable to the parties. If in writing, a notice shall be sufficient if delivered to the party entitled to receive such notices at the following address:

If to the Borrower: To the address in the Schedule.

If to State Street: State Street Bank and Trust Company - Sydney  
Level 64  
MLC Centre  
19-29 Martin Place  
Sydney NEW 2000  
Attention: Securities Lending Manager

with a copy to:

State Street Bank and Trust Company  
Two International Place  
Boston, Massachusetts 02110  
Attention: Legal Counsel

or to such other address as either party may furnish the other party by written notice under this section.

Telephone and facsimile notice shall be sufficient if communicated to the party entitled to receive such notice at the following numbers:

If to the Borrower:

Telephone: As set out in the Schedule  
Facsimile:

If to State Street - Sydney:

Telephone: (612) 9323 6500  
Facsimile: (612) 9323 6540

## **19 FURTHER ASSURANCES**

Each party shall sign, execute and deliver all such documents and do all such acts as shall be reasonably requested by any other party to enable the better exercise of their respective rights and the complete performance of their respective obligations under this agreement and to give effect to this agreement and the Loans contemplated by it.

## **20 INTEREST ON OVERDUE AMOUNTS**

Each party agrees to pay interest to the other on any amount payable by it under this agreement during the period that it has become due for payment and remains unpaid. The interest rate applicable to such outstanding amounts will be the Default Rate. Interest which is not paid when due for payment may be capitalised by the other party at intervals of thirty days. Interest is payable on capitalised interest at the rate and in the manner referred to in this clause. A party's obligation to pay the outstanding amount on the date it becomes due for payment is not affected by this clause. The interest accrues from the date the liability becomes due for payment both before and after any judgment or order until it is paid.

## **21 MISCELLANEOUS**

This agreement supersedes any other agreement between the Parties and any representation made by one Party to the other concerning loans of securities between the Parties hereto at any Securities Trading Location agreed to by the Parties. This agreement shall not be assigned by either Party without the prior written consent of the other Party. Subject to the foregoing, this agreement shall be binding upon and shall inure to the benefit of the Parties hereto (including, in the case of State Street, its Clients) and their respective heirs, representatives, successors and assigns. This agreement shall be governed and construed in accordance with the laws of New South Wales, Australia. The provisions of this agreement are severable and the invalidity or unenforceability of any provision hereof shall not affect any other provision of this agreement. If in the construction of this agreement any court should deem any provision to be invalid because of scope or duration, then such court shall forthwith reduce such scope or duration to that which is appropriate and enforce this agreement in its modified scope or duration.

## **22 MODIFICATION**

This agreement shall not be modified, except by an instrument in writing signed by the party against whom enforcement is sought.

**IN WITNESS WHEREOF** this agreement has been executed on behalf of the Parties the day and year first before written.

## **SCHEDULE**

### **THE BORROWER**

Name: MACQUARIE BANK LIMITED ACN 008 583 542

Address: Level 22, 20 Bond Street, Sydney NSW 2000

Telephone: 612 9237 3318

Facsimile No: 612 9237 3433

Authorized Officers: Mark Konda, Henry Lee or such other persons as may be designated by Borrower.

## APPENDIX I

Pursuant to clause 15 of this agreement, State Street and the Borrower enter into this Appendix to govern certain aspects of those Securities Loans that are hereafter made under the Agreement and which are described as follows:

**Type of Securities Loaned:**

**Securities Trading Location:**

**Collateral Location:**

**Clearing Organization:**

- (a) For the purposes of transfer of cash (see, e.g. 4.1(a)):
- (b) For the purposes of transfer of securities as Collateral (see e.g. 4.1(c)):
- (c) For the purposes of transfer of Borrowed Securities (see e.g. 5.1(b)):

The following provision of this Appendix relate, respectively, to the following sections of the agreement:

| Clause of agreement | Terms specified by this Appendix<br>(mark "none" where applicable) |
|---------------------|--------------------------------------------------------------------|
|---------------------|--------------------------------------------------------------------|

|     |                 |
|-----|-----------------|
| 1.1 | "Base Currency" |
|-----|-----------------|

|     |              |
|-----|--------------|
| 1.1 | "Collateral" |
|-----|--------------|

Cash Collateral means collateral in the lawful currency of the Collateral Location, unless a different currency is specified here:

|     |                |
|-----|----------------|
| 1.1 | "Default Rate" |
|-----|----------------|

The Default Rate shall be the Prime Rate, unless a different rate is specified here.

|     |                         |
|-----|-------------------------|
| 1.1 | "Maximum Margin Amount" |
|-----|-------------------------|

The Maximum Margin Amount will be determined by multiplying the Market Value of the Borrowed Securities by one hundred and eight percent (108%), unless another percentage is specified here:

|     |                         |
|-----|-------------------------|
| 1.1 | "Minimum Margin Amount" |
|-----|-------------------------|

The Minimum Margin Amount will be determined by multiplying the Market Value of the Borrowed Securities by one hundred and five percent (105%), unless another percentage is specified here:

- 4.1 Collateral shall be delivered to State Street on the Collateral Transfer Day that is coincident with or next precedes the Securities Trading Day upon which Borrowed Securities are to be transferred to the Borrower unless otherwise specified here:
- 4.1(c) For the purposes of clause 4.1(c), the parties agree that the following securities are acceptable as Collateral:
- 4.1(d) In addition to the types of Collateral specified in clause 4.1, the following types of Collateral (delivered in the method specified) are acceptable if agreed to by the parties with respect to the Loan pursuant to clause 2.1;
- 5.1 In addition to the methods of delivering the Borrowed Securities specified in clause 4.1, the following methods are acceptable if agreed to by the parties with respect to a Loan pursuant to clause 2.1:
- 6.5(b) If the Collateral Location is not in Australia, the Delivery Deadline is [ ] and the Notice Deadline is [ ] (determined by the time of the Collateral Location).
- 7.1 The Notifiable Consideration consist of:
- (a) the fee [ ];
  - (b) the adjustment for variations in the market value of eligible securities [ ];
  - (c) other consideration [ ]
- 7.2 The loan rebate fee (if applicable) shall be paid in the currency of the Collateral Location unless a different currency is specified here:
- 7.2 The loan rebate fee shall be computed as follows:
- 7.3 The loan premium (if applicable) shall be paid by the Borrower to State Street in the currency of the Securities Trading Location unless a different currency is specified here:
- 10.2(b) For the purposes of clause 10.2(b), the day on which Equivalent Securities shall be delivered to the relevant custodian shall be the day specified in clause 10.2(b) unless a different day is specified here:
16. The exchange rate used for conversion of currency exchange values shall be the rate most recently announced by the Federal Reserve Bank of New York unless a different rate is specified here:

DATED this 15<sup>th</sup> day of June 1997

SIGNED by Gregory Harmon  
as authorized representative for  
STATE STREET BANK AND  
TRUST COMPANY -  
SYDNEY in the presence of:

Hollis P. Glidden

Signature of witness

Hollis P. Glidden

Name of witness (block letters)

2 International Place  
Address of witness Boston  
MA

Attorney

Occupation of witness

By executing this agreement the  
signatory warrants that the  
signatory is duly authorized to  
execute this agreement on behalf  
of STATE STREET BANK AND  
TRUST COMPANY - SYDNEY

SIGNED by MARK KIRBY and ANDREW LIPPONE  
as authorized representative  
for PRUDENTIAL BANK in the  
presence of:

Geoff Austin

Signature of witness

Geoff Austin

Name of witness (block letters)

20 Broad St. Sydney

Address of witness

Banker

Occupation of witness

## Appendix 2

The compensatory payment under Clause 5.5 will be calculated and made as follows:

Where:

- (a) during the period of a Loan the holders of Loaned Securities or Equivalent Securities, as applicable, (or any of them) become entitled to the franked dividend in respect of those Securities;
- (b) had the Loan not been entered into the Relevant Client would have been entitled to participate in the franked dividend;
- (c) the Relevant Client is a taxpayer within the meaning of the Tax Act; and
- (d) the Relevant Client not receive the full benefit of the imputation credit attached to the franked dividend paid on the Borrowed Securities,

then the Borrower is required to compensate the Relevant Client 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:

$$P - \frac{FxT}{1-T}$$

Where:

P is the amount payable;

F is the amount of the franked dividend and

T is the rate of income tax, expressed as a decimal determined under the Tax Act 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).

Words having a defined meaning in the Agreement have the same meaning when used in this letter. "Tax Act" means the Income Tax Assessment Act as amended or replaced from time to time.

**APPENDIX NO. 2**

TO THE SECURITIES LENDING AGREEMENT,  
dated June 1, 1997 (the "Agreement")  
between STATE STREET BANK AND TRUST COMPANY,  
as trustee, custodian, or agent for  
its Clients ("Lender"), and  
MACQUARIE BANK LIMITED ("Borrower").

