



# NEWS

28 October 2010

## **WESFARMERS' EURO MEDIUM TERM NOTE PROGRAMME UPDATE**

Wesfarmers has updated the Euro Medium Term Note ("EMTN") programme that was originally established on 30 October 2008.

The programme documentation had been updated so that Wesfarmers will be readily able to access funding in medium-term international debt markets as and when required.

When the programme was established, Wesfarmers received in-principle approval from the Singapore Exchange to list any notes issued under the EMTN programme with the Singapore Exchange. Wesfarmers completed its inaugural issue of notes under the EMTN programme on 10 March 2010.

Wesfarmers has lodged the following updated Offering Circular with the Singapore Exchange.

Notes will not be offered for sale in Australia and no shareholder approval is required for the issue of the notes.

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# Wesfarmers Limited

(ABN 28 008 984 049)

(incorporated with limited liability in Australia)

**€3,000,000,000**

## **Euro Medium Term Note Programme unconditionally guaranteed by certain subsidiaries of Wesfarmers Limited**

On 28 October 2008, Wesfarmers Limited (the **Issuer**) established a €3,000,000,000 Euro Medium Term Note Programme (the **Programme**) and issued an offering circular on that date describing the Programme. This Offering Circular supersedes any previous Offering Circular and any supplement thereto. Any Notes (as defined below) issued under the Programme on or after the date of this Offering Circular are issued subject to the provisions described herein. This does not affect any Notes issued prior to the date of this Offering Circular.

Under the Programme, the Issuer may from time to time issue notes (the **Notes**) denominated in any currency agreed between the Issuer and the relevant Dealer (as defined below).

The payments of all amounts due in respect of any Notes will be unconditionally guaranteed by certain of the Issuer's subsidiaries for the time being Guarantors under the Trust Deed (as defined herein) entered into by the Issuer, such Guarantors (together, the **Guarantors** and each a **Guarantor**) and the Trustee (as defined herein). A list of the current Guarantors, which may change from time to time in accordance with the Trust Deed and the Terms and Conditions of the Notes, is available from the Issuer and/or the Principal Paying Agent upon request. Pursuant to the Trust Deed and the Terms and Conditions of the Notes, new Guarantors may be added or any or all of the Guarantors may be released from time to time, including during the term of any Series of Notes, without the consent of the Trustee or the Noteholders (as defined below) if the Guarantors are added or released in respect of certain other material financial indebtedness (see "*Description of the Guarantors — Guarantee Structure*").

Notes may be issued in bearer or registered form (respectively, **Bearer Notes** and **Registered Notes**). The maximum aggregate nominal amount of all Notes from time to time outstanding under the Programme will not exceed €3,000,000,000 (or its equivalent in other currencies calculated as described in the Programme Agreement described herein), subject to increase as described herein.

Notes may be issued on a continuing basis to one or more of the Dealers specified under "*Summary of the Programme*" and any additional Dealer appointed under the Programme from time to time by the Issuer (each a **Dealer** and together the **Dealers**), which appointment may be for a specific issue of Notes or on an ongoing basis. References in this Offering Circular to the **relevant Dealer** shall, in the case of an issue of Notes being (or intended to be) subscribed for by more than one Dealer, be to all Dealers agreeing to subscribe for such Notes.

**An investment in Notes issued under the Programme involves certain risks. For a discussion of these risks see "*Risk Factors*".**

Approval in-principle has been received from the Singapore Exchange Securities Trading Limited (the **SGX-ST**) for the listing of Notes that may be issued pursuant to the Programme and which are agreed at or prior to the time of issue thereof to be so listed on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained in this Offering Circular. Approval in-principle for the listing of Notes on the SGX-ST is not to be taken as an indication of the merits of the Issuer, the Programme or Notes. Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and any other terms and conditions not contained herein which are applicable to each Tranche (as defined under "*Terms and Conditions of the Notes*") of Notes will be set out in a pricing supplement (each, a **Pricing Supplement**) which, with respect to Notes to be listed on the SGX-ST, will be delivered to the SGX-ST before the date of listing of Notes of such Tranche.

The Programme provides that Notes may be listed or admitted to trading on, or by, such other or further stock exchange(s) and/or competent listing authorities as may be agreed between the Issuer and the relevant Dealer. The Issuer may also issue unlisted Notes and/or Notes not admitted to trading on any market.

The Issuer may agree with any Dealer and the Trustee (as defined herein) that Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes set out herein, in which event (in the case of Notes intended to be listed on the SGX-ST) a supplementary Offering Circular, if appropriate, will be made available which will describe the effect of the agreement reached in relation to such Notes.

The Programme is rated by Standard & Poor's Ratings Services, a Division of The McGraw-Hill Companies Inc. (**Standard & Poor's**) and Moody's Investors Services Limited (**Moody's**). Notes issued under the Programme may be rated or unrated. Where a Series (as defined below) of Notes is rated, the relevant ratings for such Notes shall be specified in the applicable Pricing Supplement.

Such rating will not necessarily be the same as the rating(s) assigned to the Programme. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.

**Arranger**

**BNP PARIBAS**

**Dealers**

**BNP PARIBAS**

**DEUTSCHE BANK**

**THE ROYAL BANK OF SCOTLAND PLC**

**SOCIÉTÉ GÉNÉRALE CORPORATE  
& INVESTMENT BANKING**

The date of this Offering Circular is 27 October 2010.

The Issuer, having made all reasonable enquiries, confirms that this Offering Circular contains or incorporates all information which is material in the context of the issuance and offering of Notes, that the information contained or incorporated in this Offering Circular is true and accurate in all material respects and is not misleading, that the opinions and intentions expressed in this Offering Circular are honestly held and that there are no other facts the omission of which would make this Offering Circular or any of such information or the expression of any such opinions or intentions misleading. The Issuer accepts responsibility accordingly.

