

**AMENDED AND RESTATED SUPPLEMENTAL TRUST DEED**

**April 2, 2020**

**(supplemental to the Second Amended and Restated Trust Deed dated July 5, 2019, as amended on August 30, 2019)**

**RELATING TO AUSTRALIAN DOLLAR DENOMINATED**

**COVERED BONDS ISSUED UNDER THE**

**CAD 55,000,000,000**

**GLOBAL LEGISLATIVE COVERED BOND PROGRAMME**

**OF**

**THE TORONTO-DOMINION BANK**

**THE TORONTO-DOMINION BANK  
as Issuer**

**and**

**TD COVERED BOND (LEGISLATIVE) GUARANTOR  
LIMITED PARTNERSHIP  
as Guarantor**

**and**

**COMPUTERSHARE TRUST COMPANY OF CANADA  
as Bond Trustee**

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**THIS AMENDED AND RESTATED SUPPLEMENTAL TRUST DEED** is made on April 2, 2020  
**BETWEEN:**

- (1) **The Toronto-Dominion Bank**, a Canadian chartered bank having its executive offices at 66 Wellington Street West, TD Bank Tower, Toronto, Ontario, Canada M5K 1A2 (the “**Issuer**”);
- (2) **TD Covered Bond (Legislative) Guarantor Limited Partnership**, a limited partnership constituted under the *Limited Partnerships Act* (Ontario) and having its principal place of business at 66 Wellington Street West, 21<sup>st</sup> Floor, TD Bank Tower, Toronto, Ontario, Canada M5K 1A2 herein represented by its managing general partner, **TD Covered Bond (Legislative) GP Inc.** (the “**Guarantor**”); and
- (3) **Computershare Trust Company of Canada**, a company incorporated under the laws of Canada, whose registered office is at 100 University Avenue, 11<sup>th</sup> Floor, Toronto, Ontario, Canada M5J 2Y1 (in its capacity as the Bond Trustee for the Covered Bondholders, the Receiptholders and the Couponholders, the “**Bond Trustee**” which expressions shall, wherever the context so admits, include such company and all other persons or companies for the time being the bond trustee or bond trustees) as bond trustee for the Covered Bondholders, the Receiptholders and the Couponholders.

**WHEREAS:**

- (1) The Issuer has established a Programme pursuant to which the Issuer may from time to time issue Covered Bonds pursuant to the Trust Deed and Covered Bonds up to a maximum nominal amount (calculated in accordance with Section 2 of the Dealership Agreement) from time to time outstanding of CAD 55,000,000,000 (subject to increase as provided in the Dealership Agreement) (the “**Programme Limit**”) may be issued pursuant to the Programme.
- (2) By a resolution of the Board of Directors of TD Covered Bond (Legislative) GP Inc. in its capacity as managing general partner of the Guarantor passed on June 13, 2014 the Guarantor has resolved to guarantee all Covered Bonds issued under the said Programme and all other amounts payable by the Issuer in the circumstances described in the Trust Deed.
- (3) The Bond Trustee has agreed to act as bond trustee for the benefit of the Covered Bondholders, the Receiptholders and the Couponholders upon and subject to the terms and conditions of the Trust Deed.
- (4) The Issuer, the Guarantor and the Bond Trustee entered into a supplemental trust deed dated October 17, 2014, as amended on June 14, 2015, to provide for the issue of Australian dollar denominated Covered Bonds (the “**Australian Covered Bonds**”), governed by the law in force in New South Wales, Australia, in the Australian domestic wholesale capital market under the Programme.
- (5) The Issuer wishes to provide for the continued issue of Australian Covered Bonds by executing this amended and restated Supplemental Trust Deed (this “**Supplemental Trust Deed**”) and, pursuant to this Supplemental Trust Deed, executing a deed poll which shall set out the Australian Covered Bond Terms and Conditions (as such term is defined herein) of the Australian Covered Bonds to be issued, as each such deed poll may be

supplemented, modified or replaced by the applicable Final Terms (as such term is defined herein) for such Australian Covered Bonds.

- (6) The holders of the Australian Covered Bonds shall also have the benefit of and be subject to certain terms of the Programme which shall be specified in the Trust Deed as supplemented by this Supplemental Trust Deed.

**NOW THIS SUPPLEMENTAL TRUST DEED WITNESSES AND IT IS AGREED AND DECLARED** as follows:

**1. Definitions and Interpretations**

- 1.1 Wherever used in this Supplemental Trust Deed, the following terms shall have the following meanings, respectively:

**“Australian Deed Poll”**, as the context requires, refers to either:

- (i) the Australian deed poll dated October 17, 2014 and executed by the Issuer (as may be amended, supplemented or restated) which sets out the terms and conditions of the Australian Covered Bonds issued prior to the date hereof as may be supplemented, modified or replaced by the applicable Final Terms (for such Australian Covered Bonds and as amended, supplemented or restated, the **“Australian Covered Bond Terms and Conditions”** and a reference to a particular **“Condition”** shall be a reference to the correspondingly numbered Australian Covered Bond Term and Condition in respect of such Australian Covered Bonds); or
- (ii) the Australian deed poll dated April 2, 2020 and executed by the Issuer in the form attached to Schedule 2 hereto as Annex 1 or any Australian deed poll created in the future and executed by the Issuer and attached by the Issuer as a further annex to Schedule 2 as acknowledged in writing by the other parties hereto (as may be amended, supplemented or restated) which shall set out the terms and conditions of the Australian Covered Bonds to be issued on or after the date of such deed poll as may be supplemented, modified or replaced by the applicable Final Terms for such Australian Covered Bonds (for such Australian Covered Bonds and as amended, supplemented or restated, the **“Australian Covered Bonds Terms and Conditions”** and a reference to a particular **“Condition”** shall be a reference to the correspondingly numbered Australian Covered Bond Term and Condition in respect of such Australian Covered Bonds);

**“Final Terms”**, as the context requires, refers to either:

- (i) for the Australian Covered Bonds issued prior to the date hereof, the Final Terms dated November 3, 2014; or
- (ii) for the Australian Covered Bonds issued on or after the date hereof, the applicable Pricing Supplement for such Australian Covered Bonds; and

**“Programme Terms”**, as the context requires, refers to either:

- (i) the programme terms set out in Schedule 1 to the supplemental trust deed dated October 17, 2014 among the Issuer, the Guarantor and the Bond Trustee, as amended by an amending agreement dated June 14, 2015; or
- (ii) the programme terms set out in Schedule 1 – Annex 1 in respect of the Australian Covered Bonds issued on or after the date hereof (as may be amended, supplemented or restated) or any programme terms attached as a further annex to Schedule 1 by the Issuer in respect of Australian Covered Bonds created on or after the date of such programme terms, as acknowledged in writing by the other parties hereto (as the same may be further amended, supplemented or restated).

1.2 In this Supplemental Trust Deed, unless there is anything in the subject or context inconsistent therewith, the following shall apply:

- (a) words denoting the singular shall include the plural and vice versa;
- (b) words denoting one gender only shall include the other genders; and
- (c) words denoting persons only shall include firms and corporations and vice versa.

1.3 (a) All references herein and in the applicable Australian Deed Poll to principal and/or principal amount and/or interest in respect of the Australian Covered Bonds or to any moneys payable by the Issuer or the Guarantor hereunder shall, unless the context otherwise requires, be construed in accordance with Condition 8.04 of the applicable Australian Covered Bonds Terms and Conditions.

(b) All references herein to any statute or any provision of any statute shall be deemed also to refer to any statutory modification or re-enactment thereof or any statutory instrument, order or regulation made thereunder or under any such modification or re-enactment.

(c) All references herein to any action, remedy or method of proceeding for the enforcement of the rights of creditors shall be deemed to include, in respect of any jurisdiction other than the Province of Ontario, Canada, references to such action, remedy or method of proceeding for the enforcement of the rights of creditors available or appropriate in such jurisdiction as shall most nearly approximate to such action, remedy or method of proceeding described or referred to herein.

(d) Unless the context otherwise requires words or expressions used in the trust presents shall bear the same meanings as in the *Bank Act (Canada)*.

(e) All references herein, in the Trust Deed, the Master Definitions and Construction Agreement and each other Transaction Document to Euroclear and/or Clearstream, Luxembourg and/or DTC shall, whenever the context so permits, be deemed to include references to the Austraclear System.

(f) All references herein, in the Trust Deed, the Master Definitions and Construction Agreement and each other Transaction Document to the records of Euroclear, Clearstream, Luxembourg or DTC shall be to the records that each of Euroclear, Clearstream, Luxembourg, DTC or the Austraclear System, as applicable, holds

for its customers or participants which reflect the amount of such customers' or participants' interest in the Covered Bonds.

- (g) In this Supplemental Trust Deed references to Schedules, Clauses, paragraphs and sub paragraphs shall be construed as references to the Schedules to this Supplemental Trust Deed and to the Clauses, paragraphs and sub paragraphs of this Supplemental Trust Deed respectively unless expressly provided otherwise.
  - (h) In this Supplemental Trust Deed tables of contents and Clause headings are included for ease of reference and shall not affect the construction hereof.
- 1.4 The second amended and restated master definitions and construction agreement made between, *inter alios*, the parties to the Second Amended and Restated Trust Deed on July 5, 2019 (as the same may be further amended, restated, varied or supplemented from time to time with the consent of the parties thereto, collectively the "**Master Definitions and Construction Agreement**") is expressly and specifically incorporated into this Supplemental Trust Deed and, accordingly, the expressions defined in the Master Definitions and Construction Agreement (as so amended, restated, varied or supplemented) shall, except where the context otherwise requires and save where otherwise defined herein, have the same meanings in this Supplemental Trust Deed, including the recitals hereto and this Supplemental Trust Deed shall be construed in accordance with the interpretation provisions set out in Clause 2 of the Master Definitions and Construction Agreement. In the event of inconsistency between the Master Definitions and Construction Agreement and this Supplemental Trust Deed, this Supplemental Trust Deed shall prevail.
  - 1.5 Except as otherwise provided herein, the terms of the Trust Deed as supplemented by this Supplemental Trust Deed shall apply to the Australian Covered Bonds and the Trust Deed, this Supplemental Trust Deed and the applicable Australian Deed Poll shall be read and construed, in relation to the Australian Covered Bonds, as one document.
  - 1.6 All references to "**Covered Bonds**" in the Trust Deed, Master Definitions and Construction Agreement and each other Transaction Document shall be interpreted as including Australian Covered Bonds as constituted under the applicable Australian Deed Poll and any reference to "**Covered Bondholder**" shall be construed accordingly unless otherwise specified in this Supplemental Trust Deed. The Issuer acknowledges, agrees and confirms, for the benefit of the holders of Australian Covered Bonds and the Bond Trustee, that Australian Covered Bonds are "**Covered Bonds**" for the purposes of the Trust Deed.
  - 1.7 The Australian Covered Bond Terms and Conditions, as set out in Schedule 1 to the applicable Australian Deed Poll and the Programme Terms (as defined below) and as supplemented, modified or replaced by the applicable Final Terms, shall apply to the applicable Australian Covered Bonds.
  - 1.8 The holders of the Australian Covered Bonds shall have the further benefit of and be subject to the Programme Terms. For the purposes of the Trust Deed in respect of the Australian Covered Bonds, references to "**Conditions**" shall be construed as the applicable Australian Covered Bonds Terms and Conditions and the Programme Terms (as the context requires).

- 1.9 All references in this Supplemental Trust Deed and the Trust Deed to the “Paying Agent” shall mean, in relation to a Tranche or Series of Australian Covered Bonds, the Australian Agent, or such other paying agent as the Final Terms of that Tranche or Series may specify.
- 1.10 In the event of any inconsistency among the provisions of any of the applicable Final Terms, the applicable Australian Deed Poll, this Supplemental Trust Deed and the Trust Deed relating solely to the Australian Covered Bonds, the provisions of such agreements shall prevail in the following order (with the first referenced prevailing over the next referenced and so on): the applicable Final Terms, the applicable Australian Deed Poll, this Supplemental Trust Deed and the Trust Deed.
- 1.11 The Issuer acknowledges, agrees and confirms that the applicable Australian Deed Poll is a Transaction Document as defined in the Master Definitions and Construction Agreement.

## **2. Issue of the Australian Covered Bonds**

### **2.1 Australian Deed Poll:**

- (a) The Australian Covered Bonds: (i) will be issued in Series pursuant to an Australian Deed Poll; (ii) are constituted pursuant to such Australian Deed Poll; and (iii) notwithstanding Clause 3.2 of the Trust Deed, shall be in registered uncertificated (or inscribed) form as evidenced by entries in a register (the “**Australian Register**”) maintained by Computershare Investor Services Pty Limited (ABN 48 078 279 277) (or such other person appointed by the Issuer from time to time to perform such registry function and such other issuing and paying agency functions and the Issuer may require) (the “**Australian Agent**”) on behalf of the Issuer.

### **2.2 Covenant to repay principal and to pay interest:**

- (a) Pursuant to the applicable Australian Deed Poll, the Issuer has covenanted with the Holders and the Bond Trustee to pay all amounts due in relation to each Australian Covered Bond in accordance with the applicable Australian Covered Bond Terms and Conditions (the “**Covenant to Pay**”). For greater certainty, Clauses 2.2(a) to (d) of the Trust Deed shall continue to be applicable to payment of relevant amounts due in relation to the Australian Covered Bonds.
- (b) The parties hereto acknowledge that: (i) the Australian Covered Bonds are constituted by the applicable Australian Deed Poll; (ii) the Issuer has provided the Covenant to Pay pursuant to the applicable Australian Deed Poll; and (iii) the Bond Trustee holds the benefit of the Covenant to Pay as well as the benefit of the other covenants in the applicable Australian Deed Poll on trust for the Covered Bondholders of the Australian Covered Bonds pursuant to the applicable Australian Deed Poll.
- (c) Notwithstanding paragraph (b) to this Clause 2.2, for the purposes of the Trust Deed as it relates to the Australian Covered Bonds, references to the Trust Deed shall be interpreted as references to the Trust Deed, this Supplemental Trust Deed and the applicable Australian Deed Poll and, with respect to the Trust Deed, the

words “herein”, “hereof”, “hereunder” in the Trust Deed and similar words referencing the Trust Deed shall be construed as references to the Trust Deed, this Supplemental Trust Deed and the applicable Australian Deed Poll.

### 2.3 **Separate Series:**

For the purposes of Clause 2.7 of the Trust Deed, Programme Term 3 (*Events of Default*), (insofar as it relates to a Programme Resolution) Programme Term 4 (*Meetings of Holders of Covered Bonds, Modification and Waiver*), any of Clauses 18(n), 24 and 26 and 10.1 of the Trust Deed and (insofar as it relates to Programme Term 3 (*Events of Default*) or to a Programme Resolution or Clauses 10.1, 24 or 26 of the Trust Deed) Schedule 5 to the Trust Deed, the Covered Bonds of all Series (including, for greater certainty, the Australian Covered Bonds) shall be deemed to constitute a single Series and the provisions of such Programme Terms and Clauses shall apply to all the Covered Bonds (including, for greater certainty, the Australian Covered Bonds) together as if they constituted a single Series. In such Clauses and Schedule the expressions “Covered Bonds” and “Covered Bondholders” shall be construed accordingly.

### 3. **Form of the Australian Covered Bonds**

Notwithstanding Clause 3.2 of the Trust Deed, the Australian Covered Bonds shall be in registered uncertificated (or inscribed) form as evidenced by entries in the Australian Register. Title to the Australian Covered Bonds shall pass in the manner, and subject to the requirements, set out in Condition 2 (*Title and Transfer*).

### 4. **Persons to be treated as Covered Bondholders**

- (a) The registered holder of an Australian Covered Bond will be treated for all purposes as the sole absolute owner of the Australian Covered Bond.
- (b) The provisions in paragraph 3.6(b) of the Trust Deed shall not be applicable to Australian Covered Bonds.

### 5. **Fees, Duties and Taxes**

In addition to any payments pursuant to Clause 4 of the Trust Deed, the Issuer will pay any stamp, issue, registration, documentary and other fees, duties and taxes, including interest and penalties, payable in Australia, or in any state or territory thereof, in connection with the execution and delivery of this Supplemental Trust Deed and the applicable Australian Deed Poll.

### 6. **Covenant of Compliance**

In addition to the provisions of Clause 5 of the Trust Deed, each of the Issuer and the Guarantor covenants with the Bond Trustee that it will comply with and perform and observe all the provisions hereof and of the applicable Australian Deed Poll which are expressed to be binding on it. In respect of Australian Covered Bonds, the applicable Conditions shall be binding on the Issuer, the Guarantor and the Covered Bondholders. The Bond Trustee shall be entitled to enforce the obligations of the Issuer and the Guarantor under the Australian Covered Bonds and the applicable Conditions in the manner therein provided as if the same were set out and contained in the Trust Deed, as



supplemented by this Supplemental Trust Deed, which shall be read and construed as one document with the applicable Australian Deed Poll. The Bond Trustee shall hold the benefit of this covenant upon trust for itself and the Covered Bondholders according to its and their respective interests.

**7. Application of Moneys**

All moneys received by the Bond Trustee from the sources described in the first paragraph of Clause 11.1 of the Trust Deed, regardless of whether received pursuant to the Trust Deed, this Supplemental Trust Deed or the applicable Australian Deed Poll, shall be treated in the same manner and in accordance with the provisions of Clause 11 of the Trust Deed. For greater certainty, any moneys received pursuant to this Supplemental Trust Deed or the applicable Australian Deed Poll shall, for the purposes of the Trust Deed, be considered moneys received pursuant to the Trust Deed and applied in accordance with the provisions of the Trust Deed.

**8. Powers of the Bond Trustee**

- (a) In addition to the powers of the Bond Trustee described in Clause 18 of the Trust Deed, the Bond Trustee shall have the additional powers set out in paragraph (b) below. Where there are any inconsistencies between the other Transaction Documents and the provisions hereof, the provisions hereof shall, to the extent allowed by law, prevail.
- (b) For greater certainty, save as expressly otherwise provided herein, the Bond Trustee shall have absolute and uncontrolled discretion as to the exercise or non-exercise of its trusts, powers, authorities and discretions under this Supplemental Trust Deed and the applicable Australian Deed Poll (the exercise or non-exercise of which as between the Bond Trustee and the Covered Bondholders shall be conclusive and binding on the Holders of the Australian Covered Bonds) and shall not be responsible for any Liability which may result from their exercise or non-exercise and in particular the Bond Trustee shall not be bound to act at the request or direction of the Holders of the Australian Covered Bonds or otherwise under any provision of this Supplemental Trust Deed or the applicable Australian Deed Poll or to take at such request or direction or otherwise any other action under any provision of the applicable Australian Deed Poll, without prejudice to the generality of Clause 10.1 of the Trust Deed, unless it shall first be indemnified and/or secured to its satisfaction against all Liabilities to which it may render itself liable or which it may incur by so doing.

**9. Bond Trustee's Liability**

Nothing herein or in the applicable Australian Deed Poll shall in any case in which the Bond Trustee has failed to show the degree of care and diligence required of it as trustee having regard to the provisions hereof conferring on it any trusts, powers, authorities or discretions exempt the Bond Trustee from or indemnify it against any liability for breach of trust.

**10. Bond Trustee's Powers to be Additional**

The powers conferred upon the Bond Trustee hereby shall be in addition to any powers which may from time to time be vested in the Bond Trustee by the general law or as a holder of any of the Australian Covered Bonds.

**11. Supplemental**

This Supplemental Trust Deed is supplemental to the Trust Deed. Save as expressly amended by this Supplemental Trust Deed, the Trust Deed shall remain in full force and effect and all of the other rights, powers, obligations and immunities comprised therein and arising pursuant thereto shall remain in full force and effect notwithstanding this Supplemental Trust Deed.

**12. Notices**

Any notice or communication under or in connection with this Supplemental Trust Deed, the Trust Deed or the applicable Australian Deed Poll shall be given in the manner and at the times set out in Clause 28 of the Trust Deed or at such other address as the recipient may have notified to the other parties hereto and/or thereto in writing.