WHEREAS, Borrower desires to borrow Australian Corporate, Government and Semi-Government Securities from Australian resident Lenders and deliver Australian Government and Agency Securities, U.S. Government and Agency Securities, or cash as Collateral therefor;

WHEREAS, Borrower understands and acknowledges that all compensation payments shall be made free and clear and without deduction for any Australian withholding taxes; and

Pursuant to clause 15 of this Agreement, State Street and the Borrower enter into this Appendix to govern certain aspects of those Securities Loans that are hereafter made under the Agreement and which are described as follows:

**Type of Securities:** Australian Corporate, Government and Semi-Government Securities

**Securities Trading Location:** Australia

**Clearing Organization:**

- (a) For the purposes of transfer of cash (see e.g. 4.1(a)):

Depository Trust Company, The Australian Stock Exchange ,  
Reserve Bank Information and Trading System ("RITS"),  
Clearing House Electronic Subregister System ("CHESS"),  
Austraclear, Euroclear or such other clearing organisation agreed to by the parties.

- (b) For the purposes of transfer of Collateral (see e.g. 4.1(c)):

Depository Trust Company, The Australian Stock Exchange  
Reserve Bank Information and Trading System ("RITS"),  
Clearing House Electronic Subregister System ("CHESS"),  
Austraclear, Euroclear or such other clearing organisation agreed to by the parties.

- (c) For the purposes of transfer of Borrowed Securities (see e.g. 5.1(b)):

The Stock Exchange of Australia, RITS, CHESS Austraclear or such other clearing organisation agreed to by the parties.

The following provisions of this Appendix relate, respectively, to the following Sections of the Agreement.

| <u>Section of Agreement</u> | <u>Terms specified by this Appendix (mark "none" where applicable)</u>                                                                                                                                                                                                                                                                                                                                                          |
|-----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.1                         | <p><b>"Base Currency"</b></p> <p>Australian Dollars</p>                                                                                                                                                                                                                                                                                                                                                                         |
| 1.1                         | <p><b>"Cash Collateral"</b></p> <p>Cash Collateral means Collateral in the lawful currency of the Collateral Location, unless a different currency is agreed to by the parties.</p>                                                                                                                                                                                                                                             |
| 1.1                         | <p><b>"Default Rate"</b></p> <p>The Default Rate shall be the Prime Rate, unless a different rate is specified here:</p> <p>None</p>                                                                                                                                                                                                                                                                                            |
| 1.1                         | <p><b>"Maximum Margin Amount"</b></p> <p>The Maximum Margin Amount will be determined by multiplying the Market Value of the Borrowed Securities by one hundred and eight percent (108%), unless another percentage is specified here:</p> <p>108%</p>                                                                                                                                                                          |
| 1.1                         | <p><b>"Minimum Margin Amount"</b></p> <p>The Minimum Margin Amount will be determined by multiplying the Market Value of the Borrowed Securities by one hundred and five percent (105%), unless another percentage is specified here:</p> <p>105%</p>                                                                                                                                                                           |
| 1.5                         | <p>For the avoidance of doubt:</p> <p>(a) A reference to a "transfer" of Collateral, the "return" of Collateral or all the right, title and interest in Collateral "passing" includes the provision of Collateral in the form of a chose in action granted pursuant to the Reserve Bank Information and Transfer System ("RITS").</p> <p>(b) in respect of Collateral, a reference to "securities" or a "security" includes</p> |

a reference to a chose in action granted pursuant to RITS

4.1 Collateral shall be delivered to the Lender on the Collateral Transfer Day that next precedes the Securities Trading Day upon which Borrowed Securities are to be transferred to Borrower.

4.1 (c) For the purposes of clause 4.1(c), the Parties agree that the following securities are acceptable as Collateral:

U.S. Government and Australian Government Securities, and such other securities as agreed to by the Parties.

4.1(d) In addition to the types of Collateral specified in Section 4.1, a chose in action delivered under RITS and certain other types of Collateral (delivered in the method specified) may be acceptable if agreed to by the parties with respect to a Loan pursuant to Section 2.1.

Securities and currencies as agreed to by the Parties.

4.4 Notwithstanding Section 4.4, Borrower acknowledges that distributions on Non-Cash Collateral may be afforded different treatment than Borrower would have been so entitled had it not delivered the Collateral to Lender, and hereby agrees not to claim Lender or any Relevant Client for any disparate treatment as a result of its receiving the distribution from Lender (as opposed to a distribution from issuer directly). In addition, Lender shall reduce the amount of such distributions paid to Borrower by any withholding or other taxes imposed or assessed with respect to such distributions.

5.1 In addition to the methods of delivering the Borrowed Securities specified in Section 5.1, certain other methods may be acceptable if agreed to by the parties with respect to a Loan pursuant to Section 2.1.

6.5(b) If the Collateral Location is not in Australia, the Delivery Deadline shall be the customary delivery deadline required in order to assure that Collateral shall be delivered by the end of the day and if later, no later than the next Collateral Transfer Day (determined by the time of the Collateral Location.)

7.1 The Notifiable Consideration shall consist of a fee to be determined at the time of the loan, which may be adjusted subject to variations in the market value of eligible securities and may include other consideration.

7.2 The loan rebate fee (if applicable) shall be paid in the currency of the Collateral Location unless a different currency is specified here:

U.S. Dollars, Australian Dollars, or such other currency as agreed to by the parties.

- 7.2 Computation of the loan rebate fee shall be computed daily from the first Collateral Transfer Day that Cash Collateral is delivered in respect of a Loan, and shall be made daily through the earliest of: (i) the Collateral Transfer Day next preceding the Collateral Transfer Day such Cash Collateral is returned to the Borrower or as otherwise specified here; (ii) the date of Default by the Borrower; and (iii) the date State Street gives notice of termination pursuant to clause 10.2 provided that the Parties may mutually agree that a loan rebate fee will be paid for all or an agreed upon number of days after such notice is given (but in no event for a period beyond the earliest of the dates described in points (i) and (ii) of this sentence).

- 7.3 The loan premium (if applicable) shall be paid by Borrower to Lender in the currency of the Securities Trading Location unless a different currency is specified here:

U.S. Dollars, Australian Dollars, or such other currency as agreed to by the parties.

- 7.4 All costs including any and all transfer taxes levied or otherwise imposed on any transfers of the Borrowed Securities, including transfers to and from the Borrowers, which shall include but are not limited to:

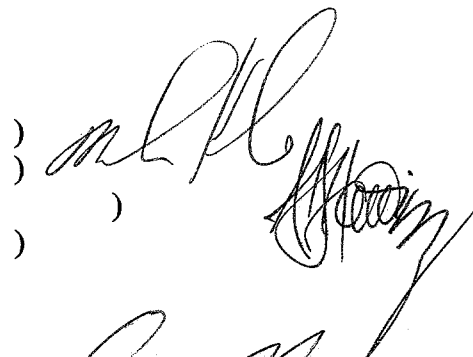
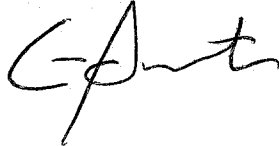
Non-resident capital gains taxes, financial institution duties (FID), bank account debits (BAD), and such other taxes which may be assessed on the transfer of any of the Borrowed Securities.

- 10.2(b) For the purposes of clause 10.2(b), Borrower must redeliver Borrowed Securities upon notice from Lender one day prior to the close of the last Securities Trading Day of the customary delivery period.
- 10.3 If a loan shall not have been terminated sooner by the Lender or Borrower, Borrower shall be obligated to terminate the Loan within 6 months.
16. The exchange rate used for conversion of currency exchange values shall be the rate most recently announced by the Federal Reserve Bank of New York unless a different rate is specified here:

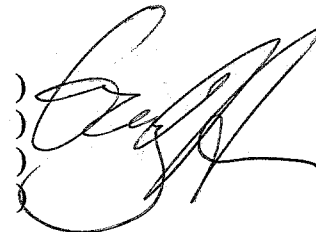
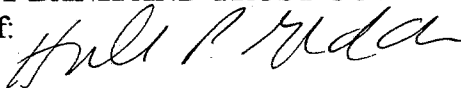
None

DATED this 4<sup>th</sup> day of June 1997

**SIGNED by**  
as authorized representative for  
**MACQUARIE BANK LIMITED**  
in the presence of:



**SIGNED by**  
as authorized representative for  
**STATE STREET BANK AND TRUST COMPANY**  
in the presence of:



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### APPENDIX NO. 3

TO THE SECURITIES LENDING AGREEMENT,  
dated ~~November 27, 1996~~ <sup>June 1997</sup> (the "Agreement")  
between STATE STREET BANK AND TRUST COMPANY,  
as trustee, custodian, or agent for  
its Clients ("Lender"), and  
MACQUARIE BANK LIMITED ACN 008 583 542 ("Borrower").