This Offering Circular is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see “*Documents Incorporated by Reference*” below). This Offering Circular shall be read and construed on the basis that such documents are incorporated and form part of this Offering Circular.

Neither the Dealers nor the Trustee have independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Dealers or the Trustee as to the accuracy or completeness of the information contained or incorporated in this Offering Circular or any other information provided by the Issuer in connection with the Programme. No Dealer or the Trustee accepts any liability in relation to the information contained or incorporated by reference in this Offering Circular or any other information provided by the Issuer in connection with the Programme.

No person is or has been authorised by the Issuer, any of the Dealers or the Trustee to give any information or to make any representation not contained in or not consistent with this Offering Circular or any other information supplied in connection with the Programme or Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, any of the Dealers or the Trustee.

Neither this Offering Circular nor any other information supplied in connection with the Programme or any Notes (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by the Issuer, any of the Dealers or the Trustee that any recipient of this Offering Circular or any other information supplied in connection with the Programme or any Notes should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer and/or the Guarantors. Neither this Offering Circular nor any other information supplied in connection with the Programme or the issue of any Notes constitutes an offer or invitation by or on behalf of the Issuer or any of the Dealers or the Trustee to any person to subscribe for or to purchase any Notes.

Neither the delivery of this Offering Circular nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained herein concerning the Issuer and/or the Guarantors is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. The Dealers and the Trustee expressly do not undertake to review the financial condition or affairs of the Issuer or the Guarantors during the life of the Programme or to advise any investor in Notes of any information coming to their attention. Investors should review, *inter alia*, the most recently published documents incorporated by reference into this Offering Circular when deciding whether or not to purchase any Notes.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended, (the **Securities Act**) and are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction) or to, or for the account or benefit of, U.S. persons (see “*Subscription and Sale*”).

This Offering Circular does not constitute an offer of, or an invitation to purchase, Notes in, or to any resident of, the Commonwealth of Australia or any of its States or Territories, and Notes may only be offered, sold or delivered in or to any resident of the Commonwealth of Australia in accordance with the restrictions set out in “*Subscription and Sale*” below.

This Offering Circular is not, and is not intended to be, a disclosure document within the meaning of section 9 of the Australian Corporations Act 2001 (Cth) (the **Corporations Act**), or a Product Disclosure Statement for the purposes of Chapter 7 of the Corporations Act. No action has been taken by the Issuer or any Guarantor that would permit a public offering of Notes in Australia. In particular, this Offering Circular has not been lodged with the Australian Securities and Investments Commission.

This Offering Circular does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Offering Circular and the offer or sale of Notes may be restricted by law in certain jurisdictions.

The Issuer, the Guarantors, the Dealers and the Trustee do not represent that this Offering Circular may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Guarantors, the Dealers or the Trustee which would permit a public offering of any Notes or distribution of this Offering Circular in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Offering Circular nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Offering Circular or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Offering Circular and the offering and sale of Notes. In particular, there are restrictions on the distribution of this Offering Circular and the offer or sale of Notes in the United States, the United Kingdom, the European Economic Area, Japan, Hong Kong, Singapore and Australia, see “*Subscription and Sale*”.

All references in this Offering Circular to A\$ refer to Australian dollars. In addition, references to *U.S. dollars* and *U.S.\$* refer to the lawful currency of the United States of America, to *Sterling* and *£* refer to pounds sterling, to *S\$* refer to Singapore dollars and to *EUR, euro* and *€* refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the functioning of the European Union, as amended.

**IN CONNECTION WITH THE ISSUE OF ANY TRANCHE OF NOTES, THE DEALER OR DEALERS (IF ANY) NAMED AS THE STABILISING MANAGER(S) (OR PERSONS ACTING ON BEHALF OF ANY STABILISING MANAGER(S)) IN THE APPLICABLE PRICING SUPPLEMENT MAY OVER-ALLOT NOTES (PROVIDED THAT, IN THE CASE OF ANY TRANCHE OF NOTES TO BE ADMITTED TO TRADING ON A REGULATED MARKET IN THE EUROPEAN ECONOMIC AREA, THE AGGREGATE PRINCIPAL AMOUNT OF NOTES ALLOTTED DOES NOT EXCEED 105 PER CENT. OF THE AGGREGATE PRINCIPAL AMOUNT OF THE RELEVANT TRANCHE) OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF NOTES OF THE SERIES (AS DEFINED BELOW) OF WHICH SUCH TRANCHE FORMS PART AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, THERE IS NO ASSURANCE THAT THE STABILISING MANAGER(S) (OR PERSONS ACTING ON BEHALF OF A STABILISING MANAGERS) WILL UNDERTAKE STABILISATION ACTION. ANY STABILISATION ACTION MAY BEGIN ON OR AFTER THE DATE ON WHICH ADEQUATE PUBLIC DISCLOSURE OF THE TERMS OF THE OFFER OF THE RELEVANT TRANCHE OF NOTES IS MADE AND, IF BEGUN, MAY BE ENDED AT ANY TIME, BUT IT MUST END NO LATER THAN THE EARLIER OF 30 DAYS AFTER THE ISSUE DATE OF THE RELEVANT TRANCHE OF NOTES AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE RELEVANT TRANCHE OF NOTES. ANY STABILISATION ACTION OR OVERALLOTMENT MUST BE CONDUCTED BY THE RELEVANT STABILISING MANAGER(S) (OR PERSON(S) ACTING ON BEHALF OF ANY STABILISING MANAGER(S)) IN ACCORDANCE WITH ALL APPLICABLE LAWS AND RULES.**

Notwithstanding anything to the contrary contained herein, a prospective purchaser (and each employee, representative, or other agent of a prospective purchaser) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of the transactions described in this Offering Circular and all materials of any kind (including opinions or other tax analyses) that are provided to the prospective purchaser relating to such tax treatment and tax structure (as such terms are defined in U.S. Treasury Regulation Section 1.6011-4). This authorisation of tax disclosure is retroactively effective to the commencement of discussions between the Issuer or the Dealers (or any of their representatives) and the prospective purchasers regarding the transactions contemplated herein.