**13. Amendments, Modifications and Assignments**

Subject to the terms of Clause 21 of the Trust Deed, and except as otherwise expressly provided in this Supplemental Trust Deed, the provisions in this Supplemental Trust Deed may be amended or modified only by written agreement of all of the parties hereto, and if any such amendment or modification or any waiver given in accordance with Clause 21 of the Trust Deed is determined to be material in the opinion of the Guarantor, satisfaction of the Rating Agency Condition shall be required in respect thereof. The Guarantor (or the Cash Manager on its behalf) shall deliver notice to the Rating Agencies of any amendment or modification or waiver which does not require satisfaction of the Rating Agency Condition provided that failure to deliver such notice shall not constitute a breach of the obligations of the Guarantor under this Supplemental Trust Deed. This Supplemental Trust Deed (and the benefits and obligations contained in it) may not be assigned by any party without the prior written consent of each of the other parties hereto and the Rating Agency Condition having been satisfied in respect of such assignment.

**14. Governing Law**

This Supplemental Trust Deed is governed by, and shall be construed in accordance with, the laws of the Province of Ontario and the laws of Canada applicable therein.

**15. Counterparts**

This Supplemental Trust Deed and any trust deed supplemental hereto may be executed and delivered in any number of counterparts, all of which, taken together, shall constitute one and the same deed and any party to this Supplemental Trust Deed or any trust deed supplemental hereto may enter into the same by executing and delivering a counterpart.

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**IN WITNESS** whereof this Supplemental Trust Deed has been executed as a supplemental deed by the Issuer, the Guarantor and the Bond Trustee and delivered on the date first stated on page 1.

**THE TORONTO-DOMINION BANK**

Per: "Brooke Hales"  
Name: Brooke Hales  
Title: Associate Vice President, Funding,  
Treasury and Balance Sheet Management

**TD COVERED BOND (LEGISLATIVE)  
GUARANTOR LIMITED PARTNERSHIP, by  
its managing general partner, TD  
COVERED BOND (LEGISLATIVE) GP INC.**

Per: "Brooke Hales"  
Name: Brooke Hales  
Title: Associate Vice President, Funding,  
Treasury and Balance Sheet Management

**COMPUTERSHARE TRUST COMPANY OF  
CANADA**

Per: "Mircho Mirchev"  
Name: Mircho Mirchev  
Title: Corporate Trust Officer

Per: "Stanley Kwan"  
Name: Stanley Kwan  
Title: Associate Trust Officer

**SCHEDULE 1**

**Schedule 1 – Annex 1****PROGRAMME TERMS DATED APRIL 2, 2020**

*The following are the programme terms (the “**Programme Terms**”) in respect of the Australian Covered Bonds, which as supplemented, modified or replaced in relation to any Australian Covered Bonds by the applicable Pricing Supplement, will be applicable to the holders of each Series of Australian Covered Bonds issued pursuant to the Australian Deed Poll.*

The Australian Covered Bonds are issued in series (each, a “**Series**”), and each Series may comprise one or more tranches (“**Tranches**” and each, a “**Tranche**”) of Australian Covered Bonds. Each Tranche will be the subject of an applicable Pricing Supplement.

Save as provided in Programme Terms 3 (*Events of Default*) and 4 (*Meetings of Holders of Covered Bonds, Modification and Waiver*), references in these Programme Terms to “**Covered Bonds**” are to Australian Covered Bonds of the relevant Series as constituted under the Australian Deed Poll and references in these Programme Terms to “**Covered Bondholders**” and “**Holders of Covered Bonds**” are to the holders of the Australian Covered Bonds.

References in these Programme Terms to the Pricing Supplement are to the Pricing Supplement prepared in relation to the Australian Covered Bonds of the relevant Tranche or Series.

In respect of any Australian Covered Bonds, references herein to “**Terms and Conditions**” are to the Australian Covered Bonds Terms and Conditions and any reference herein to a “**Condition**” is a reference to the relevant Condition of the Australian Covered Bonds Terms and Conditions.

The security for the obligations of the Guarantor under the Covered Bond Guarantee and the other Transaction Documents to which it is a party has been created in and pursuant to, and on the terms set out in, a security agreement governed by Ontario law (other than certain other provisions relating to real property located outside of the Province of Ontario which will be governed by the law of the jurisdiction in which such property is located) (such security agreement as amended, restated, supplemented or replaced from time to time, the “**Security Agreement**”) dated 25 June 2014 and made between the Guarantor, the Bond Trustee and certain other Secured Creditors.

These Programme Terms include summaries of and are subject to, certain provisions of the Trust Deed, the Australian Deed Poll, the Security Agreement and the Agency Agreement.

Copies of the Trust Deed, the Security Agreement, the Master Definitions and Construction Agreement (as defined below), the Agency Agreement and each of the other Transaction Documents (other than the Dealership Agreement and any subscription agreements) are available for inspection during normal business hours at the registered office for the time being of the Bond Trustee being at the date of this Information Memorandum at 100 University Avenue, 11<sup>th</sup> Floor, Toronto, Ontario, Canada, M5J 2Y1. Copies of the applicable Pricing Supplement of the Australian Covered Bonds of each Series are obtainable during normal business hours of the specified office of the Australian Agent, and any holder of the Australian Covered Bonds must produce evidence satisfactory to the Issuer and the Bond Trustee or the Australian Agent as to its holding of Australian Covered Bonds and identity. The holders of the Australian Covered Bonds are deemed to have notice of, or are bound by, and are entitled to the benefit of, all the provisions of, and definitions contained in, the Trust Deed, the Security Agreement, the Master Definitions and Construction Agreement, the Agency Agreement, each of the other Transaction

Documents (other than the Dealership Agreement and any subscription agreements) and the applicable Pricing Supplement which are applicable to them and to have notice of each Pricing Supplement relating to each other Series.

Except where the context otherwise requires, capitalised terms used and not otherwise defined in these Programme Terms shall bear the meanings given to them in the Trust Deed, the applicable Pricing Supplement and/or the Master Definitions and Construction Agreement made between the parties to the Transaction Documents initially dated as of 25 June 2014, amended and restated as of 5 July 2019 (as the same may be amended, restated, supplemented or replaced from time to time, the “**Master Definitions and Construction Agreement**”), a copy of each of which may be obtained as described above. In the event of inconsistency between the Trust Deed and the Master Definitions and Construction Agreement, the Trust Deed will prevail and in the event of inconsistency between the Trust Deed and the applicable Pricing Supplement, the applicable Pricing Supplement will prevail.

## 1 **Guarantee**

Payment of Guaranteed Amounts in respect of the Covered Bonds when the same shall become Due for Payment has been unconditionally and irrevocably guaranteed by the Guarantor (the “**Covered Bond Guarantee**”) in favour of the Bond Trustee (for and on behalf of the Covered Bondholders) following a Covered Bond Guarantee Activation Event pursuant to the terms of the Trust Deed. The Guarantor shall have no obligation under the Covered Bond Guarantee to pay any Guaranteed Amounts until a Covered Bond Guarantee Activation Event (as defined below) has occurred. The obligations of the Guarantor under the Covered Bond Guarantee are direct and, following the occurrence of a Covered Bond Guarantee Activation Event, unconditional and, except as provided in the Guarantee Priority of Payments, unsubordinated obligations of the Guarantor, which are secured as provided in the Security Agreement. For the purposes of these Programme Terms, a “**Covered Bond Guarantee Activation Event**” means the earlier to occur of (i) an Issuer Event of Default together with the service of an Issuer Acceleration Notice on the Issuer and the service of a Notice to Pay on the Guarantor; and (ii) a Guarantor Event of Default together with the service of a Guarantor Acceleration Notice on the Issuer and the Guarantor. If a Notice to Pay is served on the Guarantor, the Guarantor shall pay Guaranteed Amounts in respect of the Covered Bonds on the Original Due for Payment Dates or, if applicable, the Extended Due for Payment Date.

Any payment made by the Guarantor under the Covered Bond Guarantee shall (unless such obligation shall have been discharged as a result of the payment of Excess Proceeds to the Bond Trustee pursuant to Programme Term 3) discharge *pro tanto* the obligations of the Issuer in respect of such payment under the Covered Bonds, Receipts and Coupons except where such payment has been declared void, voidable or otherwise recoverable in whole or in part and recovered from the Bond Trustee or the holders of the Covered Bonds.

## 2 **Redemption and Purchase Redemption at Maturity**

### ***Extended Due for Payment Date Provisions***

- 2.01 Without prejudice to Condition 7 and Programme Term 3, if an Extended Due for Payment Date is specified as applicable in the Pricing Supplement for a Series of Australian Covered Bonds and the Issuer has failed to pay the Final Redemption Amount on the Final Maturity Date specified in the Pricing Supplement (or after expiry of the grace period set

out in Programme Term 3.01(a)) and, following service of a Notice to Pay on the Guarantor by no later than the date falling one Business Day prior to the Extension Determination Date, the Guarantor has insufficient moneys available in accordance with the Guarantee Priority of Payments to pay in full the Guaranteed Amounts corresponding to the Final Redemption Amount of the relevant Series of Australian Covered Bonds on the date falling on the earlier of (a) the date which falls two Business Days after service of such Notice to Pay on the Guarantor or, if later, the Final Maturity Date (or, in each case, after the expiry of the grace period set out in Programme Term 3.02) under the terms of the Covered Bond Guarantee or (b) the Extension Determination Date, then (subject as provided below) payment of the unpaid amount by the Guarantor under the Covered Bond Guarantee shall be deferred until the Extended Due for Payment Date, provided that in respect of any amount representing the Final Redemption Amount due and remaining unpaid on the earlier of (a) and (b) above, the Guarantor will apply any moneys available (after paying or providing for payment of higher ranking or *pari passu* amounts in accordance with the Guarantee Priority of Payments) to pay the Guaranteed Amounts corresponding to the Final Redemption Amount of the relevant Series of Australian Covered Bonds on any Interest Payment Date thereafter up to (and including) the relevant Extended Due for Payment Date.

The Issuer shall confirm to the Australian Agent as soon as reasonably practicable and in any event at least 4 Business Days prior to the Final Maturity Date of a Series of Australian Covered Bonds whether payment will be made in full of the Final Redemption Amount in respect of such Series of Covered Bonds on that Final Maturity Date. Any failure by the Issuer to notify the Australian Agent shall not affect the validity or effectiveness of the extension of maturity. The Guarantor shall notify the relevant holders of the Covered Bonds (in accordance with Condition 13), the Rating Agencies, the Bond Trustee and the Australian Agent as soon as reasonably practicable and in any event at least one Business Day prior to the dates specified in (a) and (b) of the first paragraph of this Programme Term 2.01 of any inability of the Guarantor to pay in full the Guaranteed Amounts corresponding to the Final Redemption Amount in respect of a Series of Australian Covered Bonds pursuant to the Covered Bond Guarantee. Any failure by the Guarantor to notify such parties shall not affect the validity or effectiveness of the extension nor give rise to any rights in any such party.

In the circumstances outlined above, the Guarantor shall on the earlier of (a) the date falling two Business Days after the service of a Notice to Pay on the Guarantor or if later the Final Maturity Date (or, in each case, after the expiry of the applicable grace period set out in Programme Term 3.02) and (b) the Extension Determination Date, under the Covered Bond Guarantee, apply the moneys (if any) available (after paying or providing for payment of higher ranking or *pari passu* amounts in accordance with the Guarantee Priority of Payments) *pro rata* in part payment of an amount equal to the Final Redemption Amount of each Australian Covered Bond of the relevant Series of Australian Covered Bonds and shall pay Guaranteed Amounts constituting the Scheduled Interest in respect of each such Australian Covered Bond on such date. The obligation of the Guarantor to pay any amounts in respect of the balance of the Final Redemption Amount not so paid shall be deferred as described above. Such failure to pay by the Guarantor shall not constitute a Guarantor Event of Default.

Any discharge of the obligations of the Issuer as the result of the payment of Excess Proceeds to the Bond Trustee shall be disregarded for the purposes of determining the

amounts to be paid by the Guarantor under the Covered Bond Guarantee in connection with this Programme Term 2.01.

For the purposes of this Programme Term 2.01:

**“Extended Due for Payment Date”** means, in relation to any Series of Australian Covered Bonds, the date, if any, specified as such in the applicable Pricing Supplement to which the payment of all or (as applicable) part of the Final Redemption Amount payable on the Final Maturity Date will be deferred in the event that the Final Redemption Amount is not paid in full on the Extension Determination Date.

**“Extension Determination Date”** means, in respect of a Series of Australian Covered Bonds, the date falling two Business Days after the expiry of seven days from (and including) the Final Maturity Date of such Australian Covered Bonds.

**“Guarantee Priority of Payments”** means the priority of payments relating to moneys received by the Cash Manager for and on behalf of the Guarantor and moneys standing to the credit of the Guarantor Accounts, to be paid on each Guarantor Payment Date in accordance with the Guarantor Agreement.

**“Rating Agency”** means either Moody’s Investors Service, Inc. or DBRS Limited, to the extent that at the relevant time they provide ratings in respect of the then outstanding Australian Covered Bonds, or their successors and “Rating Agencies” means each Rating Agency.

***Redemption due to Illegality***

- 2.02 The Covered Bonds of all Series may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days’ notice to the Bond Trustee, the Australian Agent (with respect to Australian Covered Bonds) and, in accordance with Condition 13, all holders of the Covered Bonds (which notice shall be irrevocable), if the Issuer satisfies the Bond Trustee immediately before the giving of such notice that it has, or will, before the next Interest Payment Date of any Covered Bond of any Series, become unlawful for the Issuer to make, fund or allow to remain outstanding any advance made by it to the Guarantor pursuant to the Intercompany Loan Agreement, as a result of any change in, or amendment to, the applicable laws or regulations or any change in the application or official interpretation of such laws or regulations, which change or amendment has become or will become effective before the next such Interest Payment Date. Covered Bonds redeemed pursuant to this Programme Term 2.02 will be redeemed at their Early Redemption Amount together (if appropriate) with interest accrued to (but excluding) the date of redemption.

Prior to the publication of any notice of redemption pursuant to this Programme Term 2.02, the Issuer shall deliver to the Australian Agent and Bond Trustee a certificate signed by two senior officers of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred and the Australian Agent and Bond Trustee shall be entitled to accept the certificate as sufficient evidence of the satisfaction of the conditions precedent set out above, in which event it shall be conclusive and binding on all holders of the Australian Covered Bonds.



### 3 Events of Default

#### *Issuer Events of Default*

3.01 The Bond Trustee at its discretion may, and if so requested in writing by the holders of at least 25 per cent of the aggregate Principal Amount Outstanding of the Covered Bonds (which for this purpose or the purpose of any Extraordinary Resolution (as defined in the Trust Deed) referred to in this Programme Term 3.01 means the Covered Bonds of this Series together with the Covered Bonds of any other Series constituted by the Trust Deed (and the Covered Bonds of any other Series constituted by the Australian Deed Poll)) then outstanding as if they were a single Series (with the nominal amount of Covered Bonds not denominated in CAD converted into CAD at the applicable Covered Bond Swap Rate) or if so directed by an Extraordinary Resolution of all the holders of the Covered Bonds shall, (but in the case of the happening of any of the events mentioned in sub-paragraphs (b) to (f) below, only if the Bond Trustee shall have certified in writing to the Issuer and the Guarantor that such event is, in its opinion, materially prejudicial to the interests of the holders of the Covered Bonds of any Series) (subject in each case to being indemnified and/or secured to its satisfaction), give notice (an “**Issuer Acceleration Notice**”) in writing to the Issuer that as against the Issuer (but, for the avoidance of doubt, not against the Guarantor under the Covered Bond Guarantee) each Covered Bond of each Series is, and each such Covered Bond shall thereupon immediately become, due and repayable at its Early Redemption Amount together with accrued interest as provided in the Trust Deed if any of the following events (each, an “**Issuer Event of Default**”) shall occur and be continuing:

- (a) the Issuer fails to pay any principal or interest in respect of the Covered Bonds within 10 Business Days in the case of principal and 30 days in the case of interest, in each case of the respective due date; or
- (b) the Issuer fails to perform or observe any obligations under the Covered Bonds, Receipts or Coupons of any Series, the Trust Deed or any other Transaction Document (other than the Dealership Agreement and any subscription agreement for the Covered Bonds) to which the Issuer is a party (other than any obligation of the Issuer to comply with the Asset Coverage Test and any other obligation of the Issuer specifically provided for in this Programme Term 3.01) and such failure continues for a period of 30 days (or such longer period as the Bond Trustee may permit) next following the service by the Bond Trustee on the Issuer of notice requiring the same to be remedied (except in circumstances where the Bond Trustee considers such failure to be incapable of remedy in which case no period of continuation will apply and no notice by the Bond Trustee will be required); or
- (c) an Insolvency Event in respect of the Issuer; or
- (d) an Asset Coverage Test Breach Notice has been served and not revoked (in accordance with the terms of the Transaction Documents) on or before the Guarantor Payment Date immediately following the next Calculation Date after service of such Asset Coverage Test Breach Notice; or
- (e) if the Pre-Maturity Test in respect of any Series of Hard Bullet Covered Bonds is breached less than six months prior to the Final Maturity Date of that Series of

Hard Bullet Covered Bonds, and the Guarantor has not cured the breach before the earlier to occur of: (i) ten Toronto Business Days from the date that the Seller is notified of the breach of the Pre-Maturity Test and (ii) the Final Maturity Date of that Series of Hard Bullet Covered Bonds; or

- (f) if a ratings trigger prescribed by the Terms and Conditions or the Transaction Documents (and not otherwise specifically provided for in this Programme Term 3.01) is breached and the prescribed remedial action is not taken within the specified time period, unless, in respect of any ratings trigger other than the Account Bank Threshold Ratings, the Standby Account Bank Ratings, the Cash Management Deposit Ratings and the Servicer Deposit Threshold Ratings, such breach occurs at a time that the Guarantor is Independently Controlled and Governed.

For the purposes of these Programme Terms “**Calculation Date**” means the last Toronto Business Day of each month.

Upon the Covered Bonds becoming immediately due and repayable against the Issuer pursuant to this Programme Term 3.01, the Bond Trustee shall forthwith serve a notice to pay (the “**Notice to Pay**”) on the Guarantor pursuant to the Covered Bond Guarantee and the Guarantor shall be required to make payments of Guaranteed Amounts when the same shall become Due for Payment in accordance with the terms of the Covered Bond Guarantee.

Following the occurrence of an Issuer Event of Default and service of an Issuer Acceleration Notice, the Bond Trustee may or shall take such proceedings against the Issuer in accordance with the first paragraph of Programme Term 3.03.

The Trust Deed provides that all moneys (the “**Excess Proceeds**”) received by the Bond Trustee from the Issuer or any receiver, liquidator, administrator or other similar official appointed in relation to the Issuer following the occurrence of an Issuer Event of Default and service of an Issuer Acceleration Notice, shall be paid by the Bond Trustee, as soon as practicable after receipt thereof by the Bond Trustee, on behalf of the holders of the Covered Bonds of the relevant Series to the Guarantor (or the Cash Manager on its behalf) for the account of the Guarantor and shall be held in the Guarantor Accounts and the Excess Proceeds shall thereafter form part of the Security granted pursuant to the Security Agreement and shall be used by the Guarantor (or the Cash Manager on its behalf) in the same manner as all other moneys from time to time held by the Cash Manager and/or standing to the credit of the Guarantor in the Guarantor Accounts. Any Excess Proceeds received by the Bond Trustee shall discharge *pro tanto* the obligations of the Issuer in respect of the payment of the amount of such Excess Proceeds under the Covered Bonds, Receipts and Coupons. However, the obligations of the Guarantor under the Covered Bond Guarantee are, following a Covered Bond Guarantee Activation Event, unconditional and irrevocable and the receipt by the Bond Trustee of any Excess Proceeds shall not reduce or discharge any of such obligations.