WHEREAS, Borrower desires to borrow Japanese Corporate, Government and Agency Securities and deliver Australian Government and Agency Securities, U.S. Government and Agency Securities, such other Securities as may be agreed to by the Parties, or cash as Collateral therefor;

WHEREAS, Borrower understands and acknowledges that all compensation payments shall be made free and clear and without deduction for any Australian withholding taxes; and

Pursuant to clause 15 of this Agreement, State Street and the Borrower enter into this Appendix to govern certain aspects of those Securities Loans that are hereafter made under the Agreement and which are described as follows:

Type of Securities: Japanese Corporate Securities and Government and Agency Securities

Securities Trading Location: Japan

Clearing Organization:

(a) For the purposes of transfer of cash (see, e.g. 4.1(a)):

Depository Trust Company, The Australian Stock Exchange Reserve Bank Information and Trading System ("RITS"), Clearing House Electronic Subregister System "CHES", Austraclear, Euroclear, Japanese Security Clearing Corporation (JSCC)", or such other clearing organization agreed to by the parties.

(b) For the transfer of Collateral (see e.g. 4.1(c)):

Securities agreed to by the parties and delivered through Depository Trust Company, The Australian Stock Exchange Reserve Bank Information and Trading System ("RITS"), Clearing House Electronic Subregister System "CHESS"), Austraclear, Euroclear, JASDEC, Bank of Japan, or such other clearing organization agreed to by the parties.

- (c) For the purposes of transfer of Borrowed Securities (see e.g. 5.1(c)):

JASDEC, Bank of Japan or such other clearing organisation agreed to by the parties.

The following provisions of this Appendix relate, respectively, to the following Sections of the Agreement.

| <u>Section of Agreement</u> | <u>Terms specified by this Appendix (mark "none" where applicable)</u> |
|-----------------------------|------------------------------------------------------------------------|
|-----------------------------|------------------------------------------------------------------------|

|     |                 |
|-----|-----------------|
| 1.1 | "Base Currency" |
|-----|-----------------|

Such currency as the Parties agree shall constitute the Base Currency.

|     |                   |
|-----|-------------------|
| 1.1 | "Cash Collateral" |
|-----|-------------------|

Cash Collateral means Collateral in the lawful currency of the Collateral Location, unless a different currency is agreed to by the parties.

|     |                |
|-----|----------------|
| 1.1 | "Default Rate" |
|-----|----------------|

The Default Rate shall be the Prime Rate, unless a different rate is agreed to by the parties.

|     |                         |
|-----|-------------------------|
| 1.1 | "Maximum Margin Amount" |
|-----|-------------------------|

The Maximum Margin Amount will be determined by multiplying the Market Value of the Borrowed Securities by one hundred and eight percent (108%).

|     |                         |
|-----|-------------------------|
| 1.1 | "Minimum Margin Amount" |
|-----|-------------------------|

The Minimum Margin Amount will be determined by multiplying the Market Value of the Borrowed Securities by one hundred and five percent (105%).

4.1 Collateral shall be delivered to the Lender on the Collateral Transfer Day that is coincident with or next precedes the Securities Trading Day upon which Borrowed Securities are to be transferred to Borrower.

4.1(c) For the purposes of clause 4.1(c), the Parties agree that the following securities are acceptable as Collateral:

U.S. Government Securities, Australian Government Securities or such other securities as agreed to by the Parties.

4.1(d) In addition to the types of Collateral specified in Section 4.1, certain other types of Collateral (delivered in the method specified) may be acceptable if agreed to by the parties with respect to a Loan pursuant to Section 2.1.

4.5 Notwithstanding Section 4.5, Borrower acknowledges that distributions on Non-Cash Collateral may be afforded different treatment than Borrower would have been so entitled had it not delivered the Collateral to Lender, and hereby agrees not to claim Lender or any Relevant Client for any disparate treatment as a result of its receiving the distribution from Lender (as opposed to a distribution from issuer directly). In addition, Lender shall reduce the amount of any such distributions paid to Borrower by any withholding or other taxes imposed or assessed against it.

4.5 Distributions on Non-Cash Collateral are to be delivered to Borrower in the currency in which such distributions are made by the issuer of such security, unless a different currency is agreed to by the parties.

5.1 In addition to the methods of delivering the Borrowed Securities specified in Section 5.1, certain other methods may be acceptable if agreed to by the parties with respect to a Loan pursuant to Section 2.1.

6.6(b) If the Collateral Location is not in Australia, the Delivery Deadline shall be the customary delivery deadline required in order to assure that Collateral shall be delivered by the end of the day and if later,

no later than the next Collateral Transfer Day  
(determined by the time of the Collateral Location.)

7.1 The Notifiable Consideration shall consist of a fee to be determined at the time of the loan, which may be adjusted subject to variations in the market value of eligible securities and may include other consideration.

7.2 The loan rebate fee (if applicable) shall be paid in the currency of the Collateral Location unless a different currency is specified here:

U.S. Dollars, Australian Dollars, or such other  
currency as agreed to by the parties.

7.3 The loan premium (if applicable) shall be paid by Borrower to Lender in the currency of the Securities Trading Location unless a different currency is specified here:

U.S. Dollars, Australian Dollars, or such other  
currency as agreed to by the Parties.

10.2(b) For the purposes of clause 10.2(b), the end of the day one day prior to the close of the last Securities Trading Day of the customary delivery period.

10.3 If a loan shall not have been terminated sooner by the Lender or Borrower, it shall be terminated automatically on the day prior to the first anniversary of the loan unless otherwise provided here.

None

16. The exchange rate used for conversion of currency exchange values shall be the rate most recently announced by the Federal Reserve Bank of New York unless a different rate is specified here:

None

In addition to the terms and conditions of the Agreement, the following provisions of this Appendix are additional and supplemental provisions which apply specifically to Loans of Japanese Government and Agency Securities:

Settlement of loans and returns of Borrowed Securities shall be effected by the physical delivery of "Touroku Henkou Seikyushyo" Application for Registration of Transfer (hereafter, "Transfer Application") to Borrower or Lender.

Unless otherwise notified by Lender, upon termination of a Loan of Borrowed Securities, Borrower shall deliver to Lender Transfer Applications in the same form and denomination as delivered by Lender to Borrower at the time of the Loan. If requested to do so, Borrower shall deliver to Lender Transfer Applications in such other denominations as Lender may specify by notice to Borrower. Such Transfer Applications delivered by Borrower shall have the legal effect of the delivery of valid legal title to the Borrowed Securities which it represents, free and clear of the rights or claims of others and shall represent Borrowed Securities the coupon or interest payments on which are not subject to withholding tax under Japanese law. In the event that such Transfer Applications fail to comply with the previous sentence, such failure shall be an event of default under the Agreement, notwithstanding that the Collateral for the Borrowed Securities may have been released to the Borrower upon receipt of such Transfer Application.

Unless otherwise notified by Lender, Borrower shall notify Lender on or before the Confirmation Date whether or not Borrowed Securities will be returned by Borrower to Lender by the close of business on the Settlement Date.

If (i) the Record Date for the payment of distributions on Borrowed Securities occurs during the term of a Loan or (ii) Borrower notifies Lender that it will return Borrowed Securities on or before the Settlement Date and fails to do so, or (iii)

Borrower returns Borrowed Securities on any Securities Trading Day during the period starting with and including the Confirmation Date through and including the Record Date (without prior notice of a return) and as a result of either (i), (ii) or (iii) above, Lender is unable to obtain compensation for distributions for any reason whatsoever, including the inability to recover such amount from the registered owner, Borrower shall compensate Lender for the amount of the distribution, gross of any withholding taxes, on the Borrowed Securities.

For the purposes of this Appendix, the following terms shall have the following meanings:

"Confirmation Date" means the close of business on the Securities Trading Day on the Bank of Japan calendar immediately preceding the last Securities Trading Day on the Bank of Japan calendar on which Japanese Government and Agency Securities can be traded for settlement on the Settlement Date.

"Record Date" means the record date according to the Bank of Japan calendar for the payment of distributions in respect of the Borrowed Securities.

"Settlement Date" means the last settlement date for the settlement of Japanese Government and Agency Securities according to the Bank of Japan calendar prior to the Record Date.

Nothing contained in the foregoing provisions shall be construed as relieving Borrower of its obligations under the terms of 3.2 of the Agreement.

DATED this 6 day of <sup>March</sup> 1998

SIGNED by  
as authorized representative for  
MACQUARIE BANK LIMITED  
in the presence of:

)  
)  
)  
)

SIGNED by *Russell Kennett*  
as authorized representative for  
STATE STREET BANK AND TRUST COMPANY  
in the presence of: *JEFFREY M BRENR*

*[Signature]*  
*[Signature]*

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APPENDIX NO. 7

TO THE SECURITIES LENDING AGREEMENT,  
dated ~~November 27, 1996~~ <sup>June 1997</sup> (the "Agreement")  
between STATE STREET BANK AND TRUST COMPANY,  
as trustee, custodian, or agent for  
its Clients ("Lender"), and  
MACQUARIE BANK LIMITED ACN 008 583 542 ("Borrower").