#### Circular 230 Notice

**ANY DISCUSSION OF U.S. FEDERAL TAX ISSUES SET FORTH IN THIS OFFERING CIRCULAR OR AN APPLICABLE PRICING SUPPLEMENT WAS WRITTEN IN CONNECTION WITH THE PROMOTION AND MARKETING BY THE ISSUER AND THE DEALERS OF NOTES. SUCH DISCUSSION WAS NOT INTENDED OR WRITTEN TO BE LEGAL OR TAX ADVICE TO ANY PERSON AND WAS NOT INTENDED OR WRITTEN TO BE USED, AND IT CANNOT BE USED, BY ANY PERSON FOR THE PURPOSE OF AVOIDING ANY U.S. FEDERAL TAX PENALTIES THAT MAY BE IMPOSED ON SUCH PERSON. EACH INVESTOR SHOULD SEEK ADVICE BASED ON ITS PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.**

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## **AUSTRALIAN EXCHANGE CONTROL RESTRICTIONS**

The Australian dollar is freely convertible into euro and other currencies at market-determined rates. However, the Banking (Foreign Exchange) Regulations promulgated under the Banking Act 1959 of Australia and other regulations in Australia restrict or prohibit payments, transactions or other dealings with assets having a proscribed connection with certain countries or named individuals or entities subject to international sanctions or associated with terrorism, including certain payments or other dealings involving or connected in certain ways with Zimbabwe, certain Burmese individuals, certain Yugoslav entities or individuals, the Taliban and the Government of North Korea. The Australian Department of Foreign Affairs and Trade maintains a list of all persons and entities having a proscribed connection with terrorism which is available to the public at the Department's website at [http://www.dfat.gov.au/icat/UNSC\\_financial\\_sanctions.html](http://www.dfat.gov.au/icat/UNSC_financial_sanctions.html)

The foregoing summary is based upon exchange control laws and regulations as now in effect and accurately interpreted and does not take into account possible changes in such laws, regulations and interpretations.

## FINANCIAL INFORMATION PRESENTATION

Unless otherwise indicated, the financial information contained in this Offering Circular is based on Australian Accounting Standards and International Financial Reporting Standards (**IFRS**).

### **Presentation of the Issuer's historical financial information**

The Issuer prepared its financial statements as at and for the fiscal years ended 2009 and 2010 in accordance with IFRS. See note 2 to the Issuer's audited financial statements as of and for the year ended 30 June 2010 for a summary of significant accounting policies under IFRS.

#### *Reporting currency*

The Issuer's consolidated financial statements are presented in Australian dollars, which is its major trading currency.

#### *Accounting principles*

The Issuer's fiscal years end on 30 June of each year, with the next fiscal year beginning 1 July. In this Offering Circular, with respect to the Issuer, references to the "**2010 Fiscal Year**" are to the year ended 30 June 2010 and references to the "**2009 Fiscal Year**" are to the year ended 30 June 2009. Earlier and later periods are referred to in a similar manner.

### **Coles Group**

On 23 November 2007, Wesfarmers consummated the acquisition, by way of a court-approved scheme of arrangement, of Coles Group. As a result of this acquisition, the financial information presented in this Offering Circular for the 2008 Fiscal Year includes the results of operations of Coles Group from 24 November 2007 to 30 June 2008. Accordingly, the financial statements for the 2008 Fiscal Year, and the financial information for year ended 30 June 2007 (and prior years) included in this offering memorandum, are not directly comparable with the financial statements and financial information for the 2009 and 2010 Fiscal Years, as such financial statements and financial information do not include the results of operations of Coles Group for the full twelve months (in the case of the 2008 Fiscal Year) or at all in the case of prior years.

### **Non-GAAP measures**

"**EBIT**" reported for the group is defined as operating profit from continuing operations before interest expense and tax. "**EBIT**" reported on a segment basis is defined as operating profit from continuing operations before interest expense and tax. Corporate overheads are not allocated to segments and do not impact EBIT of segments.

## GENERAL DESCRIPTION OF THE PROGRAMME

Under the Programme, the Issuer may from time to time issue Notes denominated in any currency, subject as set out herein. A summary of the terms and conditions of the Programme and the Notes appears below. The applicable terms of any Notes will be agreed between the Issuer and the relevant Dealer prior to the issue of Notes and will be set out in the Terms and Conditions of the Notes endorsed on, attached to, or incorporated by reference into, the Notes, as modified and supplemented by the applicable Pricing Supplement attached to, or endorsed on, such Notes, as more fully described under “*Form of the Notes*”.