By subscribing for Covered Bonds, each holder of the Covered Bonds shall be deemed to have irrevocably directed the Bond Trustee to pay the Excess Proceeds to the Guarantor in the manner as described above.

***Guarantor Events of Default***

3.02 The Bond Trustee at its discretion may, and if so requested in writing by the holders of at least 25 per cent of the aggregate Principal Amount Outstanding of the Covered Bonds (which for this purpose and the purpose of any Extraordinary Resolution referred to in this Programme Term 3.02 means the Covered Bonds of this Series together with the Covered Bonds of any other Series constituted by the Trust Deed (and the Covered Bonds of any other Series constituted by the Australian Deed Poll)) then outstanding as if they were a single Series (with the nominal amount of Covered Bonds not denominated in CAD converted into CAD at the applicable Covered Bond Swap Rate) or if so directed by an Extraordinary Resolution of all the holders of the Covered Bonds shall (but in the case of the happening of any of the events described in paragraphs (b) to (f) below, only if the Bond Trustee shall have certified in writing to the Issuer and the Guarantor that such event is, in its opinion, materially prejudicial to the interests of the holders of the Covered Bonds of any Series) (subject in each case to being indemnified and/or secured to its satisfaction) give notice (the “**Guarantor Acceleration Notice**”) in writing to the Issuer and to the Guarantor, that (x) each Covered Bond of each Series is, and each Covered Bond of each Series shall as against the Issuer (if not already due and repayable against it following an Issuer Event of Default), thereupon immediately become, due and repayable at its Early Redemption Amount together with accrued interest and (y) all amounts payable by the Guarantor under the Covered Bond Guarantee shall thereupon immediately become due and payable at the Guaranteed Amount corresponding to the Early Redemption Amount for each Covered Bond of each Series together with accrued interest, in each case as provided in the Trust Deed and thereafter the Security shall become enforceable if any of the following events (each, a “**Guarantor Event of Default**”) shall occur and be continuing:

- (a) default is made by the Guarantor for a period of seven days or more in the payment of any Guaranteed Amounts when Due for Payment in respect of the Covered Bonds of any Series, except in the case of the payment of a Guaranteed Amount when Due for Payment under Condition 6.01 where the Guarantor shall be required to make payments of Guaranteed Amounts which are Due for Payment on the dates specified therein; or
- (b) if default is made by the Guarantor in the performance or observance of any obligation, condition or provision binding on it (other than any obligation for the payment of Guaranteed Amounts in respect of the Covered Bonds of any Series and any other obligation specifically provided for in this Programme Term 3.02) under the Trust Deed, the Security Agreement or any other Transaction Document (other than the obligation of the Guarantor to (i) repay the Demand Loan pursuant to the terms of the Intercompany Loan Agreement, or (ii) make a payment under a Swap Agreement if it has insufficient funds therefor) to which the Guarantor is a party and, except where such default is or the effects of such default are, in the opinion of the Bond Trustee, not capable of remedy when no such continuation and notice as is hereinafter mentioned will be required, such default continues for 30 days (or such longer period as the Bond Trustee may permit) after written notice thereof has been given by the Bond Trustee to the Guarantor requiring the same to be remedied; or
- (c) an Insolvency Event in respect of the Guarantor; or

- (d) a failure to satisfy the Amortization Test on any Calculation Date following the occurrence and during the continuance of an Issuer Event of Default; or
- (e) the Covered Bond Guarantee is not, or is claimed by the Guarantor not to be, in full force and effect; or
- (f) if a ratings trigger prescribed by the Terms and Conditions or the Transaction Documents (and not otherwise specifically provided for in this Programme Term 3.02) is breached and the prescribed remedial action is not taken within the specified time period, unless, in respect of any ratings trigger other than the Account Bank Threshold Ratings, the Standby Account Bank Ratings, the Cash Management Deposit Ratings and the Servicer Deposit Threshold Ratings, such breach occurs at a time that the Guarantor is Independently Controlled and Governed.

Following the occurrence of a Guarantor Event of Default and service of a Guarantor Acceleration Notice on the Guarantor, the Bond Trustee may or shall take such proceedings or steps in accordance with the first and second paragraphs, respectively, of Programme Term 3.03 and the holders of the Covered Bonds shall have a claim against the Guarantor, under the Covered Bond Guarantee, for an amount equal to the Early Redemption Amount together with accrued but unpaid interest and any other amount due under the Covered Bonds (other than additional amounts payable under Condition 8) as provided in the Trust Deed in respect of each Covered Bond.

### ***Enforcement***

- 3.03 The Bond Trustee may at any time, at its discretion and without further notice, take such proceedings against the Issuer and/or the Guarantor, as the case may be, and/or any other person as it may think fit to enforce the provisions of the Trust Deed, the Covered Bonds, the Receipts, the Coupons and any other Transaction Documents, but it shall not be bound to take any such enforcement proceedings in relation to the Trust Deed, the Covered Bonds, the Receipts or the Coupons or any other Transaction Document unless (i) it shall have been so directed by an Extraordinary Resolution of all the holders of the Covered Bonds of all Series (with the Covered Bonds of all Series taken together as a single Series as described above) or so requested in writing by the holders of not less than 25 per cent of the aggregate Principal Amount Outstanding of the Covered Bonds of all Series then outstanding (taken together and converted into CAD at the applicable Covered Bond Swap Rate) and (ii) it shall have been indemnified and/or secured to its satisfaction.

The Bond Trustee may at any time, at its discretion and without further notice, take such proceedings against the Guarantor and/or any other person as it may think fit to enforce the provisions of the Security Agreement and may, at any time after the Security has become enforceable; take such steps as it may think fit to enforce the Security, but it shall not be bound to take any such steps unless (i) it shall have been so directed by an Extraordinary Resolution of all the holders of the Covered Bonds of all Series (with the Covered Bonds of all Series taken together as a single Series as described above) or a request in writing by the holders of not less than 25 per cent of the aggregate Principal Amount Outstanding of the Covered Bonds of all Series then outstanding (taken together and converted into CAD at the applicable Covered Bond Swap Rate); and (ii) it shall have been indemnified and/or secured to its satisfaction.

In exercising any of its powers, trusts, authorities and discretions the Bond Trustee shall, subject to applicable law, only have regard to the interests of the holders of the Covered Bonds of all Series and shall not have regard to the interests of any other Secured Creditors.

No holder of the Covered Bonds, Receiptholder or Couponholder shall be entitled to proceed directly against the Issuer or the Guarantor or to take any action with respect to the Trust Deed, the Covered Bonds, the Receipts, the Coupons, or the Security unless the Bond Trustee, having become bound so to proceed, fails so to do within a reasonable time and such failure shall be continuing. Notwithstanding any other provision of these Programme Terms or the Terms and Conditions, for so long as there are U.S. Registered Covered Bonds outstanding, in accordance with Section 316(b) of the Trust Indenture Act, the right of any holder to receive payment of principal and interest on the Covered Bonds on or after the due date for such principal or interest, or to institute suit for the enforcement of payment of that principal or interest, may not be impaired or affected without the consent of the holders of the Covered Bonds, provided that no such right of enforcement will exist (i) in respect of a postponement of an interest payment which has been consented to by the holders of the Covered Bonds in accordance with the Trust Deed or (ii) to the extent that the institution or prosecution of such suit or the entry of judgment therein would, under applicable law, result in the surrender, impairment, waiver or loss of the security granted pursuant to the Trust Deed or the Security Agreement upon any property subject to such security.

#### **4 Meetings of Holders of the Covered Bonds, Modification and Waiver**

##### **4.01 Meetings of Holders of the Covered Bonds**

The Trust Deed contains provisions for convening meetings of the holders of the Covered Bonds to consider any matter affecting their interests, including the modification by Extraordinary Resolution of these Programme Terms, the Terms and Conditions or the provisions of the Trust Deed. The quorum at any such meeting in respect of any Covered Bonds of any Series for passing an Extraordinary Resolution is one or more persons holding or representing not less than a clear majority of the aggregate Principal Amount Outstanding of the Covered Bonds of such Series for the time being outstanding, or at any adjourned meeting one or more persons being or representing holders of the Covered Bonds whatever the nominal amount of the Covered Bonds of such Series so held or represented, except that at any meeting the business of which includes the modification of any Series Reserved Matter (as defined below), the quorum shall be one or more persons holding or representing not less than two-thirds of the aggregate Principal Amount Outstanding of the Covered Bonds of such Series for the time being outstanding, or at any adjourned such meeting one or more persons holding or representing not less than one third of the aggregate Principal Amount Outstanding of the Covered Bonds of such Series for the time being outstanding. An Extraordinary Resolution passed at any meeting of the holders of the Covered Bonds of a Series shall, subject as provided below, be binding on all the holders of the Covered Bonds of such Series, whether or not they are present at the meeting, and on all Receiptholders and Couponholders in respect of such Series of Covered Bonds. Pursuant to the Trust Deed, the Bond Trustee may convene a single meeting of the holders of Covered Bonds of more than one Series if in the opinion of the Bond Trustee there is no conflict between the holders of such Covered Bonds, in which event the provisions of this paragraph shall apply thereto *mutatis mutandis*.

Notwithstanding the provisions of the immediately preceding paragraph, any Extraordinary Resolution to direct the Bond Trustee to accelerate the Covered Bonds pursuant to Programme Term 3 or to direct the Bond Trustee to take any enforcement action (a “**Programme Resolution**”) shall only be capable of being passed at a single meeting of the holders of the Covered Bonds of all Series then outstanding. Any such meeting to consider a Programme Resolution may be convened by the Issuer, the Guarantor or the Bond Trustee or by holders of the Covered Bonds of any Series. The quorum at any such meeting for passing a Programme Resolution is one or more persons holding or representing at least a clear majority of the aggregate Principal Amount Outstanding of the Covered Bonds of all Series for the time being outstanding or at any adjourned such meeting one or more persons holding or representing Covered Bonds whatever the nominal amount of the Covered Bonds of any Series so held or represented. A Programme Resolution passed at any meeting of the holders of the Covered Bonds of all Series shall be binding on all holders of the Covered Bonds of all Series, whether or not they are present at the meeting, and on all related Receipholders and Couponholders in respect of such Series of Covered Bonds.

In connection with any meeting of the holders of Covered Bonds of more than one Series the Covered Bonds of any Series not denominated in CAD shall be converted into CAD at the applicable Covered Bond Swap Rate.

#### 4.02 Modification and Waiver

The Bond Trustee, the Guarantor and the Issuer may also agree, without the consent of the holders of the Covered Bonds, Receipholders or Couponholders of any Series and without the consent of the other Secured Creditors (and for this purpose the Bond Trustee may disregard whether any such modification relates to a Series Reserved Matter), to:

- (a) any modification of the Covered Bonds of one or more Series, the related Receipts and/or Coupons or any Transaction Document provided that in the opinion of the Bond Trustee such modification is not materially prejudicial to the interests of any of the holders of the Covered Bonds of any Series; or
- (b) any modification of the Covered Bonds of any one or more Series, the related Receipts and/or Coupons or any Transaction Document which is of a formal, minor or technical nature or is in the opinion of the Bond Trustee made to correct a manifest error or to comply with mandatory provisions of law; or
- (c) any modification (other than in respect of a Series Reserved Matter, provided that a Base Rate Modification (as defined below) will not constitute a Series Reserved Matter) to the Programme Terms, the Conditions and/or any Transaction Document (including, for the avoidance of doubt but without limitation, the Covered Bond Swap Agreement in relation to the relevant Series of Covered Bonds and subject to the consent only of the Secured Creditors (i) party to the relevant Transaction Document being amended or (ii) whose ranking in any Priorities of Payments is affected) that the Issuer considers necessary for the purpose of changing the base rate in respect of the Covered Bonds from a Reference Rate to an alternative base rate (any such rate, an “**Alternative Base Rate**”) and making such other amendments as are necessary or advisable in the reasonable judgment of the Issuer to facilitate such change (including, without limitation, an

Adjustment Spread (if any)) (such amendments, a “**Base Rate Modification**”), provided that:

- (i) the Issuer certifies to the Bond Trustee in writing (such certificate, a “**Base Rate Modification Certificate**”) that:
  - (A) such Base Rate Modification is being undertaken due to:
    - (I) a material disruption to the relevant Reference Rate, an adverse change in the methodology of calculating the relevant Reference Rate or the relevant Reference Rate ceasing to exist or be published;
    - (II) the insolvency or cessation of business of the administrator of the Reference Rate (in circumstances where no successor administrator has been appointed);
    - (III) a public statement by the administrator of the relevant Reference Rate that it will cease publishing such Reference Rate permanently or indefinitely (in circumstances where no successor administrator for the Reference Rate has been appointed that will continue publication of the relevant Reference Rate) and such cessation is reasonably expected by the Issuer to occur prior to the Final Maturity Date or the Extended Due for Payment Date, as applicable;
    - (IV) a public statement by the supervisor of the administrator of the relevant Reference Rate that such Reference Rate has been or will be permanently or indefinitely discontinued or will be changed in an adverse manner and such cessation is reasonably expected by the Issuer to occur prior to the Final Maturity Date or the Extended Due for Payment Date, as applicable;
    - (V) a public statement by the supervisor of the administrator of the relevant Reference Rate that means such Reference Rate may no longer be used or that its use is or will be subject to restrictions or adverse consequences;
    - (VI) an official announcement by the supervisor of the administrator of the original Reference Rate that the original Reference Rate is no longer representative of its relevant underlying market;
    - (VII) it has become unlawful for any applicable paying agent, the Calculation Agent or the Issuer to calculate any payments due to be made to any holders of the Covered Bonds, Receiptholders or Couponholders of any Series using the relevant Reference Rate; or

- (VIII) the reasonable expectation of the Issuer that any of the events specified in sub-paragraphs 4.02(c)(i)(A)(I), (II), (III), (IV), (V), (VI) or (VII) will occur or exist within six months of the proposed effective date of such Base Rate Modification,
  - (B) the modifications proposed are required solely for the purpose of applying the Alternative Base Rate and making consequential modifications to the Conditions and/or any Transaction Document which are, as reasonably determined by the Issuer as necessary or advisable in its reasonable judgement, and the modifications have been drafted solely to such effect; and
  - (C) the consent of each Secured Creditor (x) which is party to the relevant Transaction Document being amended, or (y) whose ranking in any Priorities of Payments is affected has been obtained (evidence of which shall be provided by the Issuer to the Bond Trustee with the Base Rate Modification Certificate) and, subject to Programme Term 4.02(c)(i)(vii), no other consents are required to be obtained in relation to the Base Rate Modification; and
- (ii) such Alternative Base Rate is:
- (A) a base rate published, endorsed, approved or recognised by the Bank of England, the Federal Reserve or the European Central Bank, any regulator in the United States, the United Kingdom or the European Union or any stock exchange on which the Covered Bonds are listed, any Relevant Nominating Body for the Specified Currency to which the Reference Rate relates (or any relevant committee or other body established, sponsored or approved by any of the foregoing); or
  - (B) in relation to the BBSW Rate, a base rate that is an industry-accepted successor rate for BBSW Rate-linked floating rate notes at such time; or
  - (C) a base rate utilised in a material number of publicly-listed, publicly-offered or benchmark new issues of floating rate covered bonds or floating rate senior unsecured notes prior to the effective date of such Base Rate Modification (for these purposes, five such issues shall be considered material); or
  - (D) a base rate utilised in a publicly-listed, publicly-offered or benchmark new issue of floating rate covered bonds where the issuer (or, in the case of asset backed securities, the originator of the relevant assets) is the Issuer or a Subsidiary of the Issuer,
- (iii) at least 30 days' prior written notice of any Base Rate Modification has been given to the Bond Trustee;



- (iv) the Base Rate Modification Certificate is provided to the Bond Trustee at the time the Bond Trustee is notified of the Base Rate Modification and on the effective date of such Base Rate Modification;
- (v) with respect to each Rating Agency, the Rating Agency Condition (as specified in Condition 19) has been satisfied;
- (vi) the Issuer pays (or arranges for the payment of) all fees, costs and expenses (including legal fees) properly incurred by the Bond Trustee in connection with such Base Rate Modification;
- (vii) the Issuer has provided at least 30 days' notice to the Covered Bondholders of the relevant Series of Covered Bonds of the Base Rate Modification in accordance with Condition 13 and by publication on Bloomberg on the "Company News" screen relating to the Covered Bonds (in each case specifying the date and time by which Covered Bondholders must respond), and Covered Bondholders representing at least 10 per cent. of the aggregate Principal Amount Outstanding of the relevant Series of Covered Bonds then outstanding have not notified the Issuer or the applicable issuing and paying agent in accordance with the then current practice of any applicable Clearing System through which such Covered Bonds may be held by the time specified in such notice that such Covered Bondholders do not consent to the Base Rate Modification.

If Covered Bondholders representing at least 10 per cent. of the aggregate Principal Amount Outstanding of the relevant Series of Covered Bonds then outstanding have notified the Issuer or the applicable issuing and paying agent in accordance with the then current practice of any applicable Clearing System through which the Covered Bonds may be held or in the manner specified in the next following paragraph of this Programme Term 4.02 where there is no applicable Clearing System by the time specified in such notice that such Covered Bondholders do not consent to the Base Rate Modification, then the Base Rate Modification will not be made unless an Extraordinary Resolution of the Covered Bondholders of the relevant Series then outstanding is passed in favour of the Base Rate Modification in accordance with this Programme Term 4.

Where there is no applicable Clearing System, Covered Bondholders may object in writing to a Base Rate Modification by notifying the Issuer or the applicable issuing and paying agent but any such objection in writing must be accompanied by evidence to the Bond Trustee's satisfaction (having regard to prevailing market practices) of the relevant Covered Bondholder's holding of the Covered Bonds.

With respect to the above-referenced modifications, the Issuer, may determine (acting in good faith and a commercially reasonable manner), or may, in its sole discretion appoint an Independent Financial Adviser to assist in determining, the Alternative Base Rate and an Adjustment Spread (if any), as soon as reasonably practicable, following the satisfaction of the requirements of this Programme Term 4.02(c). If the Issuer, following consultation with the Independent Financial Adviser (if applicable), acting in good faith and in a commercially reasonable

manner and after satisfaction of the requirements of this Programme Term 4.02(c), determines (i) that an Adjustment Spread is required to be applied to the Alternative Base Rate and (ii) the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be applied to the Alternative Base Rate.

An Independent Financial Adviser appointed pursuant to this Programme Term 4.02(c) shall act in good faith and a commercially reasonable manner (in the absence of bad faith or fraud) shall have no liability whatsoever to the Issuer, the applicable issuing and paying agent, the Covered Bondholders, the related Receiptholders and/or Couponholders for any determination made by it or for any advice given to the Issuer in connection with any determination made by the Issuer, pursuant to this Programme Term 4.02(c).

For the avoidance of doubt, the Issuer may give effect to an Alternative Base Rate on more than one occasion provided that the conditions set out in this Programme Term 4.02(c) are satisfied.

- (d) When implementing any modification pursuant to Programme Term 4.02(c):
- (i) the Bond Trustee shall not consider the interests of the Covered Bondholders, any other Secured Creditor or any other person and shall act and rely solely and without investigation or liability on any Base Rate Modification Certificate or other certificate or evidence provided to it by the Issuer and shall not be liable to the Covered Bondholders, any other Secured Creditor or any other person for so acting or relying, irrespective of whether any such modification is or may be materially prejudicial to the interests of any such person; and
  - (ii) the Bond Trustee shall not be obliged to agree to any modification which, in the sole opinion of the Bond Trustee, would have the effect of (i) exposing the Bond Trustee to any liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or (ii) increasing the obligations or duties, or decreasing the rights, powers, authorisations, discretions, indemnification or protections, of the Bond Trustee in the Transaction Documents and/or these Conditions.