WHEREAS, Borrower desires to borrow New Zealand Corporate Securities and deliver Australian Government and Agency Securities, U.S. Government and Agency Securities, such other Securities as may be agreed to by the Parties, or cash as Collateral therefor;

WHEREAS, Borrower understands and acknowledges that all compensation payments shall be made free and clear and without deduction for any Australian withholding taxes; and

Pursuant to clause 15 of this Agreement, State Street and the Borrower enter into this Appendix to govern certain aspects of those Securities Loans that are hereafter made under the Agreement and which are described as follows:

Type of Securities: New Zealand Corporate Securities

Securities Trading Location: New Zealand

Clearing Organization:

- (a) For the purposes of transfer of cash (see, e.g. 4.1(a)):

Depository Trust Company, The Australian Stock Exchange Reserve Bank Information and Trading System ("RITS"), Clearing House Electronic Subregister System ("CHES"), Austraclear, Euroclear, New Zealand Central Securities Depository Limited (NZCSD); Reserve Bank of New Zealand or such other clearing organization agreed to by the parties.

- (b) For the transfer of Collateral (see e.g. 4.1(c)):

Securities agreed to by the parties and delivered through Depository Trust Company, The Australian Stock Exchange Reserve Bank Information and Trading System ("RITS"), Clearing House Electronic Subregister System ("CHES"), Austraclear, Euroclear, New Zealand Central Securities Depository Limited (NZCSD); Reserve Bank of New Zealand or such other clearing organization agreed to by the parties.

- (c) For the purposes of transfer of Borrowed Securities (see e.g. 5.1(c)):

New Zealand Central Securities Depository Limited (NZCSD); Reserve Bank of New Zealand or such other clearing organisation agreed to by the parties.

The following provisions of this Appendix relate, respectively, to the following Sections of the Agreement.

| <u>Section of Agreement</u> | <u>Terms specified by this Appendix (mark "none" where applicable)</u> |
|-----------------------------|------------------------------------------------------------------------|
|-----------------------------|------------------------------------------------------------------------|

|     |                 |
|-----|-----------------|
| 1.1 | "Base Currency" |
|-----|-----------------|

Such currency as the Parties agree shall constitute the Base Currency.

|     |                   |
|-----|-------------------|
| 1.1 | "Cash Collateral" |
|-----|-------------------|

Cash Collateral means Collateral in the lawful currency of the Collateral Location, unless a different currency is agreed to by the parties.

|     |                |
|-----|----------------|
| 1.1 | "Default Rate" |
|-----|----------------|

The Default Rate shall be the Prime Rate, unless a different rate is agreed to by the parties.

|     |                         |
|-----|-------------------------|
| 1.1 | "Maximum Margin Amount" |
|-----|-------------------------|

The Maximum Margin Amount will be determined by multiplying the Market Value of the Borrowed Securities by one hundred and eight percent (108%).

|     |                         |
|-----|-------------------------|
| 1.1 | "Minimum Margin Amount" |
|-----|-------------------------|

The Minimum Margin Amount will be determined by multiplying the Market Value of the Borrowed Securities by one hundred and five percent (105%).

4.1 Collateral shall be delivered to the Lender on the Collateral Transfer Day that is coincident with or next precedes the Securities Trading Day upon which Borrowed Securities are to be transferred to Borrower.

4.1(c) For the purposes of clause 4.1(c), the Parties agree that the following securities are acceptable as Collateral:

U.S. Government Securities, Australian Government Securities or such other securities as agreed to by the Parties.

4.1(d) In addition to the types of Collateral specified in Section 4.1, certain other types of Collateral (delivered in the method specified) may be acceptable if agreed to by the parties with respect to a Loan pursuant to Section 2.1.

4.5 Notwithstanding Section 4.5, Borrower acknowledges that distributions on Non-Cash Collateral may be afforded different treatment than Borrower would have been so entitled had it not delivered the Collateral to Lender, and hereby agrees not to claim Lender or any Relevant Client for any disparate treatment as a result of its receiving the distribution from Lender (as opposed to a distribution from issuer directly). In addition, Lender shall reduce the amount of any such distributions paid to Borrower by any withholding or other taxes imposed or assessed against it.

4.5 Distributions on Non-Cash Collateral are to be delivered to Borrower in the currency in which such distributions are made by the issuer of such security, unless a different currency is agreed to by the parties.

5.1 In addition to the methods of delivering the Borrowed Securities specified in Section 5.1, certain other methods may be acceptable if agreed to by the parties with respect to a Loan pursuant to Section 2.1.

- 6.6(b) If the Collateral Location is not in Australia, the Delivery Deadline shall be the customary delivery deadline required in order to assure that Collateral shall be delivered by the end of the day and if later, no later than the next Collateral Transfer Day (determined by the time of the Collateral Location.)
- 7.1 The Notifiable Consideration shall consist of a fee to be determined at the time of the loan, which may be adjusted subject to variations in the market value of eligible securities and may include other consideration.
- 7.2 The loan rebate fee (if applicable) shall be paid in the currency of the Collateral Location unless a different currency is specified here:
- U.S. Dollars, Australian Dollars, or such other currency as agreed to by the parties.
- 7.3 The loan premium (if applicable) shall be paid by Borrower to Lender in the currency of the Securities Trading Location unless a different currency is specified here:
- U.S. Dollars, Australian Dollars, or such other currency as agreed to by the Parties.
- 10.1 Borrower may cause the termination of a Loan, at any time, by returning the Borrowed securities to the Lender, unless otherwise agreed to here:
- In the event that a Loan is made prior to a book-closure date for participation in a Dividend Reinvestment Plan ("DRP"), Borrower acknowledges and agrees that it shall (a) comply with Lender's instructions with regards to participation in such DRP and (b) not cause the termination of such Loan at any time during the period commencing five Business Days prior to the above referenced book-closure date through the ex-date, inclusive, for said participation. In the event that Borrower fails to comply with the above, Borrower shall compensate Lender for the full market value of the distribution which Lender would have received had Lender not loaned the securities, and shall deliver such distribution in the form of cash or securities, at Lender's option.

10.2(b) Borrower must redeliver Borrowed Securities upon notice from Lender one day prior to the close of the last Securities Trading Day of the customary delivery period.

10.3 If a loan shall not have been terminated sooner by the Lender or Borrower, it shall be terminated automatically on the day prior to the first anniversary of the loan unless otherwise provided here:

None

16. The exchange rate used for conversion of currency exchange values shall be the rate most recently announced by the Federal Reserve Bank of New York unless a different rate is specified here:

None

For the purposes of this Appendix, the following terms are defined as:

"Ex-Date" shall mean the date when securities are traded without the most recently announced entitlement.

"Book-Closure Date" shall mean the date by which a change of registration must be submitted to the company registrar in order for the new registrant to receive an upcoming entitlement from the issuer.

DATED this <sup>March</sup> 6<sup>th</sup> day of 1999

SIGNED by  
as authorized representative for  
MACQUARIE BANK LIMITED  
in the presence of:

)  
)  
)  
)

SIGNED by Russell Kennett  
as authorized representative for  
STATE STREET BANK AND TRUST COMPANY  
in the presence of: JEFFREY M BREWER

*[Handwritten signature of Russell Kennett]*  
*[Handwritten signature of Jeffrey M. Brewer]*

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**APPENDIX NO. 8**

TO THE SECURITIES LENDING AGREEMENT,  
dated 1 June 1997 (the "Agreement")  
between STATE STREET BANK AND TRUST COMPANY- SYDNEY,  
as trustee, custodian, or agent for  
its Clients ("Lender") and  
MACQUARIE BANK LIMITED ("Borrower").

WHEREAS, Borrower desires to borrow French Corporate Securities from Australian resident Lenders and deliver Australian Government and Agency Securities, U.S. Government and Agency Securities, or cash as Collateral therefor;

WHEREAS, Borrower understands and acknowledges that all compensation payments shall be made free and clear and without deduction for any Australian withholding taxes; and

Pursuant to Section 15 of the Agreement, Lender and Borrower enter into this Appendix to govern certain aspects of those securities loans that are hereafter made under the Agreement and which are described as follows:

**Type of Securities:** French Corporate Securities

**Securities Trading Location:** France

**Clearing Organisation:**

(a) For the purposes of transfer of cash (see 4.1 (a)):

Depository Trust Company, The Australian Stock Exchange Reserve Bank Information and Trading System ("RITS"), Clearing House Electronic Subregister System ("CHESS"), SICOVAM/RELIT, Austraclear, Euroclear or such other clearing organisation agreed to by the Parties.