This Offering Circular and any supplement will only be valid for Notes issued under the Programme during the period of 12 months from the date of this Offering Circular in an aggregate nominal amount which, when added to the aggregate nominal amount then outstanding of all Notes previously or simultaneously issued under the Programme, does not exceed €3,000,000,000 or its equivalent in other currencies. For the purpose of calculating the euro equivalent of the aggregate nominal amount of Notes issued under the Programme from time to time:

(a) the euro equivalent of Notes denominated in another Specified Currency (as specified in the applicable Pricing Supplement in relation to the relevant Notes, described under “*Form of the Notes*”) shall be determined, at the discretion of the Issuer, either as of the date on which agreement is reached for the issue of Notes or on the preceding day on which commercial banks and foreign exchange markets are open for business in London, in each case on the basis of the spot rate for the sale of the euro against the purchase of such Specified Currency in the London foreign exchange market quoted by any leading international bank selected by the Issuer on the relevant day of calculation;

(b) the euro equivalent of Dual Currency Notes, Index Linked Notes and Partly Paid Notes (each as specified in the applicable Pricing Supplement in relation to the relevant Notes, described under “*Form of the Notes*”) shall be calculated in the manner specified above by reference to the original nominal amount on issue of such Notes (in the case of Partly Paid Notes regardless of the subscription price paid); and

(c) the euro equivalent of Zero Coupon Notes (as specified in the applicable Pricing Supplement in relation to the relevant Notes, described under “*Form of the Notes*”) and other Notes issued at a discount or a premium shall be calculated in the manner specified above by reference to the net proceeds received by the Issuer for the relevant issue.



## OVERVIEW OF THE PROGRAMME

The following overview does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Offering Circular and, in relation to the terms and conditions of any particular Tranche of Notes, the applicable Pricing Supplement. Words and expressions defined in “*Form of the Notes*” and “*Terms and Conditions of the Notes*” shall have the same meanings in this overview.

Issuer:	Wesfarmers Limited
Guarantors:	Certain subsidiaries of the Issuer for the time being Guarantors under the Trust Deed. A list of the current Guarantors, which may change from time to time in accordance with the Trust Deed and the Terms and Conditions of the Notes, is and will be available from the Issuer and/or the Principal Paying Agent upon request. Pursuant to the Trust Deed and the Terms and Conditions of the Notes, new Guarantors may be added or any or all of the Guarantors may be released from time to time, including during the term of any Series of Notes, without the consent of the Trustee or the Noteholders if the Guarantors are added or released in respect of certain other material financial indebtedness (see “ <i>Description of the Guarantors — Guarantee Structure</i> ”).
Description:	Euro Medium Term Note Programme
Arranger:	BNP Paribas
Dealers:	BNP Paribas Deutsche Bank AG, London Branch, The Royal Bank of Scotland, Société Générale and any other Dealers appointed in accordance with the Programme Agreement.
Certain Restrictions:	Each issue of Notes denominated in a Specified Currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time (see “ <i>Subscription and Sale</i> ”) including the following restrictions applicable at the date of this Offering Circular.  <b>Notes having a maturity of less than one year</b>  Notes having a maturity of less than one year will, if the proceeds of the issue are accepted in the United Kingdom, constitute deposits for the purposes of the prohibition on accepting deposits contained in section 19 of the Financial Services and Markets Act 2000 unless they are issued to a limited class of professional investors and have a redemption value of at least £100,000 or its equivalent, see “ <i>Subscription and Sale</i> ”. Notes having a maturity of 183 days or less will have a minimum denomination of U.S.\$500,000 (or its equivalent in other currencies)
Trustee:	DB Trustees (Hong Kong) Limited
Principal Paying Agent:	Deutsche Bank AG, Hong Kong Branch
Registrar and Transfer Agent: Programme Size:	Deutsche Bank AG, Hong Kong Branch Up to €3,000,000,000 (or its equivalent in other currencies calculated as described under “ <i>General Description of the Programme</i> ” or in the Programme Agreement) outstanding at any time. The Issuer may from time to time increase the amount of the Programme in accordance with the terms of the Programme Agreement.
Distribution:	Notes may be distributed by way of private or public placement and, in each case, on a syndicated or non-syndicated basis. <b>No action has been taken by the Issuer, the Guarantors, the Dealers or the Trustee which would permit a public offering of any Notes or distribution of this Offering Circular in any jurisdiction where</b>

**action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Offering Circular nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations.**

Specified Currencies:	Subject to any applicable legal or regulatory restrictions, any currency agreed between the Issuer and the relevant Dealer.
Redenomination:	The applicable Pricing Supplement may provide that certain Notes may be redenominated in euro. The relevant provisions applicable to any such redenomination are contained in Condition 5 ( <i>Redenomination</i> ).
Maturities:	Notes will have such maturities as may be agreed between the Issuer and the relevant Dealer, subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the Issuer or the relevant Specified Currency.
Issue Price:	Notes may be issued on a fully-paid or a partly-paid basis and at an issue price which is at par or at a discount to, or premium over, par.
Form of Notes:	Notes will be issued in bearer form or registered form (as described in " <i>Form of the Notes</i> ") as specified in the applicable Pricing Supplement. Registered Notes will not be exchangeable for Bearer Notes and <i>vice versa</i> .
Fixed Rate Notes:	If Notes are specified in an applicable Pricing Supplement to be Fixed Rate Notes, fixed interest will be payable on such date or dates as may be agreed between the Issuer and the relevant Dealer and on redemption and will be calculated on the basis of such Day Count Fraction as may be agreed between the Issuer and the relevant Dealer.
Floating Rate Notes:	<p>If Notes are specified in an applicable Pricing Supplement to be Floating Rate Notes, such Notes will bear interest at a rate determined (as specified in the applicable Pricing Supplement):</p> <ul style="list-style-type: none"><li>(a) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the ISDA Definitions; or</li><li>(b) on the basis of a specified reference rate appearing on the agreed screen page of a specified commercial quotation service; or</li><li>(c) on such other basis as may be agreed between the Issuer and the relevant Dealer.</li></ul> <p>The margin (if any) relating to such floating rate will be as agreed between the Issuer and the relevant Dealer for each Series of Floating Rate Notes and as specified in the applicable Pricing Supplement.</p>
Index Linked Notes:	Payments of principal in respect of Index Linked Redemption Notes or of interest in respect of Index Linked Interest Notes will be calculated by reference to such index and/or formula or to changes in the prices of securities or commodities or to such other factors as the Issuer and the relevant Dealer may agree and as specified in the applicable Pricing Supplement.
Other provisions in relation to Floating Rate Notes and Index Linked Interest Notes:	<p>Floating Rate Notes and Index Linked Interest Notes may also have a maximum interest rate, a minimum interest rate or both.</p> <p>Interest on Floating Rate Notes and Index Linked Interest Notes in respect of each Interest Period, as agreed prior to issue by the Issuer</p>

and the relevant Dealer, will be payable on such Interest Payment Dates, and will be calculated on the basis of such Day Count Fraction, as may be agreed between the Issuer and the relevant Dealer and as specified in the applicable Pricing Supplement.