The Bond Trustee may also agree, without the consent of the holders of the Covered Bonds of any Series, the related Receiptholders and/or Couponholders, to the waiver or authorization of any breach or proposed breach of any of the provisions of the Covered Bonds of any Series, or determine, without any such consent as described above, that any Issuer Event of Default or Guarantor Event of Default or Potential Issuer Event of Default or Potential Guarantor Event of Default shall not be treated as such, provided that, in any such case, it is not, in the opinion of the Bond Trustee, materially prejudicial to the interests of any of the holders of the Covered Bonds of any Series.

Any such modification, waiver, authorization or determination shall be binding on all holders of the Covered Bonds of all Series of Covered Bonds for the time being outstanding, the related Receiptholders and the Couponholders and the other Secured Creditors, and unless the Bond Trustee otherwise agrees, any such modification shall be notified by the Issuer to the holders of the Covered Bonds of all Series of Covered Bonds

for the time being outstanding and the other Secured Creditors in accordance with the relevant terms and conditions as soon as practicable thereafter. Notwithstanding any other provision of these Programme Terms or the Terms and Conditions, for so long as there are U.S. Registered Covered Bonds outstanding, any such modification, waiver, authorization or determination will be made in accordance with and subject to Section 316 of the Trust Indenture Act. The right of any holder of U.S. Registered Covered Bonds to receive payment of principal and interest will not be impaired unless made in accordance with Section 316 of the Trust Indenture Act.

In connection with the exercise by it of any of its trusts, powers, authorities and discretions (including, without limitation, any modification, waiver, authorization or determination), the Bond Trustee shall have regard to the general interests of the holders of the Covered Bonds of each Series as a class (but shall not have regard to any interests arising from circumstances particular to individual holders of the Covered Bonds, Receiptholders or Couponholders whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise for individual holders of the Covered Bonds, the related Receiptholders, Couponholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof and the Bond Trustee shall not be entitled to require, nor shall any holder of the Covered Bonds, Receiptholder or Couponholder be entitled to claim, from the Issuer, the Guarantor, the Bond Trustee or any other person any indemnification or payment in respect of any tax consequences of any such exercise upon individual holders of the Covered Bonds, Receiptholders and/or Couponholders, except to the extent already provided for in Condition 8 and/or in any undertaking or covenant given in addition to, or in substitution for, Condition 8 pursuant to the Trust Deed.

For the purposes of these Programme Terms:

**“Adjustment Spread”** means either a spread (which may be positive or negative or zero), or the formula or methodology for calculating a spread, in either case, which the Issuer, following consultation with the Independent Financial Adviser, if applicable, and acting in good faith and a commercially reasonable manner, determines is required to be applied to the Alternative Base Rate to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to the holders of the Australian Covered Bonds as a result of the replacement of the Reference Rate with the Alternative Base Rate and is the spread, formula or methodology which:

- (a) is formally recommended in relation to the replacement of the Reference Rate with the Alternative Base Rate by any Relevant Nominating Body; or
- (b) if no such recommendation has been made, the Issuer determines, following consultation with the Independent Financial Adviser, if applicable, and acting in good faith and a commercially reasonable manner, is customarily applied to the Alternative Base Rate in international debt capital markets transactions to produce an industry-accepted replacement rate for the original Reference Rate; or
- (c) if the Issuer determines that no such spread is customarily applied in international debt capital markets transactions, the Issuer following consultation with the Independent Financial Adviser (if applicable) determines, acting in good faith and a commercially reasonable manner, is recognised or acknowledged as being the

industry standard for over-the-counter derivative transactions which reference the original Reference Rate, where such rate has been replaced by the Alternative Base Rate (as the case may be); or

- (d) if the Issuer determines that no such industry standard is recognised or acknowledged, the Issuer, acting in good faith and a commercially reasonable manner, determines, or, in its sole discretion, appoints an Independent Financial Adviser to assist in determining, to be appropriate.

**“Independent Financial Adviser”** means an independent financial institution of international repute or other independent financial adviser with appropriate expertise, in each case appointed by the Issuer at its own expense.

**“Potential Issuer Event of Default”** means any condition, event or act which, with the lapse of time and/ or the issue, making or giving of any notice, certification, declaration, demand, determination and/or request and/or the taking of any similar action and/or the fulfilment of any similar condition, would constitute an Issuer Event of Default.

**“Potential Guarantor Event of Default”** means any condition, event or act which, with the lapse of time and/or the issue, making or giving of any notice, certification, declaration, demand, determination and/or request and/or the taking of any similar action and/or the fulfilment of any similar condition, would constitute a Guarantor Event of Default.

**“Relevant Nominating Body”** means, in respect of a benchmark or screen rate (as applicable):

- (a) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the Reference Rate; or
- (b) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of:
- (i) the central bank for the currency to which the benchmark or screen rate (as applicable) relates;
  - (ii) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable);
  - (iii) a group of the aforementioned central banks or other supervisory authorities; or
  - (iv) the Financial Stability Board or any part thereof.

**“Series Reserved Matter”** in relation to Covered Bonds of a Series means (other than, for the avoidance of doubt, a Base Rate Modification): (i) reduction or cancellation of the amount payable or, where applicable, modification of the method of calculating the amount payable or modification of the date of payment or, where applicable, modification of the method of calculating the date of payment in respect of any principal or interest in respect of the Covered Bonds; (ii) alteration of the currency in which payments under the Covered

Bonds, Receipts and Coupons are to be made; (iii) alteration of the majority required to pass an Extraordinary Resolution; (iv) any amendment to the Covered Bond Guarantee or the Security Agreement (except in a manner determined by the Bond Trustee not to be materially prejudicial to the interests of the holders of the Covered Bonds of any Series); (v) except in accordance with Programme Term 4, the sanctioning of any such scheme or proposal for the exchange or sale of the Covered Bonds for or the conversion of the Covered Bonds into, or the cancellation of the Covered Bonds in consideration of, shares, stock, covered bonds, bonds, debentures, debenture stock and/or other obligations and/or securities of the Issuer or any other company formed or to be formed, or for or into or in consideration of cash, or partly for or into or in consideration of such shares, stock, bonds, covered bonds, debentures, debenture stock and/or other obligations and/or securities as described above and partly for or into or in consideration of cash and for the appointment of some person with power on behalf of the holders of the Covered Bonds to execute an instrument of transfer of the Registered Covered Bonds held by them in favour of the persons with or to whom the Covered Bonds are to be exchanged or sold respectively; and (vi) alteration of specific sections of the Trust Deed relating to the quorum and procedure required for meetings of holders of Covered Bonds.

## 5 Currency Indemnity

If the Discharge Amount (as defined in Condition 15) is less than the amount in the Contractual Currency (as defined in Condition 15) expressed to be due to any Holder of a Covered Bond in respect of such Covered Bond the Issuer shall indemnify such Holder against any loss sustained by such Holder as a result. In any event, the Issuer shall indemnify each such Holder against any cost of making such purchase which is reasonably incurred. These indemnities constitute a separate and independent obligation from the Issuer's other obligations, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by any Holder of a Covered Bond and shall continue in full force and effect despite any judgement, order, claim or proof for a liquidated amount in respect of any sum due in respect of the Covered Bonds or any judgement or order. Any such loss shall be deemed to constitute a loss suffered by the relevant Holder of a Covered Bond and no proof or evidence of any actual loss will be required by the Issuer.

## 6 Branch of Account

- 6.01 For the purposes of the Bank Act, the branch of the Bank set out in a Covered Bond or the related Pricing Supplement shall be the branch of account (the "**Branch of Account**") for the deposits evidenced by such Covered Bond.
- 6.02 Each Covered Bond will be paid without the necessity of first being presented for payment at the Branch of Account.
- 6.03 If the Branch of Account is not in Canada, the Bank may change the Branch of Account for the deposits evidenced by any Covered Bond, upon not less than seven days' prior notice to its Holder given in accordance with Condition 13 and upon and subject to the following terms and conditions:
- (a) if such Covered Bond is denominated in Yen, the Branch of Account shall not be in Japan;

- (b) the Issuer shall indemnify and hold harmless the Holders of such Covered Bonds and Coupons relating thereto against any tax, duty, assessment or governmental charge which is imposed or levied upon such Holder as a consequence of such change, and shall pay the reasonable costs and expenses of the Australian Agent in connection with such change; and
- (c) notwithstanding (b) above, no change of the Branch of Account may be made unless immediately after giving effect to such change (i) no Issuer Event of Default, Guarantor Event of Default, Potential Issuer Event of Default or Potential Guarantor Event of Default shall have occurred and be continuing and (ii) payments of principal and interest on Covered Bonds of such Series and Coupons relating thereto to Holders thereof (other than Excluded Holders, as hereinafter defined) shall not, in the opinion of counsel to the Issuer, be subject to any taxes, as hereinafter defined, to which they would not have been subject had such change not taken place. For the purposes of this section, an “**Excluded Holder**” means a Holder of a Covered Bond of such Series or Coupon relating thereto who is subject to taxes by reason of his having some connection with the Relevant Jurisdiction other than the mere holding of a Covered Bond of such Series or Coupon as a non-resident of such Relevant Jurisdiction. “**Relevant Jurisdiction**” means and includes Canada, its provinces or territories and the jurisdiction in which the new Branch of Account is located, and “**taxes**” means and includes any tax, duty, assessment or other governmental charge imposed or levied in respect of the payment of the principal of the Covered Bonds of such Series or interest thereon for or on behalf of a Relevant Jurisdiction or any authority therein or thereof having power to tax.

## 7 Substitution

Subject as provided in the Trust Deed, the Bond Trustee, if it is satisfied that to do so would not be materially prejudicial to the interests of the holders of the Covered Bonds, may agree, without the consent of the holders of the Covered Bonds, Receiptholders or Couponholders, to the substitution of a Subsidiary of the Issuer in place of the Issuer as principal debtor under the Covered Bonds and the Trust Deed, provided that the obligations of such Subsidiary in respect of the Covered Bonds and the Trust Deed shall be guaranteed by the Issuer in such form as the Bond Trustee may require.

Any substitution pursuant to this Programme Term 7 shall be binding on the holders of the Covered Bonds, the Receiptholders and the Couponholders and, unless the Bond Trustee agrees otherwise, shall be notified to the holders of the Covered Bonds as soon as practicable thereafter in accordance with Condition 13.

It shall be a condition of any substitution pursuant to this Programme Term 7 that (i) the Covered Bond Guarantee shall remain in place or be modified to apply mutatis mutandis and continue in full force and effect in relation to any Subsidiary of the Issuer which is proposed to be substituted for the Issuer as principal debtor under the Covered Bonds and the Trust Deed; and (ii) any Subsidiary of the Issuer which is proposed to be substituted for the Issuer is included in the Registry as a registered issuer and that all other provisions of the Covered Bond Legislative Framework and the CMHC Guide are satisfied prior to the substitution of the Issuer.

## 8 Rating Agency Condition

- 8.01 By subscribing for or purchasing Covered Bond(s), each holder of Covered Bonds shall be deemed to have acknowledged and agreed that a credit rating of a Series of Covered Bonds by the Rating Agencies is an assessment of credit risk and does not address other matters that may be of relevance to holders of Covered Bonds, including, without limitation, in the case of a confirmation by each Rating Agency that any action proposed to be taken by the Issuer, the Guarantor, the Seller, the Servicer, the Cash Manager, the Bond Trustee or any other party to a Transaction Document will not result in a reduction or withdrawal of the rating of the Covered Bonds in effect immediately before the taking of such action (a “**Rating Agency Condition**”), whether such action is either (i) permitted by the terms of the relevant Transaction Document or (ii) in the best interests of, or not prejudicial to, some or all of the holders of Covered Bonds.
- 8.02 In being entitled to have regard to the fact that a Rating Agency has confirmed that the then current rating of the relevant Series of Covered Bonds would not be reduced or withdrawn, each of the Issuer, the Guarantor, the Bond Trustee, and the Secured Creditors (including the Holders of Covered Bonds) is deemed to have acknowledged and agreed that confirmation of the satisfaction of the Rating Agency Condition does not impose or extend any actual or contingent liability on the Rating Agencies to the Issuer, the Guarantor, the Bond Trustee, the Secured Creditors (including the Holders of Covered Bonds) or any other person or create any legal relations between the Rating Agencies and the Issuer, the Guarantor, the Bond Trustee, the Secured Creditors (including the Holders of Covered Bonds) or any other person whether by way of contract or otherwise.
- 8.03 By subscribing for or purchasing Covered Bond(s), each holder of Covered Bonds shall be deemed to have acknowledged and agreed that:
- (a) a confirmation of the satisfaction of the Rating Agency Condition may or may not be given at the sole discretion of each Rating Agency;
  - (b) depending on the timing of delivery of the request and any information needed to be provided as part of any such request, it may be the case that a Rating Agency cannot confirm the satisfaction of the Rating Agency Condition in the time available, or at all, and the Rating Agency shall not be responsible for the consequences thereof;
  - (c) a confirmation of the satisfaction of the Rating Agency Condition, if given, will be given on the basis of the facts and circumstances prevailing at the relevant time, and in the context of cumulative changes to the transaction of which the Covered Bonds forms a part; and
  - (d) a confirmation of the satisfaction of the Rating Agency Condition represents only a restatement of the opinions given, and shall not be construed as advice for the benefit of any holder of Covered Bonds or any other party.
- 8.04 If a confirmation of the satisfaction of the Rating Agency Condition or some other response by a Rating Agency is a condition to any action or step or is otherwise required under any Transaction Document and a written request for such confirmation of the satisfaction of the Rating Agency Condition or response is delivered to that Rating Agency by any of the Issuer, the Guarantor and/or the Bond Trustee, as applicable (each a “**Requesting**

**Party”**), and either (i) the Rating Agency indicates that it does not consider such confirmation or response necessary in the circumstances or (ii) within 30 days (or, in the case of Moody’s, 10 Business Days) of actual receipt of such request by the Rating Agency, such request elicits no confirmation or response and/or such request elicits no statement by the Rating Agency that such confirmation or response could not be given, the Requesting Party will be entitled to disregard the requirement for satisfaction of the Rating Agency Condition or affirmation of rating or other response by the Rating Agency and proceed on the basis that the satisfaction of the Rating Agency Condition, affirmation of rating or other response by the Rating Agency is not required in the particular circumstances of the request. The failure by a Rating Agency to respond to a written request for a confirmation or affirmation shall not be interpreted to mean that such Rating Agency has given any deemed confirmation of satisfaction of the Rating Agency Condition or affirmation of rating or other response in respect of such action or step.

## **9 Indemnification of Bond Trustee and Bond Trustee contracting with the Issuer and/or the Guarantor**

If, in connection with the exercise of its powers, trusts, authorities or discretions the Bond Trustee is of the opinion that the interests of the holders of the Covered Bonds of any one or more Series would be materially prejudiced thereby, the Bond Trustee shall not exercise such power, trust, authority or discretion without the approval by Extraordinary Resolution of such holders of the relevant Series of Covered Bonds then outstanding or by a direction in writing of such holders of the Covered Bonds of at least 25 per cent of the Principal Amount Outstanding of Covered Bonds of the relevant Series then outstanding.

The Trust Deed and the Security Agreement contain provisions for the indemnification of the Bond Trustee and for relief from responsibility, including provisions relieving the Bond Trustee from taking any action unless indemnified and/or secured to the satisfaction of the Bond Trustee.

The Trust Deed and the Security Agreement also contain provisions pursuant to which the Bond Trustee is entitled, among other things: (i) to enter into business transactions with the Issuer, the Guarantor and/or any of their respective Subsidiaries and affiliates and to act as trustee for the holders of any other securities issued or guaranteed by, or relating to, the Issuer, the Guarantor and/or any of their respective Subsidiaries and affiliates; (ii) to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such transactions or, as the case may be, any such trusteeship without regard to the interests of, or consequences for, the holders of the Covered Bonds, Receipholders or Couponholders or the other Secured Creditors; and (iii) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

The Bond Trustee will not be responsible for any loss, expense or liability, which may be suffered as a result of any Loans or Related Security, or any deeds or documents of title thereto, being uninsured or inadequately insured or being held by clearing organizations or their operators or by intermediaries such as banks, brokers or other similar persons on behalf of the Bond Trustee. The Bond Trustee will not be responsible for: (i) supervising the performance by the Issuer or any other party to the Transaction Documents of their respective obligations under the Transaction Documents and the Bond Trustee will be entitled to assume, until it has written notice to the contrary, that all such persons are properly performing their duties; (ii) considering the basis on which approvals or consents



are granted by the Issuer or any other party to the Transaction Documents under the Transaction Documents; (iii) monitoring the Covered Bond Portfolio, including, without limitation, whether the Covered Bond Portfolio is in compliance with the Asset Coverage Test or the Amortization Test; or (iv) monitoring whether Loans and their Related Security satisfy the Eligibility Criteria. The Bond Trustee will not be liable to any holder of the Covered Bonds or other Secured Creditor for any failure to make or to cause to be made on their behalf the searches, investigations and enquiries which would normally be made by reasonable and prudent institutional mortgage lenders in the Seller's market in relation to the Security and have no responsibility in relation to the legality, validity, sufficiency and enforceability of the Security and the Transaction Documents.

## SCHEDULE 2

**Schedule 2 – Annex 1**

**FORM OF AUSTRALIAN DEED POLL DATED APRIL 2, 2020**

# Second Australian Deed Poll

Dated 2 April 2020

in relation to the CAD55,000,000,000 Global Legislative Covered Bond Programme of  
The Toronto-Dominion Bank (“**Issuer**”)

*Neither the Issuer nor the Guarantor is a bank or an authorised deposit-taking institution authorised to carry on banking business under the Banking Act 1959 of Australia (“**Australian Banking Act**”). The Australian Covered Bonds are neither “protected accounts” nor “deposit liabilities” within the meaning of the Australian Banking Act. The Australian Covered Bonds are not the obligations of any government and, in particular, are not guaranteed by the Commonwealth of Australia. Neither the Issuer nor the Guarantor is supervised by the Australian Prudential Regulation Authority and an investment in the Australian Covered Bonds will not be covered by the depositor protection provisions of Section 13A of the Australian Banking Act and will not be covered by the Australian Government’s bank deposit guarantee (also commonly referred to as the Financial Claims Scheme).*

*The Australian Covered Bonds have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”), and may not be offered or sold within the United States or to or for the account or benefit of U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.*

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# Second Australian Deed Poll

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# Second Australian Deed Poll

## Details

Parties	Issuer	
<b>Issuer</b>	Name	The Toronto-Dominion Bank
	Incorporated in	Canada
	Address	66 Wellington Street West TD Bank Tower Toronto, Ontario Canada M5K 1A2
	Telephone	+1 (416) 307-8647
	Fax	+1 (416) 868-0792
	Attention	Associate Vice President, Funding Treasury and Balance Sheet Management
	<b>In favour of</b>	Each person who is from time to time a Holder, and the Bond Trustee, who holds the benefit of this deed on trust for itself and the Holders pursuant to the Trust Deed.
<b>Recitals</b>	<b>A</b>	The Issuer has established a global legislative covered bond programme (" <b>Programme</b> ") pursuant to which the Issuer may, from time to time, issue Covered Bonds.
	<b>B</b>	The Issuer proposes to issue Covered Bonds in registered uncertificated form in the Australian domestic wholesale capital market under the Programme, from time to time, to be known as " <b>Australian Covered Bonds</b> ".
	<b>C</b>	The Issuer originally executed an Australian Deed Poll dated 17 October 2014 (" <b>Original Australian Deed Poll</b> ").
	<b>D</b>	The Australian Covered Bonds issued by the Issuer:  (i) prior to the date of this deed poll and any additional Tranches of Australian Covered Bonds of existing Series of Australian Covered Bonds will continue to have the benefit of, and be constituted by the Original Australian Deed Poll (as amended, supplemented or replaced by the applicable Pricing Supplement for those Australian Covered Bonds); and  (ii) on or after the date of this deed poll, will have the benefit of, and be constituted by, this deed poll.

**E** The Issuer, the Guarantor and the Bond Trustee have supplemented and amended the Trust Deed by entering into an amended and restated supplemental trust deed dated the date hereof ("**Supplemental Trust Deed**") to:

- (i) provide for the issuance of the Australian Covered Bonds pursuant to this deed; and
- (ii) set out the terms and conditions of the Programme applicable to the Australian Covered Bonds as supplemented, modified or replaced by the applicable Pricing Supplement in relation to those Australian Covered Bonds.