(b) For purposes of transfer of securities as Collateral (see 4.1 (c)):

Depository Trust Company, The Australian Stock Exchange Reserve Bank Information and Trading System ("RITS"), Clearing House Electronic Subregister System ("CHESS"), SICOVAM/RELIT, Austraclear, Euroclear or such other clearing organisation agreed to by the Parties.

(c) For the purposes of transfer of Borrowed Securities (see 5.1(c)):

SICOVAM/RELIT or such other clearing organisation agreed to by the Parties.

The following provision of this Appendix relate, respectively, to the following sections of the agreement:

| <u>Clause of agreement</u> | <u>Terms specified by this Appendix</u>                                                                                                                                                                     |
|----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.1                        | <b>"Base Currency"</b><br><br><u>Such currency as the Parties agree shall constitute Base Currency.</u>                                                                                                     |
| 1.1                        | <b>"Cash Collateral"</b><br><br>Cash Collateral means collateral in the lawful currency of the Collateral Location, unless otherwise agreed to by the Parties.                                              |
| 1.1                        | <b>"Default Rate"</b><br><br>The Default Rate shall be the Prime Rate as published in <u>The Wall Street Journal</u> , plus 200 basis points.                                                               |
| 1.1                        | <b>"Maximum Margin Amount "</b><br><br>The Maximum Margin Amount will be determined by multiplying the Market Value of the Borrowed Securities by one hundred and eight percent (108 %).                    |
| 1.1                        | <b>"Minimum Margin Amount"</b><br><br>The Minimum Margin Amount will be determined by multiplying the Market Value of the Borrowed Securities by one hundred and five percent (105 %).                      |
| 4.1                        | Collateral shall be delivered to State Street on the Collateral Transfer Day that is two (2) days prior to the Securities Trading Day upon which Borrowed Securities are to be transferred to the Borrower. |
| 4.1 (c)                    | For the purposes of clause 4.1(c), the Parties agree that the following securities are acceptable as Collateral:                                                                                            |

U.S. Government Securities, Australian Government Securities or such other securities as agreed to by the Parties.

- 4.1 (d) In addition to the types of Collateral specified in clause 4.1(c), any other types of Collateral (delivered in the method specified) may be acceptable if agreed to by the Parties.
- 4.5 Notwithstanding Section 4.5, Borrower acknowledges that Distributions on Non-Cash Collateral may be afforded different treatment than Borrower would have been so entitled had it not delivered the Collateral to Lender, and hereby agrees not to claim Lender or any Relevant Client for any disparate treatment as a result of its receiving the Distribution from Lender (as opposed to a Distribution from issuer directly). In addition, Lender shall reduce the amount of any such Distributions paid to Borrower by any withholding or other taxes imposed or assessed against it.
- 4.5 Distributions on Non-Cash Collateral are to be delivered to Borrower in the currency in which such Distributions are made by the issuer of such security, unless a different currency is agreed to by the Parties.
- 5.1 In addition to the methods of delivering the Borrowed Securities specified in clause 5.1, any other methods may be acceptable if agreed to by the Parties.
- 6.5(b) If the Collateral Location is not in Australia, the Delivery Deadline shall be the customary delivery deadline required in order to assure that Collateral shall be delivered by the end of the day and if later, no later than the next Collateral Transfer Day (determined by the time of the Collateral Location.)
- 7.1 The Notifiable Consideration consist of a fee to be determined at the time of the loan, which may be adjusted subject to variations in the market value of eligible securities and may include other consideration.
- 7.2 The loan reate fee (if applicable) shall be paid in U.S. Dollars unless a differecny currency is specified here:
- U.S. Dollars, Australian Dollars or such other currency as agreed to by the Parties.
- 7.3 The loan premium (if applicable) shall be paid by the Borrower to State Street in the currency of the Collateral Location unless a different currency is specified here:

U.S. Dollars, Australian Dollars or such other currency as agreed to by the Parties.

- 10.2(b) For the purposes of clause 10.2(b), the day on which Equivalent Securities shall be delivered to the Relevant Custodian shall be the end of the day one (1) day prior to the close of the last Securities Trading Day of the customary delivery period.
16. The exchange rate used for conversion of currency exchange values shall be the rate most recently announced by the Federal Reserve Bank of New York unless otherwise agreed to by the Parties.

The following provisions of this Appendix are additional or supplemental provisions for French Corporate Securities Lending:

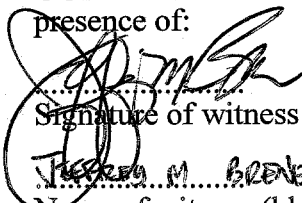
If the Lender loses its entitlement to (i) receive a refund of avoir fiscal, or any other equivalent tax refund or credit applicable pursuant to French law, on dividends or other Distributions described in Section 3.2, attributable to Borrowed Securities or (ii) claim for a reduction of French tax liability in situations where the Lender would have been so entitled to such refund or claim, Borrower shall pay to Lender on payable date of such Distribution an

[Remainder of page intentionally left blank.]

amount, determined reasonably by Lender, which shall fully compensate Lender for all or any part of such refund or claim which is not reclaimable or not eligible to be offset against French tax liability.

DATED this 6<sup>th</sup> day of March 1998

SIGNED by  
as authorised representative for STATE  
STREET BANK AND TRUST  
COMPANY - SYDNEY in the  
presence of:

  
Signature of witness

~~Robert M. Brewer~~  
Name of witness (block letters)

19-29 Martin Place Sydney NSW 2090  
Address of witness

Trading Manager  
Occupation of witness

Russell Kennett



By executing this Agreement the  
signatory warrants that the signatory is  
duly authorised to execute this  
Agreement on behalf of STATE  
STREET BANK AND TRUST  
COMPANY - SYDNEY

SIGNED by  
as authorised representative  
for MACQUARIE BANK LIMITED  
in the presence of:

.....  
Signature of witness

.....  
Name of witness (block letters)

.....  
Address of witness

.....  
Occupation of witness

.....  
By executing this Agreement the  
signatory warrants that the signatory is  
duly authorised to execute this  
Agreement on behalf of  
MACQUARIE BANK LIMITED

## APPENDIX NO. 9

TO THE SECURITIES LENDING AGREEMENT,  
dated 1 June 1997 (the "Agreement")  
between STATE STREET BANK AND TRUST COMPANY - SYDNEY,  
as trustee, custodian, or agent for  
its Clients ("Lender") and  
MACQUARIE BANK LIMITED ("Borrower").

WHEREAS, Borrower desires to borrow German Corporate Securities from Australian resident Lenders and deliver Australian Government and Agency Securities, U.S. Government and Agency Securities, or cash as Collateral therefor;

WHEREAS, Borrower understands and acknowledges that all compensation payments shall be made free and clear and without deduction for any Australian withholding taxes; and

Pursuant to Section 15 of the Agreement, Lender and Borrower enter into this Appendix to govern certain aspects of those securities loans that are hereafter made under the Agreement and which are described as follows:

**Type of Securities:** German Corporate Securities

**Securities Trading Location:** Federal Republic of Germany

**Clearing Organisation:**

(a) For the purposes of transfer of cash (see 4.1 (a)):

Depository Trust Company, The Australian Stock Exchange Reserve Bank Information and Trading System ("RITS"), Clearing House Electronic Subregister System ("CHESS"), Kassenverein, Austraclear, Euroclear or such other clearing organisation agreed to by the Parties.

(b) For purposes of transfer of securities as Collateral (see 4.1 (c)):

Depository Trust Company, The Australian Stock Exchange Reserve Bank Information and Trading System ("RITS"), Clearing House Electronic Subregister System ("CHESS"), Kassenverein, Austraclear, Euroclear or such other clearing organisation agreed to by the Parties.

(c) For the purposes of transfer of Borrowed Securities (see 5.1(c)):

Kassenverein or such other clearing organisation as agreed to by the Parties.