Dual Currency Notes:

Payments (whether in respect of principal or interest and whether at maturity or otherwise) in respect of Dual Currency Notes will be made in such currencies, and based on such rates of exchange, as the Issuer and the relevant Dealer may agree and as specified in the applicable Pricing Supplement.

Zero Coupon Notes:

Zero Coupon Notes will be offered and sold at a discount to their nominal amount and will not bear interest.

Redemption:

The applicable Pricing Supplement will indicate either that the relevant Notes cannot be redeemed prior to their stated maturity (other than in specified instalments, if applicable, or for taxation reasons or following an Event of Default) or that such Notes will be redeemable at the option of the Issuer or the Noteholders upon giving notice to the Noteholders or the Issuer, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices and on such other terms as may be agreed between the Issuer and the relevant Dealer.

The applicable Pricing Supplement may provide that Notes may be redeemable in two or more instalments of such amounts and on such dates as are indicated in the applicable Pricing Supplement. Notes having a maturity of less than one year are subject to restrictions on their denomination and distribution, see "*Certain Restrictions — Notes having a maturity of less than one year*" above.

Denomination of Notes:

Notes will be issued in such denominations as may be agreed between the Issuer and the relevant Dealer and as specified in the applicable Pricing Supplement save that the minimum denomination of each Note will be such amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency, see "*Certain Restrictions — Notes having a maturity of less than one year*" above, and save that the minimum denomination of each Note admitted to trading on a regulated market within the European Economic Area (as such term is defined in the Markets in Financial Instruments Directive (Directive 2004/39/EC)) or offered to the public in a Member State of the European Economic Area in circumstances which require the publication of a prospectus under the Prospectus Directive (Directive 2003/71/EC) will be at least €50,000 (or, if Notes are denominated in a Specified Currency other than euro, the equivalent amount in such Specified Currency). Notwithstanding the foregoing, Notes having a maturity of 183 days or less will have a minimum denomination of U.S.\$500,000 (or its equivalent in other currencies).

Taxation:

All payments in respect of Notes will be made without deduction for or on account of withholding taxes imposed by any Tax Jurisdiction, subject as provided in Condition 9 (*Taxation*). In the event that any such deduction is made, the Issuer or, as the case may be, the Guarantors will, save in certain limited circumstances provided in Condition 9 (*Taxation*), be required to pay additional amounts to cover the amounts so deducted.

Negative Pledge:

The terms of the Notes will contain a negative pledge provision as further described in Condition 4 (*Covenants*).

Cross Default:	The terms of the Notes will contain a cross default provision as further described in Condition 11 ( <i>Events of Default and Enforcement</i> ).
Status of Notes:	Notes will constitute direct, unconditional, unsubordinated and (subject to the provisions of Condition 4 ( <i>Covenants</i> )) unsecured obligations of the Issuer and will rank <i>pari passu</i> among themselves and (save for certain obligations required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the Issuer, from time to time outstanding.
Guarantee:	Notes will be unconditionally guaranteed on a joint and several basis by the Guarantors. The obligations of each Guarantor under such guarantee will be direct, unconditional and (subject to the provisions of Condition 4 ( <i>Covenants</i> )) unsecured obligations of the Guarantor and will rank <i>pari passu</i> and (save for certain obligations required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of such Guarantor from time to time outstanding.
Use of Proceeds:	The net proceeds from each issue of Notes will be applied by the Issuer for repaying portions of its existing debt and for general corporate purposes. If, in respect of any particular issue of Notes, there is a particular identified use of proceeds, this will be stated in the applicable Pricing Supplement.
Rating:	The Programme is rated by Moody's and Standard & Poor's. Notes issued under the Programme may be rated or unrated. Where a Series of Notes is rated, the relevant ratings for such Notes shall be specified in the applicable Pricing Supplement. Such rating will not necessarily be the same as the rating(s) assigned to the Programme. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.
Listing:	<p>Approval in-principle has been received from the SGX-ST for the listing of any Notes that may be issued pursuant to the Programme and which are agreed at or prior to the time of issue thereof to be so listed on the SGX-ST. Notes may also be listed or admitted to trading on or by such other or further stock exchange(s) and/or competent listing authorities as may be agreed between the Issuer and the relevant Dealer and specified in the applicable Pricing Supplement. For so long as any Notes are listed on the SGX-ST and the rules of the SGX-ST so require, such Notes will be traded on the SGX-ST in a minimum board lot size of S\$200,000 (or its equivalent in other currencies).</p> <p>Unlisted Notes may also be issued. The applicable Pricing Supplement will state whether or not the relevant Notes are to be listed or admitted to trading and, if so, on or by which stock exchange(s) and/or competent listing authorities.</p>
Governing Law:	The Notes, the Receipts, the Coupons and the Guarantors' obligations in respect of their guarantees of the Issuer's obligations under the Notes, and any non-contractual obligations arising out of or in connection therewith, will be governed by, and construed in accordance with, English law.