The Holders also have the benefit of, and are subject to, certain provisions set forth in the Trust Deed and the Supplemental Trust Deed.

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**Governing law** New South Wales

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**Date of deed poll** 2 April 2020

# Second Australian Deed Poll

## General terms

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### 1 Interpretation

#### 1.1 Defined terms

A term which has a defined meaning in the Terms and Conditions has the same meaning when used in this deed unless it is expressly defined in this deed, in which case the meaning in this deed prevails and “**Terms and Conditions**” means, in respect of an Australian Covered Bond, the terms and conditions set out in the Schedule to this deed as replaced, modified and/or supplemented by the relevant Pricing Supplement.

#### 1.2 References to certain general terms

Unless the contrary intention appears, a reference in this deed to:

- (a) a group of persons is a reference to any two or more of them jointly and to each of them individually;
- (b) a document (including this deed) includes any variation or replacement of it;
- (c) law means common law, principles of equity and laws made by any parliament (and laws made by parliament include any regulations and other instruments under them, and consolidations, amendments, re-enactments or replacements of any of them);
- (d) a directive means a treaty, an official directive, request, regulation, guideline or policy (whether or not having the force of law) with which responsible participants in the relevant market generally comply;
- (e) “**Australian dollars**” or “**A\$**” is a reference to the lawful currency of Australia, “**Canadian dollars**” or “**C\$**” is a reference to the lawful currency of Canada and “**USD**” or “**U.S. dollars**” is a reference to the lawful currency of United States of America;
- (f) a time of day is a reference to Sydney time;
- (g) the word “**person**” includes an individual, a firm, a body corporate, an unincorporated association and an authority;
- (h) a particular person includes a reference to the person’s executors, administrators, successors, substitutes (including persons taking by novation) and assigns;
- (i) a “**party**” is a reference to a party to this deed;
- (j) an agreement, representation or warranty in favour of two or more persons is for the benefit of them jointly and each of them individually;
- (k) an agreement, representation or warranty by two or more persons binds them jointly and each of them individually;
- (l) a reference to the “**Corporations Act**” is to the Corporations Act 2001 of Australia;



- (m) anything (including any amount) is a reference to the whole and each part of it; and
- (n) the words “including”, “for example” or “such as” when introducing an example, do not limit the meaning of the words to which the example relates to that example or examples of a similar kind.

### **1.3 References to principal and interest**

Unless the contrary intention appears, in this deed references to principal, interest and/or the principal amount of an Australian Covered Bond have the same meaning as in the Terms and Conditions applicable to that Australian Covered Bond.

### **1.4 Number**

The singular includes the plural and vice versa.

### **1.5 Headings**

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

### **1.6 Relationship with the Trust Deed**

This deed supplements, and forms part of, the Trust Deed. Unless expressly provided otherwise in this deed, in the event of any inconsistency between the provisions of this deed and the provisions of the Trust Deed, or where compliance with a provision of this deed would prevent compliance with a provision of the Trust Deed, the provisions of this deed will prevail.

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## **2 The Australian Covered Bonds**

### **2.1 Creation of Australian Covered Bonds**

- (a) The obligations of the Issuer under the Australian Covered Bonds are constituted by, and are owing under, this deed.
- (b) Each Australian Covered Bond will be issued in uncertificated registered form and evidenced by entry in the Australian Register.

### **2.2 Undertakings**

The Issuer irrevocably undertakes to, and for the benefit of, the Bond Trustee and each Holder to:

- (a) pay principal, interest and any other amounts payable in respect of each Australian Covered Bond held by the Holder in accordance with the Terms and Conditions of such Australian Covered Bond and the Trust Deed; and
- (b) comply with, and perform its obligations under:
  - (i) all other Terms and Conditions and the Programme Terms of each Australian Covered Bond; and
  - (ii) the Trust Deed.

## 2.3 Compliance with laws

The Issuer may only issue Australian Covered Bonds if:

- (a) where the offer or invitation is made in, or into, Australia:
  - (i) the aggregate consideration payable to the Issuer by the relevant subscriber is at least A\$500,000 (or its equivalent in an alternative currency and, in either case, disregarding moneys lent by the Issuer or its associates to the subscriber) or the offer or invitation (including any resulting issue) does not otherwise require disclosure to investors under Parts 6D.2 or 7.9 of the Corporations Act;
  - (ii) the offer or invitation (including any resulting issue) does not constitute an offer to a “retail client” as defined for the purposes of section 761G of the Corporations Act; and
  - (iii) the offer or invitation (including any resulting issue) complies with Banking exemption No. 1 of 2018 dated 21 March 2018 promulgated by the Australian Prudential Regulation Authority as if it applied to the Issuer *mutatis mutandis*; and
- (b) at all times, the offer or invitation (including any resulting issue) complies with all applicable laws, regulations and directives in the jurisdiction in which the offer, invitation or issue takes place.

## 2.4 Appointment of Australian Agent

The Issuer agrees to appoint the Australian Agent pursuant to the terms of the Supplemental Agency Agreement and to ensure that the Australian Agent establishes and maintains an Australian Register in New South Wales or Victoria (or any other place in Australia the Issuer and the Australian Agent may agree but not in South Australia).

## 2.5 Confirmation by Issuer - Australian Covered Bonds

The Issuer acknowledges, agrees and confirms, for the benefit of each Holder and the Bond Trustee, that Australian Covered Bonds are “**Covered Bonds**” for the purposes of the Trust Deed.

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# 3 Rights and obligations of Holders

## 3.1 Proceedings

- (a) The Bond Trustee may take action to enforce the provisions of this deed in the manner and circumstances provided for the enforcement in the Trust Deed. However, the Bond Trustee shall not be bound to take any such enforcement steps, actions or proceedings except as specified in the Trust Deed.
- (b) Subject to the provisions of the Trust Deed, only the Bond Trustee may enforce the provisions of this deed. No Holder shall be entitled to proceed directly against the Issuer or the Guarantor to enforce the performance of any of the provisions of this deed or any other Transaction Documents unless the Bond Trustee having become bound as aforesaid to so proceed fails to do so within the time period specified in the Trust Deed and such failure is continuing, in which case each of such Holders shall be entitled to take any such steps and proceedings as it shall deem necessary other than the presentation of a petition for the

winding up of, or for an administration order or liquidation in respect of, the Issuer, the Guarantor or any of the Partners.

### **3.2 Benefit and entitlement**

This deed is executed as a deed poll. Each Holder and the Bond Trustee has the benefit of, and, subject to clause 3.1 (“Proceedings”), the other provisions of this deed, and the Trust Deed, is entitled to enforce this deed even though it is not a party to this deed, or is not in existence at the time this deed is executed and delivered.

### **3.3 Rights independent**

Each Holder may enforce its rights under this deed independently from each other Holder and any other person.

### **3.4 Holders bound**

The Australian Covered Bonds are issued subject to, and on the condition that, the Bond Trustee and each Holder (and any person claiming through or under a Holder or the Bond Trustee) is taken to have notice of, and be bound by, this deed, the Trust Deed, the Programme Terms and the Terms and Conditions and any other arrangements concerning the Australian Covered Bonds as are applicable to the Holders or the Bond Trustee (as appropriate) as specified in the relevant Pricing Supplement.

### **3.5 Directions to hold deed poll**

Each Holder is taken to have irrevocably:

- (a) instructed the Issuer that the original of this deed (or if otherwise determined by the Issuer, a certified copy) is to be delivered to and held by the Australian Agent; and
- (b) appointed and authorised the Australian Agent to hold the original of this deed (or if otherwise determined by the Issuer, a certified copy) in Australia (or any other place the Issuer and the Australian Agent may agree) on behalf of the Holders.

### **3.6 Copies of documents to Holders**

If a Holder requires a copy of this deed in connection with any proceeding brought by that Holder before a court, authority, commission or arbitrator in relation to its rights in connection with an Australian Covered Bond, it may request a copy from the Issuer or the Australian Agent. If the Issuer or the Australian Agent receives a request, it must give the Holder a copy of this deed (or ensure that the Holder is given a copy of this deed) within 14 days after receiving the request.

### **3.7 Holders’ acknowledgements to Austraclear and Australian Agent**

Where Austraclear is recorded in the Australian Register as the Holder, each person in whose Security Record (as defined in the Austraclear Regulations) an Australian Covered Bond is recorded is deemed to acknowledge in favour of the Australian Agent and Austraclear that:

- (a) the Australian Agent’s decision to act as the registrar of the Australian Covered Bonds does not constitute a recommendation or endorsement by the Australian Agent or Austraclear in relation to the Australian Covered Bonds, but only indicates that the Australian Covered Bonds

are considered by the Australian Agent to be compatible with the performance by it of its obligations as registrar under the Supplemental Agency Agreement; and

- (b) such person does not rely on any fact, matter or circumstance contrary to clause 3.7(a).

### **3.8 Meetings Provisions**

The provisions relating to meetings of Holders are set out in the Trust Deed and shall apply to all holders of Australian Covered Bonds.

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## **4 Substitution and addition of Issuer**

If a Subsidiary is substituted in place of the Issuer as the principal debtor under the Covered Bonds, Receipts, Coupons and the Trust Deed in accordance with the provisions referred to in Clause 21.3 ("Substitution") of the Trust Deed:

- (a) such Subsidiary shall be deemed to have been substituted for the Issuer as Issuer under this deed; and
- (b) the Issuer shall be released from its obligations as Issuer under this deed and the Australian Covered Bonds.

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## **5 Governing law**

### **5.1 Governing law**

This deed is governed by the law in force in New South Wales, Australia.

### **5.2 Jurisdiction**

The Issuer submits, and each Holder is taken to have submitted, to the non-exclusive jurisdiction of the courts of New South Wales, Australia and courts of appeal from them.

### **5.3 Serving documents**

Without preventing any other method of service, any document in any court action in connection with this deed may be served on the Issuer by being delivered or left for the Issuer with its process agent referred to in clause 5.4 ("Process Agent").

### **5.4 Process Agent**

The Issuer appoints Dabserv Corporate Services Pty Ltd (ABN 73 001 824 111) of Level 61, Governor Phillip Tower, 1 Farrer Place, Sydney NSW 2000, Australia to receive any document referred to in clause 5.3 ("Serving documents"). If for any reason that person ceases to be able to act as such, the Issuer will immediately appoint another person with an office located within the Commonwealth of Australia to receive any such document and promptly notify the Holders of such appointment. The Issuer agrees that service of documents on any person appointed under this clause 5.4 will be sufficient service upon it.

### **5.5 Prohibition and enforceability**

- (a) Any provision of, or the application of any provision of, this deed, or any right, power, authority, discretion or remedy conferred on any person by

this deed which is prohibited in any jurisdiction is, in that jurisdiction, ineffective only to the extent of that prohibition.

- (b) Any provision of, or the application of any provision of, this deed which is void, illegal or unenforceable in any jurisdiction does not affect the validity, legality or enforceability of that provision in any other jurisdiction or of the remaining provisions in that or any other jurisdiction.

## **5.6 Variation**

Subject to the terms of Clause 21 of the Trust Deed, and except as otherwise expressly provided in this deed, the provisions in this deed may be amended or modified only by written agreement of all of the parties hereto, and if any such amendment or modification or any waiver given in accordance with Clause 21 of the Trust Deed is determined to be material in the opinion of the Guarantor, satisfaction of the Rating Agency Condition shall be required in respect thereof. Pursuant to Clause 21 of the Trust Deed, as it relates to this deed, the Guarantor (or the Cash Manager on its behalf) shall deliver notice to the Rating Agencies of any amendment or modification or waiver which does not require satisfaction of the Rating Agency Condition. This deed (and the benefits and obligations contained in it) may not be assigned by any party without the prior written consent of each of the other parties hereto and the Rating Agency Condition having been satisfied in respect of such assignment.

**EXECUTED** as a deed poll

# Second Australian Deed Poll

## Schedule - Terms and Conditions

*The following are the Terms and Conditions which, as supplemented, modified or replaced by the applicable Pricing Supplement, apply in respect of Australian Covered Bonds.*

## TERMS AND CONDITIONS OF THE AUSTRALIAN COVERED BONDS

*The following are the terms and conditions of the Australian Covered Bonds (the “**Terms and Conditions**” or the “**Conditions**”), which as supplemented, modified or replaced in relation to any Australian Covered Bonds by the applicable Pricing Supplement in relation to any Tranche of Australian Covered Bonds, will be applicable to each Series of Australian Covered Bonds issued under the Australian Deed Poll. For the avoidance of doubt, these Terms and Conditions of the Australian Covered Bonds do not apply to any other Covered Bonds. All capitalized terms that are not defined in these Terms and Conditions will have the meanings given to them in the applicable Pricing Supplement.*

These Terms and Conditions apply to those Covered Bonds, known as “**Australian Covered Bonds**”, which are issued in registered uncertificated (or inscribed) form by The Toronto-Dominion Bank (the “**Issuer**” or the “**Bank**”) as part of the Issuer’s CAD55,000,000,000 Global Legislative Covered Bond programme (the “**Programme**”) and are constituted by a deed poll made by the Issuer on 2 April 2020 (such deed poll as further modified, restated, supplemented or replaced from time to time, the “**Australian Deed Poll**”). The Australian Covered Bonds are also issued with the benefit of, and subject to, the “**Programme Terms**” set out in the Australian Information Memorandum (as defined below).

The Australian Covered Bonds take the form of entries in a register (the “**Australian Register**”) established and maintained by Computershare Investor Services Pty Limited (ABN 48 078 279 277) (or such other registrar as is specified in the applicable Pricing Supplement or otherwise appointed in accordance with the Terms and Conditions or the Agency Agreement (as defined below)) (“**Australian Agent**”) in Sydney, New South Wales, Australia or such other place in Australia as is agreed between the Issuer and the Australian Agent.

The Holders of Australian Covered Bonds (as defined below) have the benefit of and are subject to:

- (i) a Trust Deed (such trust deed as amended, restated, and supplemented as described below and as may be further amended, restated, supplemented or replaced, the “**Trust Deed**”) initially dated as of 25 June 2014 (the “**Programme Date**”) between the Issuer, TD Covered Bond (Legislative) Guarantor Limited Partnership, as guarantor (the “**Guarantor**”) and Computershare Trust Company of Canada, as bond trustee (in such capacity, the “**Bond Trustee**” which expression shall include any successor as bond trustee) and most recently amended and restated as of 5 July 2019 and further amended as of 30 August 2019 and, as supplemented in relation to the Australian Covered Bonds by an amended and restated supplemental trust deed made on 2 April 2020 (such amended and restated supplemental trust deed, as may be further amended, restated, supplemented or replaced from time to time, the “**Supplemental Trust Deed**”) between the Issuer, the Guarantor and the Bond Trustee. For the avoidance of doubt, references to the Trust Deed in these Terms and Conditions include the Supplemental Trust Deed;
- (ii) an agency agreement initially dated as of the Programme Date (such agency agreement as supplemented as described below and as may be further amended, restated, supplemented or replaced, the “**Agency Agreement**”) and made between the Issuer, the Guarantor, the Bond Trustee, Citibank, N.A., Citibank, N.A., acting through its London Branch, Citigroup Global Markets Europe AG and other agents named therein and as supplemented in relation to the Australian Covered Bonds by a supplemental agency agreement dated 17 October 2014 as amended as of 7 April 2015 and 2 April 2020 in respect of the Australian Covered Bonds (the “**Supplemental Agency Agreement**”) made between the Issuer and the Australian Agent pursuant to which the Australian Agent has been appointed to act as registrar and issuing and paying agent in relation to the Australian Covered Bonds. For the avoidance of doubt, references to the Agency Agreement in these Terms and Conditions include the Supplemental Agency Agreement.

The Pricing Supplement may specify any other agency agreement that applies to Australian Covered Bonds issued by the Issuer.

References in these Terms and Conditions to the Pricing Supplement are to Part A of the Pricing Supplement prepared in relation to the Australian Covered Bonds of the relevant Tranche or Series.

In respect of any Australian Covered Bonds, references herein to these “**Terms and Conditions**” are to these terms and conditions as supplemented or modified or (to the extent thereof) replaced by Part A of the applicable Pricing Supplement and any reference herein to a “**Condition**” is a reference to the relevant Condition of the Terms and Conditions of the relevant Australian Covered Bonds.

The Australian Covered Bonds are issued in series (each, a “**Series**”), and each Series may comprise one or more tranches (“**Tranches**” and each, a “**Tranche**”) of Australian Covered Bonds. Each Tranche will be the subject of a Pricing Supplement (each, “**Pricing Supplement**”).

The Bond Trustee acts for the benefit of the holders for the time being of the Australian Covered Bonds (the “**Holders**” or “**Holders of Australian Covered Bonds**”, which expression shall mean the persons whose names are for the time being entered into the Australian Register as the holders of Australian Covered Bonds (notwithstanding that such person may be the operator of a clearing system who holds the Australian Covered Bonds on behalf of the accountholders in that system)) and for holders of each other Series of Covered Bonds in accordance with the provisions of the Trust Deed.

The Guarantor has, in the Trust Deed, irrevocably and unconditionally guaranteed the due and punctual payment of the Guaranteed Amounts in respect of the Covered Bonds (including, without limitation, the Australian Covered Bonds) as and when the same shall become due for payment on certain dates and in accordance with the Trust Deed (“**Due for Payment**”), but only after the occurrence of a Covered Bond Guarantee Activation Event.

The security for the obligations of the Guarantor under the Covered Bond Guarantee and the other Transaction Documents to which it is a party has been created in and pursuant to, and on the terms set out in, a security agreement (such security agreement as amended, restated, supplemented or replaced the “**Security Agreement**”) dated the Programme Date and made between the Guarantor, the Bond Trustee and certain other Secured Creditors.

These Terms and Conditions include summaries of and are subject to, certain provisions of the Trust Deed, the Australian Deed Poll, the Security Agreement, the Agency Agreement and the other Transaction Documents.

Copies of the Trust Deed, the Australian Deed Poll, the Security Agreement, the Master Definitions and Construction Agreement (as defined below), the Agency Agreement, the Australian Information Memorandum (as defined below), the Programme Prospectus (as defined below) and each of the other Transaction Documents (other than the Dealership Agreement and any subscription agreements) are available for inspection during normal business hours at the registered office for the time being of the Australian Agent. Copies of the applicable Pricing Supplement of all Australian Covered Bonds of each Series (including in relation to unlisted Australian Covered Bonds of any Series) are obtainable during normal business hours at the specified office of the Australian Agent, by any Holder of Australian Covered Bonds or person in whose security record the Australian Covered Bonds are credited within the Austraclear System (a “**Relevant Account Holder**”) subject to producing evidence satisfactory to the Issuer and the Bond Trustee or, as the case may be, the Australian Agent as to its holding of Australian Covered Bonds and identity. The Holders of Australian Covered Bonds are deemed to have notice of, or are bound by, and are entitled to the benefit of, all the provisions of, and definitions contained in, the Trust Deed, the Australian Deed Poll, the Security Agreement, the Master Definitions and Construction Agreement, the Agency Agreement, each of the other Transaction Documents (other than the Dealership Agreement and any subscription agreements), the applicable Pricing Supplement and the Australian Information Memorandum (as defined below) which are applicable to them and to have notice of each set of Pricing Supplement relating to each other Series.

Except where the context otherwise requires, capitalized terms used or otherwise defined in these Terms and Conditions shall bear the meanings given to them in the Trust Deed, the applicable Pricing Supplement and/or the master definitions and construction agreement made between the parties to the Transaction Documents initially dated as of the Programme Date and most recently amended and restated as of 5 July 2019 (such master definitions and construction agreement as may be further amended, restated, supplemented or replaced, the “**Master Definitions and Construction Agreement**”), a copy of each of which may be obtained as described above. In the event of inconsistency between the Trust Deed and the Master Definitions and Construction Agreement, the Trust Deed will prevail, in the event of inconsistency between the Trust Deed and the applicable Pricing Supplement, the applicable Pricing Supplement will prevail.