The following provision of this Appendix relate, respectively, to the following sections of the agreement:

| <u>Clause of agreement</u> | <u>Terms specified by this Appendix</u>                                                                                                                                                                                                                  |
|----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.1                        | <p><b>"Base Currency"</b></p> <p><u>Such currency as the Parties agree shall constitute Base Currency.</u></p>                                                                                                                                           |
| 1.1                        | <p><b>"Cash Collateral"</b></p> <p>Cash Collateral means collateral in the lawful currency of the Collateral Location, unless otherwise agreed to by the Parties.</p>                                                                                    |
| 1.1                        | <p><b>"Default Rate"</b></p> <p>The Default Rate shall be the Prime Rate plus 200 basis points.</p>                                                                                                                                                      |
| 1.1                        | <p><b>"Maximum Margin Amount "</b></p> <p>The Maximum Margin Amount will be determined by multiplying the Market Value of the Borrowed Securities by one hundred and eight percent (108 %).</p>                                                          |
| 1.1                        | <p><b>"Minimum Margin Amount"</b></p> <p>The Minimum Margin Amount will be determined by multiplying the Market Value of the Borrowed Securities by one hundred and five percent (105 %).</p>                                                            |
| 4.1                        | <p>Collateral shall be delivered to State Street on the Collateral Transfer Day that next precedes the Securities Trading Day upon which Borrowed Securities are to be transferred to the Borrower.</p>                                                  |
| 4.1 (c)                    | <p>For the purposes of clause 4.1(c), the Parties agree that the following securities are acceptable as Collateral:</p> <p><u>U.S. Government Securities, Australian Government Securities or such other securities as agreed to by the Parties.</u></p> |
| 4.1 (d)                    | <p>In addition to the types of Collateral specified in clause 4.1(c), any other types of Collateral (delivered in the method specified) may be acceptable if agreed to by the Parties.</p>                                                               |

- 4.5 Notwithstanding Section 4.5, Borrower acknowledges that Distributions on Non-Cash Collateral may be afforded different treatment than Borrower would have been so entitled had it not delivered the Collateral to Lender, and hereby agrees not to claim Lender or any Relevant Client for any disparate treatment as a result of its receiving the Distribution from Lender (as opposed to a Distribution from issuer directly). In addition, Lender shall reduce the amount of any such Distributions paid to Borrower by any withholding or other taxes imposed or assessed against it.
- 4.5 Distributions on Non-Cash Collateral are to be delivered to Borrower in the currency in which such Distributions are made by the issuer of such security, unless a different currency is agreed to by the Parties.
- 5.1 In addition to the methods of delivering the Borrowed Securities specified in clause 5.1, any other methods may be acceptable if agreed to by the Parties.
- 6.5(b) If the Collateral Location is not in Australia, the Delivery Deadline shall be the customary delivery deadline required in order to assure that Collateral shall be delivered by the end of the day and if later, no later than the next Collateral Transfer Day (determined by the time of the Collateral Location.)
- 7.1 The Notifiable Consideration consist of a fee to be determined at the time of the loan, which may be adjusted subject to variations in the market value of eligible securities and may include other consideration.
- 7.2 The loan reate fee (if applicable) shall be paid in U.S. Dollars unless a differecny currency is specified here:  
U.S. Dollars, Australian Dollars or such other currency as agreed to by the Parties.
- 7.3 The loan premium (if applicable) shall be paid by the Borrower to State Street in the currency of the Collateral Location unless a different currency is specified here:  
U.S. Dollars, Australian Dollars or such other currency as agreed to by the Parties.
- 10.2(b) For the purposes of clause 10.2(b), the day on which Equivalent Securities shall be delivered to the Relevant Custodian shall be the end of the day one (1) day prior to the close of the last Securities Trading Day of the customary delivery period.

16.

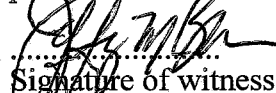
The exchange rate used for conversion of currency exchange values shall be the rate most recently announced by the Federal Reserve Bank of New York unless otherwise agreed to by the Parties.

DATED this

6<sup>th</sup> day of MARCH

1998

SIGNED by  
as authorised representative for STATE  
STREET BANK AND TRUST  
COMPANY - SYDNEY in the  
presence of:

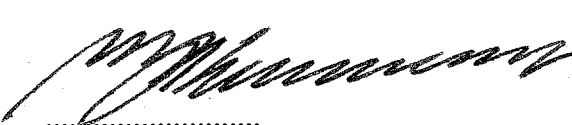
  
Signature of witness

  
Name of witness (block letters)

19-29 Martin Place Sydney NSW 2050  
Address of witness

Trading Manager  
Occupation of witness

Russell Kennett

  
By executing this Agreement the  
signatory warrants that the signatory is  
duly authorised to execute this  
Agreement on behalf of STATE  
STREET BANK AND TRUST  
COMPANY - SYDNEY

SIGNED by  
as authorised representative  
for MACQUARIE BANK LIMITED  
in the presence of:

.....  
Signature of witness

.....  
Name of witness (block letters)

.....  
Address of witness

.....  
Occupation of witness

.....  
By executing this Agreement the  
signatory warrants that the signatory is  
duly authorised to execute this  
Agreement on behalf of MACQUARIE  
BANK LIMITED



## HONG KONG STOCK ADDENDUM

THIS ADDENDUM is entered into the 22 day of January 1997 between State Street Bank and Trust Company ("Lender") and Macquarie Bank Limited ("Borrower"), a company incorporated under the laws of Australia supplements, amends and forms part of the Securities Lending Agreement entered into between the Parties dated 1 June 1997, and any other agreement between the Parties which such agreement replaced or amended or replacing or amending such agreement (the "Agreement").

### 1. Interpretation

#### (a) Definitions

"Collector" means the Collector of Stamp Revenue appointed under section 3 of the Ordinance;

"Hong Kong stock" has the meaning set out in section 2 of the Ordinance;

"Ordinance" means the Hong Kong Stamp Duty Ordinance (Cap. 117), as amended from time to time; and

"Stock Borrowing" has the meaning set out in section 19(16) of the Ordinance.

(b) From and after the date hereof in relation to a borrowing of Hong Kong stock, reference to the "Agreement" in the Agreement and in this Addendum shall be deemed to include a reference to the Agreement as amended by the terms of this Addendum, unless the context indicates otherwise.

(c) Capitalized terms which are not otherwise defined in this Addendum shall have the meaning ascribed to them in the Agreement.

### 2. Application

(a) The Parties hereby agree that the terms of this Addendum shall apply in addition to the terms set out in the Agreement in the event that the borrowed securities fall within the definition of Hong Kong stock. For the avoidance of doubt, where such securities do not comprise Hong Kong stock, the terms of this Addendum shall not apply.

(b) In the event of conflict between the terms of this Addendum and the terms of the Agreement, the terms of this Addendum shall prevail. Except as otherwise set forth herein, the Agreement shall remain unchanged and in full force and effect.

STAMP DUTY  
N-1632  
060598  
1632  
060598  
378/6/01  
\$2.00

(c) The provisions of this Addendum shall apply to all transactions in Hong Kong stock which have been entered into under the Agreement since 8 July 1994 and which will be entered into under the Agreement.

(d) This Addendum supersedes all other addenda to the Agreement relating to transactions in Hong Kong stock.

### **3. Representations and Warranties**

In addition to the representations and warranties set out in the Agreement and in order to comply with the requirements of the Ordinance, the Borrower hereby warrants and undertakes to the Lender on a continuing basis to the intent that such warranties and undertakings shall survive the completion of any transaction contemplated herein that:

(a) the Borrower is borrowing or will borrow securities under the Agreement for one or more of the "specified purposes" as required by section 19 of the Ordinance namely:

(i) to settle a contract to sell such securities wherever effected, whether by the Borrower or another person;

(ii) to settle a future contract to sell such securities, whether agreed or not when the transaction is effected and whether by the Borrower or another person;

(iii) to replace, in whole or in part securities obtained by the Borrower under another stock borrowing;

(iv) to on-lend the securities to another borrower who effects a borrowing in respect of the same; or

(v) such other purpose as the Collector may, in writing, agree; and

(b) it will comply with the requirement for a "stock return" under section 19 of the Ordinance.

### **4. The Borrower's Obligations**

(a) The Borrower hereby undertakes to the Lender on a continuing basis that it shall:

(i) within two (2) weeks of the date of execution of this Addendum (one (1) month if executed outside Hong Kong) or as otherwise required by the Collector, provide the Collector with: (x) an executed copy of the Agreement, and this Addendum (or, in either case, in such other form thereof as may be acceptable to the Collector); (y) such fees as may be

specified from time to time by the Hong Kong tax authorities for these purposes; and (z) such other documents, particulars and information as the Collector may require;

(ii) promptly notify the Lender upon its having complied with its undertaking under paragraph 4 (a) (i) above and provide to the Lender such documents as the Lender may reasonably request in respect of the same;

(iii) promptly comply with all filing and reporting obligations and do all other acts and things as may be required by the Collector from time to time.

(iv) promptly pay and account for any transfer, registration or similar charges or duties or taxes (including stamp duty and any penalties relating thereto) chargeable on the Borrower or the Lender in connection with any transactions effected pursuant to or contemplated by the Agreement in relation to Hong Kong stock; and

(v) hold the Lender harmless from and against any liability, losses, expenses, and costs (including reasonable legal costs) reasonably arising as a result of the Borrower's failure to make any payment hereunder, or on its due date or as a result of any breach by the Borrower of any or all of the undertakings given by the Borrower to the Lender pursuant to this Addendum.

(b) In the event that the Borrower is in breach of any of its undertakings under paragraph 4 (a) above, the Lender may (but shall not be obliged to) provide the Agreement, this Addendum, pay such fee and/or provide such other documents, particulars and information and/or do all other acts and things at the cost and expense of and on behalf of the Borrower, without prejudice to the provisions of the Agreement.