Selling Restrictions:

There are restrictions on the offer, sale and transfer of Notes in the United States, the United Kingdom, the European Economic Area, Japan, Hong Kong, Singapore and Australia and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Notes, see “*Subscription and Sale*”.

Clearing Systems:

Clearstream, Luxembourg, Euroclear and/or any other clearing system as specified in the applicable Pricing Supplement, see “*Forms of the Notes*”.

## RISK FACTORS

*The following factors may affect the ability of the Issuer and Guarantors to fulfil their obligations under Notes issued under the Programme. Most of these factors are contingencies which may or may not occur and neither the Issuer nor the Guarantors are in a position to express a view on the likelihood of any such contingency occurring.*

*In addition, factors which (although not exhaustive) could be material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.*

*Prospective investors should note that the inability of the Issuer or the Guarantors to pay interest, principal or other amounts on or in connection with any Notes may occur for reasons which may not be considered significant by the Issuer and the Guarantors based on the information currently available to them, or which they may not currently be able to anticipate. Prospective investors should also read the detailed information set out elsewhere in this Offering Circular and reach their own views prior to making any investment decision. Prospective investors should also consult their own financial and legal advisers about risks associated with an investment in any Notes issued under the Programme and the suitability of investing in such Notes in light of their particular circumstances.*

### Operational Risks

#### *Transformation of the Coles division*

The Issuer is implementing a plan to achieve meaningful and sustainable improvements in the performance of the Coles division. The success of these improvements depends on the ability of the Issuer to continue the implementation of a new operating model for the food, liquor and convenience businesses, and Coles supermarkets in particular.

Having made good progress over the first 2 years of the turnaround, Coles supermarkets need to successfully complete the implementation of strategies to improve customer service, value, fresh food offers, in-store communication and environment as well as the scale roll-out of new format stores and the stock auto replenishment system, which will require further capital expenditure and take several years. The implementation of new operating models, realization of cost savings and extraction of efficiencies may not occur within the timeframes anticipated, or at all, or may result in additional costs, which would have a negative impact on the Issuer's financial and operating performance.

#### *Risks related to the Issuer's retail businesses*

Retail businesses comprise a significant portion of the Issuer's assets and earnings. Possible factors that may adversely affect the performance or growth of these retail businesses include:

- various actions by competitors;
- entry of new competitors;
- inability to: locate appropriate store sites; improve existing stores; or address underperforming stores;
- inability to effectively manage inventory; or successfully gauge and satisfy consumer preferences;
- inability to attract, develop and retain personnel;
- interruptions in an IT network or system;
- disruption to the supply chain (as a result of an issue with a supplier, an unexpected system interruption or otherwise), or any damage to its integrity;
- events or factors including, among others, product liability claims, public liability claims, breaches of consumer protection laws, change in exchange rates on goods purchased and adverse publicity causing damage to or dilution of the reputation of the Issuer's retail brands;
- general economic conditions affecting retail markets in which the Issuer operates (including any consequences of the recent deterioration in global credit and financial markets); and
- reliance on major suppliers, manufacturers and other service providers.

### ***Resources operations***

The Issuer's coal mining business is subject to the risks associated with the mining sector in Australia including:

- bottlenecks caused by infrastructure limitations (such as constraints of rail and port capacity);
- major plant breakdowns;
- periods of strong demand for commodities have in the past, and may in the future, result in increased capital and operating costs and difficulties in developing, acquiring and retaining skilled personnel and necessary equipment and supplies;
- compliance with environmental, health and safety laws and regulations, which could require material expenditures; changes in operations; or additional site remediation;
- the quality of its mineral reserve and resource estimates, which are estimates only;
- its minerals may be of lower quantity or quality than indicated by testing and drilling;
- changes in government royalty and tax regulations;
- production disruptions due to weather conditions, accidents or other force majeure events; and
- significant fluctuations in prices realised, due to supply and demand factors.

### ***Insurance operations***

The Issuer currently operates insurance underwriting and insurance broking businesses in Australia and New Zealand and an insurance broking business in the United Kingdom and is exposed to risks generally associated with the insurance industry.

### ***Chemical energy and fertiliser operations***

The Issuer's Chemicals, Energy & Fertilisers division manufactures, stores and transports materials. Some of these processes and materials are potentially dangerous or involve risks such as personal injury or loss of life, damage to property, contamination of the environment or malicious attack, which may result in suspension of operations and the imposition of civil or criminal penalties and claims brought by governmental entities or third parties. In addition, there is a risk of mechanical failure or the unavailability of critical inputs such as natural gas due to events outside the Issuer's control. Not all of these risks are covered by insurance policies maintained by the Issuer.

### ***Carbon Emissions Regulation***

Increased regulation of carbon emissions could adversely affect the Issuer's cost of operations. Some of the Issuer's divisions are energy intensive and depend on fossil fuels. Regulatory change in response to carbon emissions is likely to raise energy costs and the cost of production over the next decade. Additionally, the Issuer may have to bear the burden of compliance costs for new regulations and may not be able to recover those costs through adjustment of its prices. Regulation of carbon emissions may also decrease demand for certain products of the Issuer's Resources and Chemicals, Energy and Fertilisers divisions.

### ***Industrial disputes, work stoppages and accidents***

Interruptions at the Issuer's workplaces arising from industrial disputes, work stoppages and accidents may result in production losses and delays. Renegotiation of collective agreements may increase costs and may involve disputes.

### ***Acquisition and divestment activities***

From time to time the Issuer evaluates acquisition and divestment opportunities. Acquisitions and disposals would lead to a change in the sources of the Issuer's earnings and result in variability in earnings over time, and may give rise to liabilities. Integration of new businesses into the Group may be costly and may occupy a large amount of management's time.