In these Terms and Conditions:

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

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



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

*Text included in these Terms and Conditions in italics is included for information purposes only and does not form part of these Terms and Conditions. Further information in relation to the Australian Covered Bonds and the Programme may be found in the Information Memorandum dated 9 April 2020 (the “**Australian Information Memorandum**”) and the Programme Prospectus dated 5 July 2019, as supplemented by the first combined supplementary prospectus dated 30 August 2019, the second combined supplementary prospectus dated 6 December 2019 and the third combined supplementary prospectus dated 28 February 2020 (as amended, restated, supplemented or replaced from time to time, the “**Programme Prospectus**”), which is annexed to and deemed to be incorporated in, and form part of, the Australian Information Memorandum.*

## **1. Form and Denomination**

**1.01** The Australian Covered Bonds are issued in registered form by entry in the Australian Register and will not be serially numbered, unless otherwise agreed between the Issuer and the Australian Agent. No certificate or other evidence of title will be issued by or on behalf of the Issuer to evidence title to an Australian Covered Bond unless the Issuer determines that certificates should be made available or it is required to do so pursuant to any applicable law or regulation.

**1.02** The Australian Covered Bonds are issued in the Specified Denominations specified in the Pricing Supplement.

**1.03** The Australian Covered Bonds are denominated in Australian dollars.

**1.04** The Australian Covered Bonds may be Fixed Rate Australian Covered Bonds or Floating Rate Australian Covered Bonds, depending upon the Interest Basis shown in the Pricing Supplement.

## **2. Title and Transfer**

**2.01** Title to Australian Covered Bonds passes upon entry of the transfer in the Australian Register. The Issuer shall procure that the Australian Agent keep a register or registers in which shall be entered the names and addresses of the Holders of Australian Covered Bonds and particulars of the Australian Covered Bonds held by them, together with such other details as are required to be shown on the Australian Register by or for the effective operation of, these Terms and Conditions, by the Supplemental Agency Agreement, by law or which the Issuer and Australian Agent determine should be shown in the Australian Register.

**2.02** The Australian Covered Bonds are debt obligations of the Issuer owing under the Australian Deed Poll and take the form of entries in the Australian Register. The Holders of Australian Covered Bonds also have the benefit of, and are subject to, certain provisions set forth in the Trust Deed. Each entry in the Australian Register constitutes a separate and individual acknowledgment to the Bond Trustee on behalf of, and to, the relevant Holder of Australian Covered Bonds of the indebtedness of the Issuer to the relevant Holder of Australian Covered Bonds.

**2.03** The obligations of the Issuer to the Bond Trustee and each Holder of Australian Covered Bonds constitute separate and independent obligations which the Bond Trustee (or a Holder of Australian Covered Bonds in certain circumstances set out in the Trust Deed), is entitled to enforce in accordance with (and subject to) these Terms and Conditions, the Trust Deed and the Australian Deed Poll, without having to join any other Holder or any predecessor to title of a Holder.

**2.04** Entries in the Australian Register in relation to an Australian Covered Bond constitute conclusive evidence that the person so entered is the registered owner of the Australian Covered Bond subject to rectification for fraud and error. No Australian Covered Bond will be registered in the name of more than four persons or in the name of an unincorporated association. An Australian Covered Bond registered in the name of more than one person is held by those persons as joint tenants. Australian Covered Bonds will be registered by name only without reference to any trusteeship. The person registered in the Australian Register as a Holder of an Australian Covered Bond will be treated by the Issuer, the Bond Trustee and the Australian Agent as absolute owner of that Australian Covered Bond and none of the Issuer, the Bond Trustee or the Australian Agent is, except as ordered by a court or as required by law, obliged to take notice of any other claim of an Australian Covered Bond.

**2.05** Upon a person acquiring title to any Australian Covered Bond by virtue of becoming registered as the Holder of that Australian Covered Bond, all rights and entitlements arising by virtue of the Trust Deed, the Australian Deed Poll, the Security Agreement, the Agency Agreement and each of the other Transaction Documents (except as otherwise required by applicable law or regulatory requirement) in respect of the Australian Covered Bond are of or for the registered owner of the Australian Covered Bond, such that no person who has previously been registered as the owner of the Australian Covered Bond has or is entitled to assert against the Issuer, the Bond Trustee or the Australian Agent or the registered owner of the Australian Covered Bond for the time being and from time to time any rights, benefits or entitlements in respect of the Australian Covered Bond.

### ***Transfer of Australian Covered Bonds***

**2.06** Australian Covered Bonds may, upon the terms and subject to these Terms and Conditions, terms and conditions set forth in the Supplemental Agency Agreement and as required by law, be transferred in whole but not in part. Unless lodged in Austraclear System, the Australian Covered Bonds will be transferable by duly completed and (if applicable) stamped transfer and acceptance forms in the form specified by, and obtainable from, the Australian Agent. Each transfer and acceptance form must be accompanied by such evidence (if any) as the Australian Agent may require to prove the title of the transferor or the transferor's right to transfer the Australian Covered Bond and be signed by both the transferor and the transferee. Any such transfer will be subject to such reasonable regulations as the Issuer and the Australian Agent may from time to time prescribe (the initial such regulations being set out in the Supplemental Agency Agreement).

**2.07** Australian Covered Bonds entered in the Austraclear System will be transferable only in accordance with the Austraclear Regulations.

**2.08** The transferor of an Australian Covered Bond is deemed to remain the Holder of that Australian Covered Bond until the name of the transferee is entered into the Australian Register in respect of that Australian Covered Bond. Transfers will not be registered later than eight calendar days prior to the maturity of the Australian Covered Bond.

**2.09** Australian Covered Bonds may only be transferred if:

- (a) in the case of Australian Covered Bonds to be transferred in, or into, Australia:
  - (i) the offer or invitation giving rise to the transfer is for an aggregate consideration payable to the transferor by the relevant transferee of at least A\$500,000 (or its equivalent in an alternative currency, and in either case, disregarding moneys lent by the transferor or its associates to the transferee) or the offer or invitation (including any resulting issue) does not otherwise require disclosure to investors under Parts 6D.2 or 7.9 of the Corporations Act;
  - (ii) the offer or invitation giving rise to the transfer does not constitute an offer or invitation to a "retail client" as defined for the purposes of section 761G of the Corporations Act; and
  - (iii) the transfer complies with Banking exemption No. 1 of 2018 dated 21 March 2018 promulgated by the Australian Prudential Regulation Authority as if it applied to the Issuer *mutatis mutandis*; and
- (b) at all times, the transfer is in compliance with all applicable laws, regulations or directives (including, without limitation, the laws of the jurisdiction in which the transfer takes place).

**2.10** Transfers will be registered without charge by or on behalf of the Issuer or the Australian Agent, but upon payment by the applicant of (or the giving by the applicant of such indemnity as the Issuer or the Australian Agent may require in respect of) any tax, duty or governmental charges (if any) which may be imposed in relation to the transfer.

**2.11** A person becoming so entitled to an Australian Covered Bond as a consequence of the death or bankruptcy of a Holder of that Australian Covered Bond or a vesting order or a person administering the estate of a Holder of that Australian Covered Bond may, upon producing such evidence as to that entitlement or status as

the Australian Agent considers sufficient, transfer that Australian Covered Bond or, if so entitled, become registered as the Holder of that Australian Covered Bond.

**2.12** A transfer to an unincorporated association is not permitted.

**2.13** Where the transferor executes a transfer of less than all Australian Covered Bonds registered in its name, and the specific Australian Covered Bonds to be transferred are not identified, the Australian Agent may register the transfer in respect of such of the Australian Covered Bonds registered in the name of the transferor as the Australian Agent thinks fit, provided the aggregate principal amount of the Australian Covered Bonds registered as having been transferred equals the aggregate principal amount of the Australian Covered Bonds expressed to be transferred in the transfer.

### **3. Status of the Australian Covered Bonds**

The Australian Covered Bonds constitute deposit liabilities of the Issuer for purposes of the Bank Act, however the Australian Covered Bonds will not be insured under the *Canada Deposit Insurance Corporation Act* (Canada), and will constitute legal, valid and binding direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank *pari passu* with all deposit liabilities of the Issuer without any preference among themselves and at least *pari passu* with all other unsubordinated and unsecured obligations of the Issuer, present and future (except as otherwise prescribed by law). Unless otherwise specified in the Pricing Supplement, the deposits to be evidenced by the Australian Covered Bonds will be taken by the main branch of the Issuer in Toronto, but without prejudice to the provisions of Condition 9.

*Neither the Issuer nor the Guarantor is a bank or an authorised deposit-taking institution authorised to carry on banking business under the Banking Act 1959 of the Commonwealth of Australia (the “Australian Banking Act”). The Australian Covered Bonds are neither “protected accounts” nor “deposit liabilities” within the meaning of the Australian Banking Act. The Australian Covered Bonds are not the obligations of any government and, in particular, are not guaranteed by the Commonwealth of Australia.*

### **4. Guarantee**

Pursuant to the Trust Deed, the Australian Covered Bonds have the benefit of the Covered Bond Guarantee.

*For a description of the Covered Bond Guarantee see Programme Term 1 on page 11 of the Australian Information Memorandum.*

Any payment made by the Guarantor under the Covered Bond Guarantee shall (unless such obligation shall have been discharged as a result of the payment of Excess Proceeds to the Bond Trustee pursuant to the provisions referred to in the Trust Deed) discharge pro tanto the obligations of the Issuer in respect of such payment under the Covered Bonds, except where such payment has been declared void, voidable or otherwise recoverable in whole or in part and recovered from the Bond Trustee or the holders of the Covered Bonds.

### **5. Interest**

#### *Interest*

**5.01** Australian Covered Bonds may be interest-bearing or non interest-bearing. The Interest Basis is specified in the applicable Pricing Supplement. Words and expressions appearing in this Condition 5 and not otherwise defined herein shall have the meanings given to them in Condition 5.09.

#### *Interest on Fixed Rate Australian Covered Bonds*

**5.02** Each Fixed Rate Australian Covered Bond bears interest on its Outstanding Principal Amount from and including the Interest Commencement Date at the rate(s) per annum equal to the Rate(s) of Interest. Interest will be payable in arrear on the Interest Payment Date(s) in each year up to and including the Final Maturity Date if that does not fall on an Interest Payment Date.

Unless otherwise provided in the applicable Pricing Supplement, the amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on, but excluding, such date will amount to the Fixed

Coupon Amount. Payments of interest on any Interest Payment Date will, if so specified in the applicable Pricing Supplement, amount to the Broken Amount(s) so specified.

As used in these Terms and Conditions, “**Fixed Interest Period**” means the period from and including an Interest Payment Date (or the Interest Commencement Date) to but excluding the next (or first) Interest Payment Date.

Interest will be calculated on the Calculation Amount of the Fixed Rate Australian Covered Bonds and will be paid to the Holders of Australian Covered Bonds. If interest is required to be calculated for a period ending other than on an Interest Payment Date, or if no Fixed Coupon Amount is specified in the applicable Pricing Supplement, such interest shall be calculated in accordance with Condition 5.08.

### ***Interest on Floating Rate Australian Covered Bonds***

#### **5.03 Interest Payment Dates**

Each Floating Rate Australian Covered Bond bears interest on its Outstanding Principal Amount from (and including) the Interest Commencement Date and such interest will be payable in arrear on either:

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

Such interest will be payable in respect of each Interest Period (which expression, shall, in these Terms and Conditions, mean the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date). Interest will be calculated on the Calculation Amount of the Floating Rate Australian Covered Bonds and will be paid to the Holders of Australian Covered Bonds.

### ***Rate of Interest***

Where the Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will, subject as provided below and subject to the provisions of Programme Term 4.02, be determined by the Calculation Agent on the following basis:

- (i) the Calculation Agent will determine the Reference Rate (if there is only one quotation for the Reference Rate on the Relevant Screen Page) or, as the case may require, the arithmetic mean (rounded, if necessary, to the nearest ten thousandth of a percentage point, 0.00005 per cent. being rounded upwards) of the quotations for the Reference Rate in the relevant currency for a period of the duration of the relevant Interest Period on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;
- (ii) if, on any Interest Determination Date, no such rate so appears on the Relevant Screen Page or, as the case may be, if fewer than two such quotations for the Reference Rate so appear or if the Relevant Screen Page is unavailable, the Calculation Agent will request appropriate quotations of the Reference Rate and will determine the arithmetic mean (rounded as described above) of the rates at which deposits in the relevant currency are offered by the Reference Banks at approximately the Relevant Time on the Interest Determination Date to prime banks in the London interbank market in the case of LIBOR or in the Euro-zone (as defined herein) interbank market in the case of EURIBOR for a period of the duration of the relevant Interest Period and in an amount that is representative for a single transaction in the relevant market at the relevant time;

- (iii) if, on any Interest Determination Date, only two or three rates are so quoted, the Calculation Agent will determine the arithmetic mean (rounded as described above) of the rates so quoted; or
- (iv) if fewer than two rates are so quoted, the Calculation Agent will determine the arithmetic mean (rounded as described above) of the rates quoted by four major banks in the Principal Financial Centre as selected by the Calculation Agent, at approximately 11.00 a.m. (Principal Financial Centre time) on the first day of the relevant Interest Period for loans in the relevant currency to leading European banks for a period for the duration of the relevant Interest Period and in an amount that is representative for a single transaction in the relevant market at the relevant time,

and the Rate of Interest applicable to such Australian Covered Bonds during each Interest Period will be the sum of the Margin specified in the Pricing Supplement and the Reference Rate or, as the case may be, the arithmetic mean (rounded as described above) of the rates so determined, provided however that if the Calculation Agent is unable to determine a Reference Rate or, as the case may be, an arithmetic mean of rates in accordance with the above provisions in relation to any Interest Period, the Rate of Interest applicable to such Australian Covered Bonds during such Interest Period will be the sum of the Margin and the rate or, as the case may be, the arithmetic mean (rounded as described above) of the rates determined in relation to such Australian Covered Bonds in respect of the last preceding Interest Period.

#### ***BBSW Rate Australian Covered Bonds***

**5.03A** If the Pricing Supplement specifies the Interest Rate applicable to the Australian Covered Bonds as being BBSW Rate, each Australian Covered Bond shall bear interest during each Interest Period at the relevant BBSW Rate plus or minus (as indicated in the applicable Pricing Supplement) the Margin (if any). Each current or subsequent holder, beneficial holder or other person acquiring an interest in the Floating Rate Covered Bonds shall be deemed to acknowledge, accept and agree to be bound by, and consents to, such determination of, substitution for and adjustments made to the BBSW Rate, as applicable, in each case as described in the definition of BBSW Rate and Programme Term 4.02.

#### ***ISDA Rate Australian Covered Bonds***

**5.04** Where ISDA Determination is specified in the Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Pricing Supplement) the Margin, if any. For purposes of this Condition 5.04, “**ISDA Rate**” for an Interest Period means a rate equal to the Fixed Rates, Fixed Amounts, Floating Rates or Floating Amounts, as the case may be, as set out in the applicable Pricing Supplement, as would have applied (regardless of any event of default or termination event or tax event thereunder) if the Issuer had entered into a schedule and confirmation and credit support annex, if applicable, in respect of the relevant Tranche or Series of Australian Covered Bonds, as applicable, with the Holder of such Australian Covered Bond under the terms of an agreement to which the ISDA Definitions applied and under which:

- the Fixed Rate Payer, Fixed Amount Payer, Floating Rate Payer or, as the case may be, Floating Amount Payer is the Issuer (as specified in the Pricing Supplement);
- the Effective Date is the Interest Commencement Date;
- the Floating Rate Option (which may refer to a Rate Option or a Price Option, specified in the ISDA Definitions) is as specified in the applicable Pricing Supplement;
- the Designated Maturity is the period specified in the applicable Pricing Supplement;
- the Australian Agent (or such other calculation agent as may be specified in the Pricing Supplement) is the Calculation Agent;
- the Calculation Periods are the Interest Periods;
- the Payment Dates are the Interest Payment Dates;

- the relevant Reset Date is the day specified in the applicable Pricing Supplement;
- the Calculation Amount is the principal amount of such Australian Covered Bond;
- the Day Count Fraction applicable to the calculation of any amount is that specified in the Pricing Supplement (which may be Actual/Actual, Actual/365 (Sterling), Actual/Actual (ISDA), Actual/365 (Fixed), Actual/360, 30E/360, Eurobond Basis, 30/360, 360/360, Bond Basis, 30E/360 (ISDA), Actual/Actual (ICMA), Act/Act (ICMA) or RBA Bond Basis), or if none is so specified, as may be determined in accordance with the ISDA Definitions; and
- the Business Day Convention applicable to any date is that specified in the Pricing Supplement (which may be Following Business Day Convention, Modified Following Business Day Convention, Modified Business Day Convention, Preceding Business Day Convention, FRN Convention or Eurodollar Convention), or if none is so specified, as may be determined in accordance with the ISDA Definitions.

For the purposes of this Condition 5.04, “**Floating Rate**”, “**Calculation Agent**”, “**Floating Rate Option**”, “**Designated Maturity**” and “**Reset Date**” have the meanings given to those terms in the ISDA Definitions.

#### *Maximum or Minimum Interest Rate*

**5.05** If any Maximum or Minimum Interest Rate is specified in the Pricing Supplement, then the Rate of Interest shall in no event be greater than the maximum or be less than the minimum so specified.

#### *Accrual of Interest after the due date*

**5.06** Interest will cease to accrue as from the due date for redemption therefor unless payment in full of the Final Redemption Amount is improperly withheld or refused or default is otherwise made in the payment thereof. In such event, interest shall continue to accrue on the principal amount in respect of which payment has been improperly withheld or refused or default has been made (as well after as before any demand or judgment) at the Rate of Interest then applicable or such other rate as may be specified for this purpose in the Pricing Supplement if permitted by applicable law until the date on which the relevant payment is made or, if earlier the seventh day after the date on which, the Australian Agent having received the funds required to make such payment, notice is given to the Holders of Australian Covered Bonds in accordance with Condition 13 that the Australian Agent has received the required funds (except to the extent that there is failure in the subsequent payment thereof to the relevant Holder).

#### *Interest Amount(s), Calculation Agent and Reference Banks*

**5.07** If a Calculation Agent is specified in the Pricing Supplement, the Calculation Agent, as soon as practicable after the Relevant Time (if applicable) on each Interest Determination Date (or such other time on such date as the Calculation Agent may be required to calculate any Final Redemption Amount, obtain any quote or make any determination or calculation) will determine the Rate of Interest and calculate the amount(s) of interest payable (the “**Interest Amount(s)**”) in the manner specified in Condition 5.08 below, calculate the Final Redemption Amount, obtain such quote or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Period and the relevant Interest Payment Date or, as the case may be, the Final Redemption Amount to be notified to the Australian Agent, the Issuer and the Holders in accordance with Condition 13 as soon as possible after their determination or calculation but in no event later than the fourth Sydney Banking Day thereafter or, if earlier in the case of notification to the stock exchange or other relevant authority, the time required by the relevant stock exchange or listing authority. The Interest Amounts and the Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Australian Covered Bonds become due and payable under Condition 7, the Rate of Interest and the accrued interest payable in respect of the Australian Covered Bonds shall nevertheless continue to be calculated in accordance with this Condition but no publication of the Rate of Interest or the Interest Amount so calculated need be made. The determination of each Rate of Interest, Interest Amount and Final Redemption Amount, the obtaining of each quote and the making of each determination or calculation by the Calculation Agent shall (in the absence of manifest error) be final and binding upon the Issuer and the Holders and neither the Calculation Agent nor any Reference Bank shall have any liability to the Holders in respect of any determination, calculation, quote or rate made or provided by it.

The Issuer will procure that there shall at all times be such Reference Banks as may be required for the purpose of determining the Rate of Interest applicable to the Australian Covered Bonds and a Calculation Agent, if one is specified in the Pricing Supplement.