(c) The Borrower acknowledges that the Lender may notify the Collector of the Agreement, this Addendum and transactions entered into pursuant thereto.

**5. Law and Jurisdiction**

This Agreement is governed by and shall be construed in accordance with the laws of New South Wales, Australia.

IN WITNESS whereof, this Addendum has been executed on behalf of the Parties the date and year first above written.

LENDER:

STATE STREET BANK AND  
TRUST COMPANY

By: 

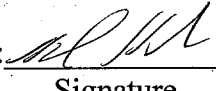
Signature

Name: Russell Kennett

Title: Managing Director

BORROWER:

MACQUARIE BANK LIMITED

By:  

Signature

Name: MARK KONDA

Andrew Hordern

Title: DIVISION DIRECTOR

ASSOCIATE DIRECTOR



**INLAND REVENUE DEPARTMENT**

REVENUE TOWER,  
5 GLOUCESTER ROAD, WAN CHAI,  
HONG KONG.

**稅務局**

香港灣仔告士打道五號  
稅務大樓

Your Ref.:

來函編號

IN ANY COMMUNICATION PLEASE QUOTE OUR FILE NO.

來函請敘明本局檔案號碼

File No.:

檔案號碼 SBA/ 16690

MACQUARIE BANK LTD  
20 BOND STREET  
SYDNEY NSW 2000  
AUSTRALIA

ALL CORRESPONDENCE SHOULD BE ADDRESSED TO—  
COMMISSIONER OF INLAND REVENUE,  
G.P.O. BOX 132, HONG KONG.

來函請寄「香港郵政總局郵箱 132 號稅務局局長收」

Tel. No.: 2594

電話 25943178

Faxline No.:

圖文傳真 25196740

Cable: INLANREV

電報掛號

21 JAN 1998

DC 62345

Dear Sir/Madam,

**Registration of Stock Borrowing and Lending Agreement**

I refer to the Stock Borrowing and Lending Agreement / Addendum to the Stock Borrowing and Lending Agreement dated 22-DEC-97 which you forwarded to this Office on 13-JAN-98 for registration. Please be advised that the said Agreement has been registered under reference number SBA/ 16690. You are requested to quote this reference number in all future correspondence in relation to this Agreement.

As a borrower under a stock borrowing and lending agreement, you are required under Section 19(13) of the Stamp Duty Ordinance (Cap. 117) to -

- (a) maintain a Stock Borrowing Ledger containing the particulars as those included in the sample form SBUL3 attached to record particulars of all stock borrowings and any related stock returns, and
- (b) where in any period of 6 months ending on 30 June or 31 December there is any stock borrowing, stock return, payment of stamp duty arising from any stock borrowing, or there is any unsettled stock borrowing brought forward from previous period, furnish a Return in the form specified in the SBUL1 attached by no later than the 30th day after the end of the period to which it relates.

The Stock Borrowing Ledger should be kept in your usual place of business and be available for inspection for the purposes of Section 54(4) by the Collector of Stamp Revenue or other persons authorized by him.

Your attention is drawn to Section 19(14) which provides that a borrower who enters any false or misleading particulars in the Stock Borrowing Ledger and/or Returns with intent to defraud the government commits an offence which is punishable with a fine at level 6 and imprisonment for 1 year. A borrower will also be liable to a penalty at level 2 under Section 19(15) for failing to comply with the requirements of Section 19(13).

The copy of the registered Stock Borrowing Agreement/Addendum is returned herewith for your retention.

Yours faithfully,

(CHAN Man on)  
for Collector of Stamp Revenue

副本送 c.c. Messrs.

貴客戶編號 Your Ref.:

如對本信需中文口述解釋，請電告或携同本信親來本局。

1668-

## HONG KONG STOCK ADDENDUM

THIS ADDENDUM is entered into the 22 day December of 1997 between State Street Bank and Trust Company ("Lender") and Macquarie Bank Limited ("Borrower"), a company incorporated under the laws of Australia supplements, amends and forms part of the Securities Lending Agreement entered into between the Parties dated 1 June 1997, and any other agreement between the Parties which such agreement replaced or amended or replacing or amending such agreement (the "Agreement").

### 1. Interpretation

#### (a) Definitions

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"Stock Borrowing" has the meaning set out in section 19(16) of the Ordinance.

(b) From and after the date hereof in relation to a borrowing of Hong Kong stock, reference to the "Agreement" in the Agreement and in this Addendum shall be deemed to include a reference to the Agreement as amended by the terms of this Addendum, unless the context indicates otherwise.

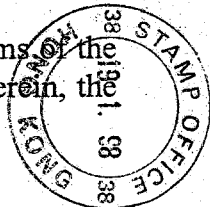
(c) Capitalized terms which are not otherwise defined in this Addendum shall have the meaning ascribed to them in the Agreement.

### 2. Application

(a) The Parties hereby agree that the terms of this Addendum shall apply in addition to the terms set out in the Agreement in the event that the borrowed securities fall within the definition of Hong Kong stock. For the avoidance of doubt, where such securities do not comprise Hong Kong stock, the terms of this Addendum shall not apply.

(b) In the event of conflict between the terms of this Addendum and the terms of the Agreement, the terms of this Addendum shall prevail. Except as otherwise set forth herein, the Agreement shall remain unchanged and in full force and effect.

Registration Fee \$270 paid  
under Agreement No. ... S-38/116680  
Assisted  
38 19 91 38



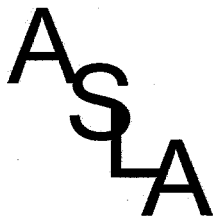
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**ANNEXURE 'H'**

This is the annexure marked 'H' of 38 page(s) referred to in the Notice of initial substantial holder.

---

Dennis Leong  
Company Secretary, Macquarie Group Limited  
19 January 2012



Draft 4, 4 April 1997 (showing change from Draft 3)

# 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: 4 April 1997)

dated as of:

.....22 March 1999.....

**Between:**

**WARBURG DILLON READ AUSTRALIA EQUITIES LIMITED**

ACN 008 586 481

**And:**

**BANKERS TRUST AUSTRALIA LIMITED**

ACN 003 017 221

- \* *This agreement is 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.*
- \* *This agreement is also subject to the "Warning and Disclaimer" on the coversheet to the User's Guide relating to this agreement.*

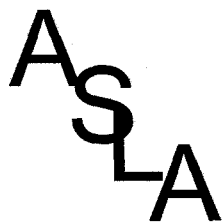
© **Mallesons Stephen Jaques**

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

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# 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: 4 April 1997)

dated as of:

..... 22 March 1999 .....

**Between:**

(1) WARBURG DILLON READ AUSTRALIA EQUITIES LIMITED

ACN 008 586 481

a company incorporated under the laws of the Australian Capital Territory

of Level 25, Governor Phillip Tower, 1 Farrer Place, Sydney NSW.

**And:**

(2) BANKERS TRUST AUSTRALIA LIMITED

ACN 003 017 221

of Level 2, Chifley Tower, 2 Chifley Square, Sydney NSW.

\* *This agreement is 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.*

\* *This agreement is also subject to the "Warning and Disclaimer" on the coversheet to the "User's Guide" relating to this agreement.*

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S O L I C I T O R S

Governor Phillip Tower

1 Farrer Place

Sydney NSW 2000

Telephone (02) 9296 2000

Fax (02) 9296 3999

DX 113 Sydney

## 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

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- 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, title to Securities "borrowed" or "lent" and "Collateral" provided in accordance with this Agreement shall pass from one Party to another as provided for in this Agreement, the Party obtaining such title being obliged to redeliver Equivalent Securities or Equivalent Collateral, as the case may be.
- 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 to be made 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 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 **provided always that** the Lender shall have received from the Borrower and accepted (by whatever means) a Borrowing Request.
- 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 Borrowing Request **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 CHESSE), 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, on delivery or redelivery of the same in accordance with this Agreement, free from all liens, charges, equities and encumbrances. 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) **[Cash distributions]** Unless otherwise agreed, where Income is paid 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 and deliver a sum of money equivalent to the same to the Lender, irrespective of whether the Borrower received the same.
- (b) **[Non-cash distributions]** Subject to paragraph (c) (unless otherwise agreed), where, in respect of any borrowed Securities or any Collateral, any rights relating to conversion, sub-division, 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) **[Tax Act ss 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, 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 Lender or Borrower (as the case may be) **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 Day 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 relate 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, 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 and deliver a sum of money or property equivalent to such Income (with any such endorsements or assignments as shall be customary and appropriate to effect the delivery) to the Borrower.
- 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.

## 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 early 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.

## 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.

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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 him 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.