### ***Growth strategy execution***

The Issuer may not be able to execute effectively the strategies for its current and future acquired businesses. Planned growth through the expansion of its existing businesses could expose the Issuer to additional and unforeseen costs, including regulatory and other costs associated with operation in industries in which it previously has not operated, and may strain financial and management resources.

In addition, the loss of key members of the Issuer's and its businesses' management teams, or the inability to attract the requisite personnel, could have an adverse effect on growth and performance.

### ***Impairment Risk***

The Issuer regularly undertakes detailed impairment testing of its non-current assets, including goodwill and other intangible assets recognized on acquisition of businesses. In the event that general trading conditions and prospects deteriorate or factors underlying assumed discount rates, such as assumed long term interest rates, change, the determined recoverable amount of certain non-current assets may fall below its carrying value. This would result in a write-down of the carrying value of that asset which would have an adverse effect on the Issuer's reported earnings as well as affecting financial ratios, such as debt to equity and interest coverage.

## **Credit and Market Risks**

### ***Risk associated with the Issuer's debt***

Market conditions and the operating performance of the Issuer may affect its borrowing costs and capacity to repay its debt, refinance its debt facilities or raise further debt.

### ***Exchange rate risk***

The Issuer is subject to some exchange rate risk, which may affect the costs of imports or the proceeds from exports and negatively affect its financial performance.

### ***Commodity price risk***

The Issuer's profitability depends, in part, on commodity prices in a variety of industries including coal, gas, chemicals and fertilisers, all of which produce or utilise commodities which are traded on international markets or are affected by international commodity pricing, including the price of metallurgical and thermal coal, diesel fuel, oil, natural gas, ammonia and LPG. These prices may fluctuate significantly.

### ***Other general market risks***

The Issuer's operations are conducted almost entirely in Australia and New Zealand and are affected by general economic conditions affecting these markets, including changes in: levels of economic activity; the rates of inflation, interest rates and foreign currency exchange rates; fiscal or monetary policy by central banks; commodity prices; climatic conditions (such as major floods and droughts); general consumer sentiment; the availability and cost of credit; employment levels and labour costs; aggregate investment and economic output; asset values; and changes resulting from movements in local and international equity markets.

## **Regulatory Risk**

The Issuer operates in various highly regulated industries and is subject to a range of industry specific and general legal and other regulatory controls (including licensing requirements and operating permits) which may change over time. The Issuer's businesses may also be subject to regulatory investigations from time to time (such as investigation of market pricing by the Australian Competition and Consumer Commission).

## **Environmental Risk**

The Issuer is subject to extensive environmental, health and safety laws and regulations at all government levels relating to maintenance of certain emissions and effluent standards and site remediation. The Issuer is exposed to the risk of liability and reputational damage. The Issuer may incur substantial costs or experience operational interruptions for breaches of these regulatory requirements.



## **Risk Relating to Notes Generally**

### ***Structural subordination***

Notes will be structurally subordinated to the existing and future claims of the creditors of the Issuer's subsidiaries that do not guarantee Notes (other than to the extent provided under the Deed of Cross Guarantee dated 27 June 2008 (the **Deed of Cross Guarantee**) described in note 34 to the Issuer's audited financial statements for the 2009 Fiscal Year or any replacement guarantee issued under the class order).

### ***Impact of early redemption***

Each series of Notes are, if so specified in the Pricing Supplement, redeemable at the Issuer's option. The Issuer may choose or be required to redeem a series of Notes at times when prevailing interest rates (and thus returns on a comparable investment) are lower than when you invested.

### ***Australian insolvency regime***

Like some jurisdictions, but unlike the USA, in Australia some statutory claims by shareholders for breach of statutory requirements (like disclosure) can rank equally with other creditors. These and other claims in a liquidation would be covered by the Deed of Cross Guarantee.

### ***No established trading market***

Each series of Notes will be new securities for which there currently is no established trading market. There can be no assurance regarding the future development of a market for any Notes or the ability of holders of Notes to sell their Notes or the price at which such holders may be able to sell their Notes. If such a market were to develop, Notes could trade at prices that may be lower than the initial offering price. There can be no assurance as to the liquidity of any trading market for Notes or that an active market for Notes will develop.

## DESCRIPTION OF THE ISSUER

### Business

#### *Overview*

From its origin in 1914 as a Western Australian Farmers' Co-operative, the Issuer has grown into one of Australia's leading diversified companies, with market leading retail businesses in over 3,000 locations across Australia and New Zealand. In addition, the Issuer owns and operates industrial, resource and energy businesses, all holding strong market positions and brands in their respective sectors.

The Issuer had revenue of A\$51.8 billion and combined EBIT of A\$2.9 billion for the 2010 Fiscal Year. As of 23 September 2010, the Issuer was the 7th largest company listed on the Australian Securities Exchange with a market capitalisation of A\$39.3 billion (US\$37.3 billion based on the closing buying rate at 23 September 2010 which was A\$1.00 = US\$0.9489).