If the Calculation Agent is incapable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for any Interest Period or to calculate the Interest Amounts or any other requirements, the Bond Trustee shall determine the Rate of Interest at such rate as, in its absolute discretion (having regard as it shall think fit to the foregoing provision of this Condition, but subject always to any Minimum Rate of Interest or Maximum Rate of Interest specified in the applicable Pricing Supplement), it shall deem fair and reasonable in all circumstances or, as the case may be, the Bond Trustee shall calculate (or appoint an agent to calculate) the Interest Amount(s) in such manner as it shall deem fair and reasonable in all the circumstances and each such determination or calculation shall be deemed to have been made by the Calculation Agent. The Calculation Agent may not resign its duties without a successor having been appointed as described above.

### ***Calculations and Adjustments***

**5.08** The amount of interest payable in respect of any Australian Covered Bond for any period shall be calculated by applying the Rate of Interest to the Calculation Amount, and, in each case, multiplying such sum by the Day Count Fraction, save that if the Pricing Supplement specifies a specific amount in respect of such period, the amount of interest payable in respect of such Australian Covered Bond for such Interest Period will be equal to such specified amount.

For the purposes of any calculations referred to in these Terms and Conditions, (a) all percentages resulting from such calculations will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 per cent. being rounded up to 0.00001 per cent.) and (b) all amounts denominated in any other currency used in or resulting from such calculations will be rounded to the nearest two decimal places in such currency, with 0.005 being rounded upwards.

Where the Specified Denomination of an Australian Covered Bond is a multiple of the Calculation Amount, the amount of interest payable in respect of such Australian Covered Bond shall be the aggregate of the amounts (determined in the manner provided above) for each Calculation Amount comprising the Outstanding Principal Amount of the Specified Denomination of the Australian Covered Bond without any further rounding.

### ***Definitions***

**5.09** In the Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

“**BBSW Rate**” if specified in the Pricing Supplement, shall mean, for an Interest Period, the rate for prime bank eligible securities having a tenor closest to the Interest Period which is designated as the “AVD MID” on the Reuters Screen BBSW Page (or any designation which replaces that designation on that page, or any replacement page) at approximately 10.30am (Principal Financial Centre time) (or such other time at which such rate customarily appears on that page, including, if corrected, recalculated or republished by the relevant administrator) on the first day of that Interest Period. However, if such rate does not appear on the Reuters Screen BBSW Page (or any replacement page) by 10:45am on that day (or such other time that is 15 minutes after the then prevailing time), or if it does appear but the Calculation Agent determines that there is an obvious error in that rate or the rate is permanently or indefinitely discontinued, “**BBSW Rate**” means such other successor rate or alternative rate for BBSW Rate-linked floating rate notes determined in accordance with Programme Term 4.02.

“**Banking Day**” means, in respect of any city, a day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in that city.

“**Business Day**” means a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets are open for general business (including dealings in foreign exchange and foreign currency deposits) in Sydney, Australia and in the Business Centre(s) (if any) specified in the Pricing Supplement.

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

- (a) “Following Business Day Convention” means that such date shall be postponed to the first following day that is a Business Day;
- (b) “Modified Following Business Day Convention” or “Modified Business Day Convention” means that such date shall be postponed to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date will be the first preceding day that is a Business Day;
- (c) “Preceding Business Day Convention” means that such date shall be brought forward to the first preceding day that is a Business Day; and
- (d) “FRN Convention” or “Eurodollar Convention” means that each such date shall be the date which numerically corresponds to the preceding such date in the calendar month which is the number of months specified in the Pricing Supplement after the calendar month in which the preceding such date occurred, provided that:
  - (i) if there is no such numerically corresponding day in the calendar month in which any such date should occur, then such date will be the last day which is a Business Day in that calendar month;
  - (ii) if any such date would otherwise fall on a day which is not a Business Day, then such date will be the first following day which is a Business Day unless that day falls in the next calendar month, in which case it will be the first preceding day which is a Business Day; and
  - (iii) if the preceding such date occurred on the last day in a calendar month which was a Business Day, then all subsequent such dates will be the last day which is a Business Day in the calendar month which is the specified number of months after the calendar month in which the preceding such date occurred.

“**Calculation Agent**” means the Australian Agent or such other agent as may be specified in the Pricing Supplement as the Calculation Agent.

“**Day Count Fraction**” means, in respect of the calculation of an amount for any period of time (each such period, from and including the first day of such period to but excluding the last, an “**Accrual Period**”), such day count fraction as may be specified in the Pricing Supplement and:

- (e) if “**Actual/Actual**” or “**Actual/Actual (ISDA)**” is so specified, means the actual number of days in the Accrual Period divided by 365 (or, if any portion of the Accrual Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Accrual Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Accrual Period falling in a non-leap year divided by 365);
- (f) if “**Actual/365 (Sterling)**” is so specified, means the actual number of days in the Accrual Period divided by 365 or, in the case where the last day of the Accrual Period falls in a leap year, 366;
- (g) if “**Actual/365 (Fixed)**” is so specified, means the actual number of days in the Accrual Period divided by 365;
- (h) if “**Actual/360**” is so specified, means the actual number of days in the Accrual Period divided by 360;
- (i) if “**30E/360**” or “**Eurobond Basis**” is specified in the applicable Pricing Supplement, the number of days in the Accrual Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_{(2)} - Y_{(1)})] + [30 \times (M_{(2)} - M_{(1)})] + (D_{(2)} - D_{(1)})}{360}$$

where:



“Y<sub>1</sub>” is the year, expressed as a number, in which the first day of such period falls;

“Y<sub>2</sub>” is the year, expressed as a number, in which the day immediately following the last day included in such period falls;

“M<sub>1</sub>” is the calendar month, expressed as a number, in which the first day of such period falls;

“M<sub>2</sub>” is the calendar month, expressed as a number, in which the day immediately following the last day included in such period falls;

“D<sub>1</sub>” is the first calendar day, expressed as a number, of such period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

“D<sub>2</sub>” is the calendar day, expressed as a number, immediately following the last day included in such period, unless such number would be 31, in which case D<sub>2</sub>, will be 30.

- (j) if “**30/360**”, “**360/360**” or “**Bond Basis**” is so specified, the number of days in the Accrual Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_{(2)} - Y_{(1)})] + [30 \times (M_{(2)} - M_{(1)})] + (D_{(2)} - D_{(1)})}{360}$$

where:

“Y<sub>1</sub>” is the year, expressed as a number, in which the first day of such period falls;

“Y<sub>2</sub>” is the year, expressed as a number, in which the day immediately following the last day included in such period falls;

“M<sub>1</sub>” is the calendar month, expressed as a number, in which the first day of such period falls;

“M<sub>2</sub>” is the calendar month, expressed as number, in which the day immediately following the last day included in such period falls;

“D<sub>1</sub>” is the first calendar day, expressed as a number, of such period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

“D<sub>2</sub>” is the calendar day, expressed as a number, immediately following the last day included in such period, unless such number would be 31 and D<sub>1</sub> is greater than 29, in which case D<sub>2</sub> will be 30; and

- (k) if “**30E/360 (ISDA)**” is so specified, means the number of days in the Accrual Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_{(2)} - Y_{(1)})] + [30 \times (M_{(2)} - M_{(1)})] + (D_{(2)} - D_{(1)})}{360}$$

where,

“Y<sub>1</sub>” is the year, expressed as a number, in which the first day of the Accrual Period falls;

“Y<sub>2</sub>” is the year, expressed as a number, in which the day immediately following the last day included the Accrual Period falls;

“M<sub>1</sub>” is the calendar month, expressed as a number, in which the first day of the Accrual Period falls;

“**M<sub>2</sub>**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Accrual Period falls;

“**D<sub>1</sub>**” is the first calendar day, expressed as a number, of the Accrual Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case **D<sub>1</sub>** will be 30; and

“**D<sub>2</sub>**” is the calendar day, expressed as a number, immediately following the last day included in the Accrual Period, unless (i) that day is the last day of February but not the Final Maturity Date or (ii) such number would be 31, in which case **D<sub>2</sub>** will be 30;

- (l) if “**Actual/Actual (ICMA)**” or “**Act/Act (ICMA)**” is specified in the applicable Pricing Supplement, then:
- (i) in the case of Australian Covered Bonds where the Accrual Period is equal to or shorter than the Determination Period during which the Accrual Period ends, it means the number of days in such Accrual Period divided by the product of: (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in the applicable Final Terms or Pricing Supplement) that would occur in one calendar year; or
  - (ii) in the case of Australian Covered Bonds where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, it means the sum of:
    - (A) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of: (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and
    - (B) the number of days in such Accrual Period falling in the next Determination Period divided by the product of: (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and
- (m) if “**RBA Bond Basis**” is so specified, means one divided by the number of Interest Payment Dates in a year (or where the Determination Period does not constitute an Accrual Period, the actual number of days in the Determination Period divided by 365 (or, if any portion of the Determination Period falls in a leap year, the sum of:
- (i) the actual number of days in that portion of the Determination Period falling in a leap year divided by 366; and
  - (ii) the actual number of days in that portion of the Determination Period falling in a non-leap year divided by 365)).

“**Designated Maturity**” means, in relation to Screen Rate Determination, the period of time designated in the reference rate.

“**Determination Date**” means such date as specified in the applicable Pricing Supplement.

“**Determination Period**” means the period from and including a Determination Date to but excluding the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date).

“**Euro-zone**” means the region comprised of those member states of the European Union participating in the European Monetary Union from time to time.

“**Fixed Rate Australian Covered Bonds**” means Australian Covered Bonds paying a fixed rate of interest on such date or dates as may be agreed between the Issuer and the relevant Dealer(s) and on redemption calculated

on the basis of such Day Count Fraction as may be agreed between the Issuer and the relevant Dealer(s) (as indicated in the applicable Pricing Supplement).

**“Floating Rate Australian Covered Bonds”** means Australian Covered Bonds which bear interest at a rate determined (as indicated in the applicable Pricing Supplement):

- (n) on the same basis as the floating rate under a notional schedule and confirmations for each Tranche and/or Series of Australian Covered Bonds governed by the Interest Rate Swap Agreement incorporating the ISDA Definitions;
- (o) on the same basis of a reference rate appearing on the agreed screen page of a commercial quotation service; or
- (p) on such other basis as may be agreed between the Issuer and the relevant Dealer(s), as set out in the applicable Pricing Supplement.

**“Interest Commencement Date”** means the date of issue (the **“Issue Date”**) of the Australian Covered Bonds (as specified in the Pricing Supplement) or such other date as may be specified as such in the Pricing Supplement.

**“Interest Determination Date”** means, in respect of any Interest Period, the date specified as such in the applicable Pricing Supplement, or if none is specified, the first day of such Interest Period.

**“Interest Payment Date”** means the date or dates specified as such in the Pricing Supplement and, as the same may be adjusted in accordance with the Business Day Convention, if any, specified in the Pricing Supplement or if the Business Day Convention is the FRN Convention and an interval of a number of calendar months is specified in the Pricing Supplement as being the Specified Period, each of such dates as may occur in accordance with the FRN Convention at such specified period of calendar months following the Issue Date of the Australian Covered Bonds (in the case of the first Interest Payment Date) or the previous Interest Payment Date (in any other case).

**“Interest Period”** means each successive period beginning on and including an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date, provided always that the first Interest Period shall commence on and include the Interest Commencement Date and the final Interest Period shall end on but exclude the Final Maturity Date, or the Extended Due for Payment Date, as applicable.

**“ISDA Definitions”** means the 2006 ISDA Definitions (as amended, supplemented and updated as at the date of issue of the first Tranche of the Australian Covered Bonds of the relevant Series (as specified in the Pricing Supplement) as published by the International Swaps and Derivatives Association, Inc.).

**“Outstanding Principal Amount”** means, in respect of an Australian Covered Bond, its principal amount or otherwise as indicated in the Pricing Supplement.

**“Principal Financial Centre”** means such financial centre or centres as may be indicated in the Pricing Supplement or, if none are specified or “Not Applicable” is specified in the Pricing Supplement, such financial centre or centres as may be specified in relation to the relevant currency for the purposes of the definition of “Business Day” in the ISDA Definitions or such financial centre or centres as the Calculation Agent may select.

**“Rate of Interest”** means the rate or rates (expressed as a percentage per annum) or amount or amounts (expressed as a price per unit of relevant currency) of interest payable in respect of the Australian Covered Bonds specified in, or calculated or determined in accordance with the provisions of, the Pricing Supplement.

**“Reference Banks”** means such banks as may be specified in the Pricing Supplement as the Reference Banks, or, if none are specified or “Not Applicable” is specified in the Pricing Supplement, “Reference Banks” has the meaning given in the ISDA Definitions, *mutatis mutandis*.

**“Reference Rate”** means the relevant LIBOR, EURIBOR or such other benchmark rate specified in the applicable Pricing Supplement, or any other reference rate specified in the applicable Pricing Supplement.

**“Relevant Screen Page”** means the page, section or other part of a particular information service (including, without limitation, Reuters) specified as the “Relevant Screen Page” in the applicable Pricing Supplement, or such other page, section or other part as may replace it in that information service (or any successor page thereto or any

page of any successor information service, as applicable), in each case, as may be nominated by the person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate.

“**Relevant Time**” means the time as of which any rate is to be determined as specified in the Pricing Supplement (which in the case of LIBOR means London time or in the case of EURIBOR means Central European Time) or, if none is specified, at which it is customary to determine such rate.

“**Reuters Screen Page**” means, when used in connection with a designated page and any designated information, the display page so designated on the Reuters Market 3000 (or such other page as may replace that page on that service for the purpose of displaying such information).

“**U.S. Registered Covered Bond**” means a Covered Bond issued under a registration statement under the Securities Act.

### ***Linear Interpolation***

**5.10** Where “Linear Interpolation” is specified as applicable in respect of an Interest Period in the applicable Pricing Supplement, the Rate of Interest for such Interest Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two rates based on the relevant reference rate (where Screen Rate Determination is specified as applicable in the applicable Pricing Supplement or Pricing Supplement) or the relevant floating rate option (where ISDA determination is specified as applicable in the applicable Pricing Supplement or Pricing Supplement), one of which shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Period and the other of which shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period provided however that if there is no rate available for a period of time next shorter or, as the case may be, next longer, then the Calculation Agent shall determine such rate at such time and by reference to such sources as it determines appropriate.

## **6. Redemption and Purchase**

### ***Redemption at Maturity***

**6.01** Unless previously redeemed, or purchased and cancelled or unless such Australian Covered Bond is stated in the Pricing Supplement as having no fixed maturity date, each Australian Covered Bond shall be redeemed at its Final Redemption Amount specified in the applicable Pricing Supplement in the Specified Currency on the Final Maturity Date.

***The Guarantor’s obligations to make payment of the Final Redemption Amount in the event of a failure of the Issuer to pay the same on the Final Maturity Date may in certain circumstances be deferred until the Extended Due for Payment Date as described in Programme Term 2.01. See Programme Term 2.01 on pages 11 and 12 of the Australian Information Memorandum.***

### ***Early Redemption for Taxation Reasons***

**6.02** If, in relation to any Series of Australian Covered Bonds (i) as a result of any amendment to, clarification of, or change including any announced proposed change in the laws or regulations, or the application or interpretation thereof of Canada or the United Kingdom or any political subdivision thereof or any authority or agency therein or thereof having power to tax or, in the case of Australian Covered Bonds issued by a branch of the Issuer outside Canada, of the country in which such branch is located or of any political subdivision thereof or any authority or agency therein or thereof having power to tax or in the interpretation or administration of any such laws or regulations which becomes effective on or after the Issue Date of such Australian Covered Bonds or any other date specified in the Pricing Supplement, (ii) any judicial decision, administrative pronouncement, published or private ruling, regulatory procedure, rule, notice, announcement, assessment or reassessment (including any notice or announcement of intent to adopt or issue such decision, pronouncement, ruling, procedure, rule, notice, announcement, assessment or reassessment) (collectively, an “administrative action”); or (iii) any amendment to, clarification of, or change in, the official position with respect to or the interpretation of any administrative action or any interpretation or pronouncement that provides for a position with respect to such administrative action that differs from the theretofore generally accepted position, in each of case (i), (ii) or (iii), by any legislative body, court, governmental authority or agency, regulatory body or taxing authority, irrespective of the manner in which

such amendment, clarification, change, administrative action, interpretation or pronouncement is made known, which amendment, clarification, change or administrative action is effective or which interpretation, pronouncement or administrative action is announced on or after the date of issue of the Australian Covered Bonds, there is more than an insubstantial risk (assuming any proposed or announced amendment, clarification, change, interpretation, pronouncement or administrative action is effective and applicable) the Issuer would be required to pay additional amounts as provided in Condition 8, and such circumstances are evidenced by the delivery by the Issuer to the Australian Agent and Bond Trustee of (x) a certificate signed by two senior officers of the Issuer stating that the said circumstances prevail and describing the facts leading thereto, and (y) an opinion of independent legal advisers of recognized standing to the effect that the circumstances set forth in (i), (ii) or (iii) above prevail, the Issuer may, at its option and having given no less than 30 nor more than 60 days' notice (ending, in the case of Floating Rate Australian Covered Bonds, on an Interest Payment Date) to the Holders of Australian Covered Bonds in accordance with Condition 13 (which notice shall be irrevocable), redeem all (but not some only) of the outstanding Australian Covered Bonds at their Outstanding Principal Amount or such Early Redemption Amount as may be specified in, or determined in accordance with the provisions of, the Pricing Supplement, together with accrued interest (if any) thereon, provided, however, that no such notice of redemption may be given earlier than 90 days (or, in the case of Floating Rate Australian Covered Bonds a number of days which is equal to the aggregate of the number of days falling within the then current Interest Period plus 60 days) prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Australian Covered Bonds then due.

The Issuer may not exercise such option in respect of any Australian Covered Bond which is the subject of the prior exercise by the Holder thereof of its option to require the redemption of such Australian Covered Bond under Condition 6.06.

### ***Call Option***

**6.03** If a Call Option is specified in the Pricing Supplement as being applicable, then the Issuer may, having given the appropriate notice to the Holders in accordance with Condition 13, which Notice shall be irrevocable, and shall specify the date fixed for redemption, redeem all or, if so specified in the applicable Pricing Supplement, some only of the Australian Covered Bonds of this Series outstanding on any Optional Redemption Date at the Optional Redemption Amount(s) specified in, or determined in the manner specified in the applicable Pricing Supplement together with accrued interest (if any) thereon on the date specified in such notice.

The Issuer may not exercise such option in respect of any Australian Covered Bond which is the subject of the prior exercise by the Holder thereof of its option to require the redemption of such Australian Covered Bond under Condition 6.06.

**6.04** The appropriate notice referred to in Condition 6.03 is a notice given by the Issuer to the Holders of the Australian Covered Bonds of the relevant Series in accordance with Condition 13, which notice shall be irrevocable and shall specify:

- the Series of Australian Covered Bonds subject to redemption;
- whether such Series is to be redeemed in whole or in part only and, if in part only, the aggregate principal amount of the Australian Covered Bonds of the relevant Series which are to be redeemed;
- the due date for such redemption, which shall be not less than thirty days nor more than 60 days after the date on which such notice is given and which shall be such date or the next of such dates (“**Call Option Date(s)**”) or a day falling within such period (“**Call Option Period**”), as may be specified in the Pricing Supplement and which is, in the case of Floating Rate Australian Covered Bonds, an Interest Payment Date; and
- the Optional Redemption Amount at which such Australian Covered Bonds are to be redeemed.

### ***Partial Redemption***

**6.05** If the Australian Covered Bonds are to be redeemed in part only on any date in accordance with Condition 6.03:

- such redemption must be for an amount not less than the Minimum Redemption Amount or not more than the Maximum Redemption Amount, in each case as may be specified in the applicable Pricing Supplement; and
- in the case of a partial redemption of Australian Covered Bonds, the Australian Covered Bonds to be redeemed shall be drawn by lot in such Australian city as the Australian Agent may specify, or identified in such other manner or in such other place as the Australian Agent may approve and deem appropriate and fair,

subject always to compliance with all applicable laws and the requirements of any stock exchange on which the relevant Australian Covered Bonds may be listed.