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 Dividend Statement to Lender re franked dividends]** 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 Dividend 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 Dividend is not due to any unreasonable act or omission by or on behalf of the Lender; and
- (e) neither item 7 in Schedule 1 nor the relevant Confirmation states that the Lender is **not** entitled to compensation for the loss of franking credits/rebates;

then:

- (f) the Borrower must either:
  - (i) 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 Dividend 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 Division 6A of Part IIIAA of the Tax Act); or

- (ii) on the [10<sup>th</sup> Business Day] after the relevant Income Payment Date pay to the Lender an amount equal to the franking credit referable to the Franked Dividend.

**9.3 [Borrower to compensate corporate Lender for loss of intercorporate dividend rebate re unfranked dividends] 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 an Unfranked Dividend in respect of those Securities;
- (c) the Agreement or the relevant Confirmation states the Lender is entitled to compensation for the loss of the intercorporate dividend rebate under the Tax Act;
- (d) the failure of the Lender to qualify for that rebate is not due to any unreasonable act or omission by or on behalf of the Lender; and
- (e) neither item 8 of the Agreement nor the relevant Confirmation states that the Lender is **not** entitled to compensation for the loss of that rebate;

then the Borrower must pay to the Lender an amount calculated as follows:

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

Where:

P = the amount payable;

D = the amount of the Unfranked Dividend; and

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

**9.4 ["Notifiable consideration" for the purposes of s26BC(3)(d) of the Tax Act] For the purposes of section 26BC(3)(d) of the 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.

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## 10 Lender's warranties

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**[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; and
- (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.

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## 11 Borrower's warranties

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**[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; and
- (d) it is acting as principal in respect of this Agreement.

## 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, clause 9.2 or clause 9.3 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 of Default occurs in relation to it.

### 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 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; and
- (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.

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 or 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 purposes 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 and 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 or 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

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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 will not 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**

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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**

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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**

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Time shall be of the essence of the Agreement.

## **24 Recording**

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

## 25 Miscellaneous

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- 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 or 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

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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 Franked Dividend 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 Franked Dividend 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:

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- (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 made in writing (an 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 the Stock Exchange 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.

**Dividend** means a dividend within the meaning of the definition of that term in section 6(1) (as affected by sections 6(4) and 6(5)) of the 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 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, 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 entitles 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, 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 Dividend** means a Dividend the whole or part of which is taken to have been franked in accordance with section 160AQF of the 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 Dividend, 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) (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 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 Tax Act which the Borrower is entitled to borrow from the Lender in accordance with the Rules and which are the subject of a loan 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 Australian Securities, means T + 5 Australian business days on which the Australian Stock Exchange Limited is open for trading, or such lesser time in which transactions in Australia in listed securities are customarily required to be settled.

**Stock Exchange** means the Australian Stock Exchange Limited.

**Tax Act** means the Income Tax Assessment Act 1936 (Commonwealth of Australia).

**Transfer of Dividend Statement**, in relation to Dividends, means a properly completed document in the form, or substantially in the form, of Appendix 6.26 to the Rules or a properly completed statement in another approved form within the meaning of the definition of that term in section 160APA of the Tax Act.

**Unfranked Dividend** means a Dividend no part of which has been franked in accordance with the Tax Act.

**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, 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 statutory corporation such as Treasury Corporation of New South Wales);
- (d) Bills of exchange accepted by any bank carrying on business in Australia ("**Bankers Acceptances**");
- (e) Promissory notes issued by any such bank;
- (f) Certificates of Deposit issued by any such bank;
- (g) Corporate bonds in registrable or bearer form;
- (h) such Collateral as agreed between the Parties from time to time.

#### 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 (h), the Reference Price thereof.

#### 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): 10% (except that, for Certificates of Deposit, the Margin shall be the accumulated interest thereon); or

- (c) in the case of Collateral type (g) and (h): as agreed between the Parties.

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:

- (a) Cash Collateral: within **one** Business Day;
- (b) Equivalent Collateral: within **one** Business Day or as otherwise determined by the Borrower in the Borrower's absolute discretion;
- (c) Other Collateral (ie a Letter of Credit): within **one** Business Day or as otherwise determined by the Borrower in the Borrower's absolute discretion.

#### **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 greater 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 greater 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))**

clause 10(d) shall not apply to Warburg Dillon Read Australia Equities Limited and shall / shall not [please advise] apply to [insert name if not a resident of Australia and where any transaction is not entered into through any branch of that non-resident in Australia].

#### **4 VOTING (see clause 4.3)**

Clause 4.3 does apply.

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

Sydney and Melbourne.

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

### 6.1 Address for notices or communications to

Warburg Dillon Read Australia Equities Limited:

Address: Level 25, Governor Phillip Tower, 1 Farrer Place,  
Sydney 2000

Attention: Securities Lending Manager

Facsimile No: (02) 9240 7595

Telephone No: (02) 9324 2000

Electronic Messaging System Details: AA70732

which is an Australian Taxpayer.

### 6.2 Address for notices or communications to Bankers Trust Australia Limited:

Address: Level 2, Chifley Tower, 2 Chifley Square,  
Sydney 2000

Attention: Securities Lending Manager

Facsimile No: (02) 9259 9466

Telephone No: (02) 9259 2756

Electronic Messaging System Details:

which is an Australian Taxpayer.

## 7 COMPENSATION FOR LOSS OF FRANKING CREDITS/REBATES *(see clause 9.2)*

Is not required by

**[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 COMPENSATION FOR LOSS OF INTERCORPORATE DIVIDEND REBATE *(see clause 9.3)*

Is not required by

**[INSERT NAME OF RELEVANT PARTY (if applicable). OTHERWISE, DELETE THE PARAGRAPH OR LEAVE IT BLANK.** Note: Only the name of a resident company (which is not a private company for the purposes of the Tax Act) or a trust estate that is treated as a resident company for the purposes of the Tax Act should be inserted in this item.]

**\* 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]

\_\_\_\_\_

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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:

- (a) Clause 9 is amended by replacing the words, “[10 Business Days]”, where they occur in clause 9.2(f)(i), with the words, “3 Business Days”.
- (b) Sub clause 12.2 is deleted and replaced with:
 

“12.2 [Obligation of each Party to notify] Each Party shall notify the other if an event occurs that, with the serving of written notice by the Non-Defaulting Party on the Defaulting Party, would constitute an Event of Default.”
- (c) Agency Transactions may not be effected under this Agreement and accordingly clause 14 will not apply.
- (d) Clause 15 is amended by adding the following paragraph:
 

“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.”
- (e) Sub-clause 25.4 is amended by replacing the word, “or” with the word, “of”.
- (f) Insert the following new sub-clause:
 

“25.7 If either Party (“Party B”) requires the other Party (“Party A”) to act as its custodian in respect of any Securities or Collateral, then to the extent required by applicable law, all Securities and Collateral in the possession of Party A shall be segregated from other securities belonging to Party A by appropriate identification in the books of Party A.”
- (g) Sub-paragraph (a) of the definition of “Reference Price” in clause 26 is amended by adding, after the words, “to type (g)” in the second line of that sub-paragraph, the words, “and (h)”.
- (h) **Clause 2.1**

The Borrowing Request may be made orally by the Borrower. Following receipt of the Borrowing Request the Lender, in its absolute discretion, may accept the Borrowing Request by serving on the Borrower a Confirmation.
- (i) **Clause 6.6(b)**

Property in and title to the Equivalent Collateral redelivered by the Lender through a book entry transfer system shall not pass to the Borrower until the Securities due for redelivery have been received by the Lender.

This provision shall (except to the extent that the same cannot overridden) override the regulations or other provisions governing the relevant book entry system.
- (j) **Clause 9.2**

Clause 9.2 is amended by:

(a) deleting paragraph (d) and inserting the following:

“(d) “the failure of the Borrower to receive a Franked Dividend is not due to any unreasonable act or omission by or on behalf of the Lender; and”;

(b) deleting sub-paragraph (f)(ii) and inserting the following:

“(ii) if required by notice from the Lender, compensate the Lender for the loss of that Franked Dividend by payment on the 3<sup>rd</sup> Business Day after the relevant Income 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 a particular loan of Securities; and

T = the rate of income tax, expressed as a decimal, determined under the Tax Act at the Income Payment Date as that payable in respect of the taxable income 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 friendly society).”

(k) **Clause 9.3**

Clause 9.3 shall not apply for the purpose of this Agreement.

## Execution page

**SIGNED** by Warburg Dillon Read  
Australia Equities Limited by its duly  
appointed attorneys:

Chris Madden  
Signature

Chris Madden  
Name of attorney

**SIGNED** by Bankers Trust Australia )  
Limited in the presence of: )

N Luck )  
Signature of witness )

NICHOLAS R. LUCK )  
Name of witness (block letters) )

2 CHIFLEY SQUARE, SYDNEY 2000 )  
Address of witness )

FINANCE )  
Occupation of witness )

[Signature]  
Signature of ROBERT WOODS

EXECUTIVE VICE PRESIDENT