### ***Put Option***

**6.06** If a Put Option is specified in the Pricing Supplement as being applicable, upon the Holder of any Australian Covered Bond of this Series giving the required notice to the Issuer specified in the applicable Pricing Supplement (which notice shall be irrevocable), the Issuer will, upon expiry of such notice, redeem such Australian Covered Bond subject to and in accordance with the terms specified in the applicable Pricing Supplement in whole (but not in part only) on the Optional Redemption Date and at the Optional Redemption Amount specified in, or determined in accordance with the provisions of, the applicable Pricing Supplement, together with accrued interest (if any) thereon. In order to exercise such option, the Holder must, not less than 45 days before the Optional Redemption Date deposit during normal business hours at the specified office of the Australian Agent a duly completed early redemption notice (“**Put Notice**”) in the form which is available from the specified office of the Australian Agent. No option exercised may be withdrawn (except as provided in the Agency Agreement).

The Holder of an Australian Covered Bond may not exercise such Put Option (i) in respect of any Australian Covered Bond which is the subject of an exercise by the Issuer of its option to redeem such Covered Bond under either Condition 6.02 or 6.03 or (ii) following an Issuer Event of Default.

### ***Purchase of Australian Covered Bonds***

**6.07** The Issuer or any of its subsidiaries may at any time, but will at no time be obligated to, purchase Australian Covered Bonds in the open market or otherwise and at any price. If purchases are made by tender, tenders must be available to all Holders of Australian Covered Bonds alike.

### ***Further Provisions applicable to Redemption Amount***

**6.08** The provisions of Condition 5.07 and the last paragraph of Condition 5.08 shall apply to any determination or calculation of the Redemption Amount required by the Pricing Supplement to be made by the Calculation Agent (as defined in Condition 5.09).

References herein to “**Redemption Amount**” shall mean, as appropriate, the Final Redemption Amount, the Optional Redemption Amount, the Early Redemption Amount or such other amount in the nature of a redemption amount as may be specified in, or determined in accordance with, the provisions of the applicable Pricing Supplement.

### ***Redemption due to Illegality***

**6.09** Pursuant to the Trust Deed, the Australian Covered Bonds are also redeemable at the option of the Issuer in certain circumstances where the Transaction Documents may not be lawfully performed. The Issuer is entitled to effect such redemption under these Conditions.

***For a description of these circumstances see Programme Term 2.02 on page 12 of the Australian Information Memorandum.***

## 7. Events of Default

Pursuant to the Trust Deed, the Holders may take, or require the Bond Trustee to take, certain actions provided for in the Trust Deed upon the occurrence of certain Events of Default specified in the Trust Deed.

*For a description of the Events of Default applicable to the Australian Covered Bonds and the action that may be taken under the Trust Deed or other Transaction Documents see Programme Terms 3.01, 3.02 and 3.03 on pages 12 to 15 (inclusive) of the Australian Information Memorandum.*

## 8. Taxation

**8.01** All payments (whether in respect of principal or interest) in respect of the Australian Covered Bonds by or on behalf of the Issuer will be paid free and clear of and without withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of Canada, any province or territory or political subdivision thereof or any authority or agency therein or thereof having power to tax or, in the case of Australian Covered Bonds issued by a branch of the Issuer located outside Canada, the country in which such branch is located or any political subdivision thereof or any authority or agency therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments or governmental charges is required by law or the interpretation or administration thereof. In that event, the Issuer will pay such additional amounts as may be necessary in order that the net amounts received by the Holder after such withholding or deduction shall equal the respective amounts of principal and interest which would have been received in respect of the Australian Covered Bonds (as the case may be), in the absence of such withholding or deduction; except that no additional amounts shall be payable with respect to any payment in respect of any Australian Covered Bond:

- (a) to, or to a third party on behalf of, a Holder who is liable for such taxes, duties, assessments or governmental charges in respect of such Australian Covered Bond by reason of his having some connection with Canada or the country in which such branch is located (for these purposes “connection” includes but is not limited to any present or former connection between such holder (or between a fiduciary, seller, beneficiary, member or shareholder of, or possessor of power over such holder if such holder is an estate, trust, partnership, limited liability company or corporation) and such jurisdiction) otherwise than the mere holding of (but not the enforcement of) such Australian Covered Bond; or
- (b) to, or to a third party on behalf of, a Holder in respect of whom such tax, duty, assessment or governmental charge is required to be withheld or deducted by reason of the Holder or any other person entitled to payments under the Australian Covered Bonds being a person with whom the Issuer is not dealing at arm’s length (within the meaning of the Income Tax Act (Canada)), or being a person who is, or does not deal at arm’s length with any person who is, a “specified shareholder” of the Issuer for purposes of the thin capitalisation rules in the Income Tax Act (Canada); or
- (c) presented for payment more than 30 days after the Relevant Date except to the extent that the Holder thereof would have been entitled to an additional amount on presenting the same for payment on the thirtieth such day; or
- (d) to, or to a third party on behalf of, a Holder who is liable for such taxes, duties, assessments or other governmental charges by reason of such Holder’s failure to comply with any certification, identification, documentation or other reporting requirement concerning the nationality, residence, identity or connection with Canada or the country in which such branch is located of such Holder, if (i) compliance is required by law as a precondition to, exemption from, or reduction in the rate of, the tax, assessment or other governmental charge and (ii) the Issuer has given Holders at least 30 days’ notice that Holders will be required to provide such certification, identification, documentation or other requirement; or
- (e) in respect of any estate, inheritance, gift, sales, transfer, personal property or any similar tax, duty, assessment or governmental charge; or
- (f) where any combination of items (a) - (e) applies;

nor will such additional amounts be payable with respect to any payment in respect of the Australian Covered Bonds to a holder that is a fiduciary or partnership or to any person other than the sole beneficial owner of such Australian Covered Bond to the extent that the beneficiary or seller with respect to such fiduciary, or member of such partnership or beneficial owner thereof would not have been entitled to receive a payment of such additional amounts had such beneficiary, seller, member or beneficial owner received directly its beneficial or distributive share of such payment.

For the purposes of this Condition 8.01, the term “**Holder**” shall be deemed to refer to the beneficial holder for the time being of the Australian Covered Bonds.

**8.02** For the purposes of these Terms and Conditions, the “**Relevant Date**” means, in respect of any Australian Covered Bond the date on which payment thereof first become due and payable, or, if the full amount of the moneys payable has not been received by the Australian Agent on or prior to such due date, the date on which, the full amount of such moneys shall have been so received and notice to that effect shall have been duly given to the Holders in accordance with Condition 13.

**8.03** If the Issuer becomes subject generally at any time to any taxing jurisdiction other than or in addition to Canada or the country in which the relevant branch of the Issuer is located, references in Condition 6.02 and Condition 8.01 to Canada or the country in which the relevant branch is located shall be read and construed as references to Canada or the country in which such branch is located and/or to such other jurisdiction(s), provided, for the avoidance of doubt, that the Issuer shall not be considered to be subject generally to the taxing jurisdiction of the United States for purposes of this Condition 8.03 solely because payments in respect of the Australian Covered Bonds are subject to a U.S. federal withholding Tax imposed under sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended (the “**Code**”), any regulations or agreements thereunder or any official interpretations thereof.

**8.04** Any reference in these Terms and Conditions to any payment due in respect of the Australian Covered Bonds shall be deemed to include any additional amounts which may be payable under this Condition 8. Unless the context otherwise requires, any reference in these Terms and Conditions to “**principal**” shall include any premium payable in respect of an Australian Covered Bond or Final Redemption Amount, any Excess Proceeds which may be payable by the Bond Trustee under or in respect of the Australian Covered Bonds and any other amounts in the nature of principal payable pursuant to these Terms and Conditions and “**interest**” shall include all amounts payable pursuant to Condition 5 and any other amounts in the nature of interest payable pursuant to these Terms and Conditions.

**8.05** Should any payments made by the Guarantor under the Australian Covered Bond Guarantee be made subject to any withholding or deduction for or on account of taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of Canada, any province or territory or political sub-division thereof or any authority or agency therein or thereof having power to tax, or, in the case of payments made by the Guarantor under the Covered Bond Guarantee in respect of Covered Bonds, Receipts or Coupons issued by a branch of the Issuer located outside of Canada, the country in which such branch is located or any political subdivision thereof or by any authority or agency therein or thereof having the power to tax, the Guarantor will not be obliged to pay any additional amounts as a consequence.

## **9. Payments**

**9.01** Payments of principal and interest in respect of Australian Covered Bonds will be made in Sydney in Australian dollars to, or to the order of, the persons who, on the relevant Record Date (as defined below), are registered as the Holders of such Australian Covered Bonds or (if so required by the Bond Trustee by notice in writing following the occurrence of an Event of Default or Potential Event of Default or following receipt by the Bond Trustee of any money which it proposes to pay under clause 11 of the Trust Deed) to the Bond Trustee, subject in all cases to all applicable laws and regulations (without prejudice to Condition 8). Payments to Holders in respect of the Australian Covered Bonds will be made: (i) if the Australian Covered Bond is held by Austraclear and entered in the Austraclear System, by crediting on the relevant Interest Payment Date, the Maturity Date or other date on which payment is due the amount then due to the account or accounts (which must be in Australia unless otherwise agreed by the Issuer) to which payments should be made in accordance with the Austraclear Regulations or as otherwise agreed with Austraclear; and (ii) if the Australian Covered Bond is not held by Austraclear and entered in the Austraclear System, by crediting on the Interest Payment Date, the Maturity Date or other date on which payment is due, the amount then due to an account (which must be in Australia) previously notified by the Holders of Australian Covered Bond to the Issuer and the Australian Agent.



The Issuer is regarded as having made payment on an Australian Covered Bond to an account upon the giving of all necessary instructions for the transfer of the relevant funds to the account so long as: (a) the payment is actually made in accordance with such instructions; or (b) if instructions for the transfer are not given effect to in accordance with normal banking procedures because the account does not exist or is not an account to which the relevant payment may be made or because the details of the account do not match the details recorded in the Register, the Issuer cancels the transfer instruction and pays the relevant amount to an account in Australia specified by the relevant Holder (net of any applicable deduction or withholding) upon being furnished by the Holder with appropriate account details and evidence of entitlement satisfactory to the Issuer and the Australian Agent.

If (after the application of any applicable business day convention) any day for payment in respect of any Australian Covered Bond is not a Business Day in the city in which the account is located, such payment shall not be made until the next following day which is a Business Day, and no further interest shall be paid in respect of the delay in such payment. No commissions or expenses shall be charged to the Holders of Australian Covered Bonds in respect of such delay.

Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto but without prejudice to the provisions of Condition 8 (*Taxation*) and (ii) any withholding or deduction required pursuant to an agreement described in section 1471(b) of the Code or otherwise imposed pursuant to sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof or (without prejudice to the provisions of Condition 8), any law implementing an intergovernmental approach thereto. If at any time payment in Australia is prohibited by law, the Issuer will nominate another place outside Australia where payment is to be made.

In this Condition, “**Business Day**” means any day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Sydney; and “**Record Date**” means, in the case of payments of principal or interest, close of business in Sydney on the date which is the eighth calendar day before the due date of the relevant payment of principal or interest.

Payment of any amount to the Bond Trustee shall discharge the obligation of the Issuer to pay the corresponding amount to the Holder. The Issuer’s obligation may also be discharged as provided in the Trust Deed.

**9.02** No commissions or expenses shall be charged to the Holders of Australian Covered Bonds in respect of such payments.

## **10. Prescription**

**10.01** Subject to applicable law, the Issuer’s obligation to pay an amount of principal and interest in respect of Australian Covered Bonds will cease unless a claim for payment in respect of the Australian Covered Bonds is made within two years after the Relevant Date (as defined in Condition 8.02).

## **11. The Australian Agent and the Calculation Agent**

**11.01** The Australian Agent and the Calculation Agent and their respective specified office are specified in the Pricing Supplement. The Issuer and the Guarantor each reserves the right, without approval of the Bond Trustee, at any time to vary or terminate the appointment of the Australian Agent or the Calculation Agent and to appoint another Australian Agent or Calculation Agent provided that the Issuer and the Guarantor will at all times maintain an Australian Agent to carry on the functions of registrar, and paying agent and a Calculation Agent where required by the Terms and Conditions applicable to any Australian Covered Bonds. The Australian Agent and the Calculation Agent reserve the right at any time to change its respective specified offices to some other specified office in the same metropolitan area. Notice of all changes in the identities or specified offices of the Australian Agent or the Calculation Agent will be given promptly by the Issuer or the Guarantor to the Holders in accordance with Condition 13.

**11.02** The Australian Agent and the Calculation Agent act solely as agents of the Issuer and the Guarantor, and, in certain circumstances of the Bond Trustee, and save as provided in the Agency Agreement or any other agreement entered into with respect to its appointment, do not assume any obligations towards or relationship of agency or trust for any Holder of any Australian Covered Bond and each of them shall only be responsible for the performance of the duties and obligations expressly imposed upon it in the Agency Agreement or other agreement entered into with respect to its appointment or incidental thereto.

**11.03** Notwithstanding the foregoing, the Australian Agent shall have the right to decline to act as the Australian Agent with respect of any Australian Covered Bonds issued pursuant to the Programme that are payable and/or dischargeable by the Issuer by the payment or delivery of securities and/or other property or any combination of cash, securities and/or property whereupon the Issuer or an affiliate thereof shall either (i) act as paying agent or (ii) engage another financial institution to act as paying agent in respect of such Australian Covered Bonds. The Pricing Supplement relating to such Australian Covered Bonds shall include the relevant details regarding the applicable paying agent.

## **12. Meetings of Holders of Australian Covered Bonds, Modification and Waiver**

The Trust Deed contains provisions for convening meetings of the Holders of Australian Covered Bonds and other covered bonds issued under the Programme to consider any matter affecting their interests, including the modification by Extraordinary Resolution of these Terms and Conditions or the provisions of the Trust Deed. The rights of Holders under these Terms and Conditions are subject to modification, waiver or other action pursuant to these provisions.

*For a description of the meeting provisions see Programme Term 4 on pages 16 to 21 (inclusive) of the Australian Information Memorandum.*

## **13. Notices**

**13.01** Notices to Holders shall be published in a leading daily newspaper of general circulation in Australia. It is expected that such notices will normally be published in *The Australian Financial Review*. Any such notice will be deemed to have been validly given to the Holders on the date of such publication.

**13.02** Notices to Holders will also be deemed to be validly given if sent by first class mail (or equivalent) or, if posted to an overseas address, by air mail to them (or, in the case of joint Holders, to the first named in the Australian Register) at their respective addresses as recorded in the Australian Register, and will be deemed to have been validly given on the fourth weekday after the date of such mailing or, if posted from another country, on the fifth such day.

**13.03** Notwithstanding the foregoing provisions of this Condition 13, if the Australian Covered Bond is held by Austraclear and entered in the Austraclear System, notices to Holders may, or a copy of any notice published or given in accordance with foregoing provisions of this Condition 13 must, be physically delivered to Austraclear for communication by Austraclear to the persons shown in their records as having interests in the Australian Covered Bond.

## **14. Further Issues**

The Issuer may from time to time, without the consent of the Holders of any Australian Covered Bonds, create and issue further Australian Covered Bonds having the same terms and conditions as such Australian Covered Bonds in all respects (or in all respects except for the first payment of interest, if any, on them and/or the Specified Denomination thereof) so as to form a single series with the Australian Covered Bonds of any particular Series.

## **15. Currency Indemnity**

The currency in which the Australian Covered Bonds are denominated or, if different, payable, as specified in the Pricing Supplement (the “**Contractual Currency**”), is the sole currency of account and payment for all sums payable by the Issuer in respect of the Australian Covered Bonds, including damages. Any amount received or recovered in a currency other than the Contractual Currency (whether as a result of, or of the enforcement of, a judgement or order of a court of any jurisdiction or otherwise) by any Holder of an Australian Covered Bond in respect of any sum expressed to be due to it from the Issuer shall only constitute a discharge (the “**Discharge Amount**”) to the Issuer to the extent of the amount in the Contractual Currency which such Holder is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first day on which it is practicable to do so).

*For a description of the provisions relating to the currency indemnity, see Programme Term 5 on page 21 of the Australian Information Memorandum.*

## **16. Waiver and Remedies**

No failure to exercise, and no delay in exercising, on the part of the Holder of any Australian Covered Bond, any right hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or future exercise thereof or the exercise of any other right. Rights hereunder shall be in addition to all other rights provided by law. No notice or demand given in any case shall constitute a waiver of rights to take other action in the same, similar or other instances without such notice or demand.

## **17. Branch of Account**

The Issuer may change the Branch of Account that applies for the purpose of the Bank Act in accordance with and subject to the Trust Deed.

*For a description of the circumstances in which the Issuer may do so see Programme Term 6 on pages 21 and 22 of the Australian Information Memorandum.*

## **18. Substitution**

Pursuant to the Trust Deed, another person may be substituted for the Issuer as the issuer of the Australian Covered Bonds, and the Issuer may be released from liability in respect of the Australian Covered Bonds and any such substitution shall take effect for the purpose of the Australian Deed Poll and these Conditions.

*For a description of the circumstances in which the Issuer may do so see Programme Term 7 on page 22 of the Australian Information Memorandum.*

## **19. Rating Agency Condition**

Each Holder of Australian Covered Bonds shall be deemed to have acknowledged and agreed that a confirmation of the satisfaction of the Rating Agency Condition or some other responses by a Rating Agency does not impose or extend any actual or contingent liability on the Rating Agencies to any other person.

*For a description of the further relevant provisions relating to Rating Agency Condition see Programme Term 8 on pages 22 and 23 of the Australian Information Memorandum.*

## **20. Indemnification of Bond Trustee and Bond Trustee contracting with the Issuer and/or the Guarantor**

The Trust Deed and the Security Agreement contain provisions for the indemnification of the Bond Trustee and for relief from responsibility and certain other matters pertaining to the Bond Trustee, including provisions relieving the Bond Trustee from taking any action unless indemnified and/or secured to the satisfaction of the Bond Trustee.

*For a description of such provisions see Programme Term 9 on page 23 of the Australian Information Memorandum.*

## **21. Law and Jurisdiction**

The Trust Deed (which includes for greater certainty, the Supplemental Trust Deed), the Agency Agreement (which includes for greater certainty, the Supplemental Agency Agreement) and the other Transaction Documents, except as specified therein and the Australian Deed Poll, are governed by and shall be construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

The Australian Covered Bonds, the Australian Deed Poll and these Terms and Conditions governed by, and shall be construed in accordance with, the law in force in New South Wales, Australia.

In the case of Australian Covered Bonds, the Issuer has irrevocably agreed for the benefit of Holders that the courts of New South Wales, Australia and courts of appeal from them are to have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Australian Covered Bonds, the Australian Deed Poll and these Terms and Conditions and that accordingly any suit, action or proceedings arising out of or in connection

with the Australian Covered Bonds, the Australian Deed Poll and these Terms and Conditions (together referred to as “**Australian Proceedings**”) may be brought in such courts.

For so long as any Australian Covered Bonds are outstanding, the Issuer will maintain an agent (originally as specified in the relevant Pricing Supplement) to accept service of process on its behalf in New South Wales in respect of any legal action or proceedings as may be brought in the courts of New South Wales, Australia or the federal courts of Australia. If such agent ceases to act the Issuer will appoint another agent.

# Second Australian Deed Poll

## Signing page

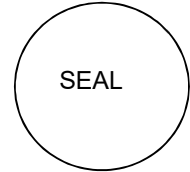
### Issuer

**SIGNED, SEALED AND DELIVERED** )  
by )

as attorney for **THE TORONTO-** )  
**DOMINION BANK** under power of )  
attorney in the presence of: )

..... )  
Signature of witness )

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



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