The Issuer's business interests can be divided into two broad groups:

- Retail operations, which had revenue and EBIT of A\$45.7 billion and A\$2.3 billion, respectively, for the 2010 Fiscal Year, representing 88% and 79% of the Issuer's revenue and EBIT for the 2010 Fiscal Year, respectively. The Issuer's retail operations consist of:
  - **Coles** — Australia's second largest group of supermarkets, liquor stores and fuel and convenience outlets.
  - **Home Improvement & Office Supplies** — The division operates home improvement and outdoor living products retail stores under the Bunnings brand, office supplies retail stores under the Officeworks brand and specialist technology providers under the Harris Technology banner.
  - **Target** — A leading department store offering on-trend, fashionable apparel and soft homewares.
  - **Kmart** — A leading discount department store retailer offering a wide range of low cost merchandise ranging from apparel to hardware and leisure goods.
- Industrial and other operations, which had revenue and EBIT of A\$6.2 billion and A\$0.6 billion for the 2010 Fiscal Year, representing 12% and 21% of the Issuer's revenue and EBIT for the 2010 Fiscal Year, respectively. The Issuer's industrial and other operations consist of:
  - **Resources** — The division is involved in the mining, grading and sale of coal to a variety of international and domestic customers.
  - **Industrial & Safety** — The Issuer's Industrial & Safety division currently comprises eleven businesses that supply engineering products and industrial consumables, safety, packaging, materials handling and lifting products and services to industry and government across Australia and New Zealand.
  - **Chemicals, Energy & Fertilisers** — From 1 July 2010, Wesfarmers Chemicals and Fertilisers division and Wesfarmers Energy division merged to form a new division Wesfarmers Chemicals, Energy & Fertilisers. As part of the divisional restructure Coregas, which was part of the Wesfarmers Energy division became part of Wesfarmers Industrial and Safety division. The division is a supplier of fertilisers, ammonium nitrate, sodium cyanide and other chemicals related to the mining, industrial and agricultural industries. The division also operates industrial gas production and distribution, LPG and LNG production and distribution and power generation businesses across Australia.
  - **Insurance** — The division provides insurance broking, insurance underwriting and related financial services in Australia, New Zealand and the United Kingdom.

At 30 June 2010, the Issuer employed approximately 200,000 people across Australia, New Zealand, Asia and the United Kingdom.

#### *Recent Developments*

The Issuer is listed on the Australian Securities Exchange and, as such, is subject to regular reporting and disclosure obligations. The most recent investor briefing presentation was lodged with the Australian Securities Exchange on 24 September 2010, in relation to a management presentation delivered at the JP Morgan investor conference held in Edinburgh on 30 September 2010.

## Divisional Overview

The chart below sets forth the revenue and EBIT contributions of each of the Issuer's divisions for the 2010 Fiscal Year.

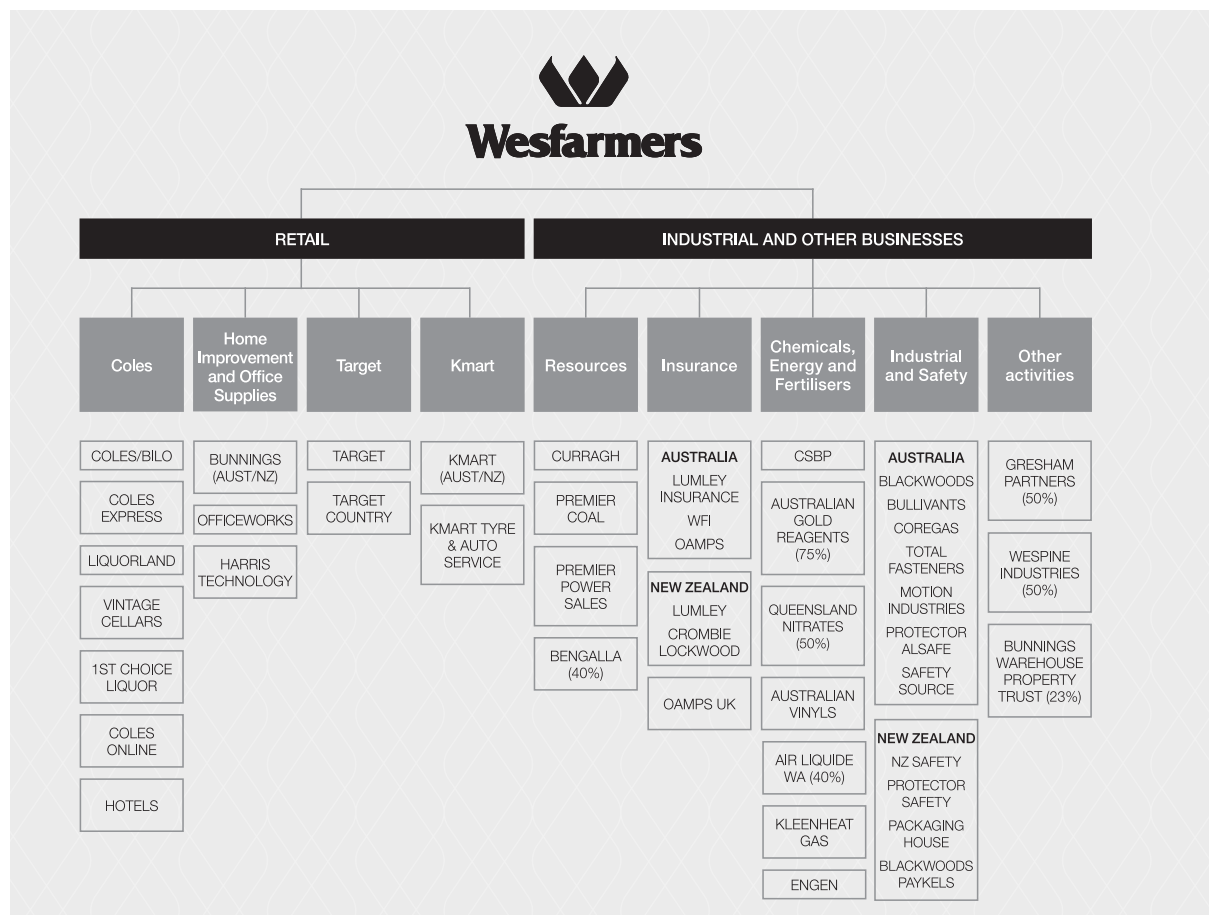
### Wesfarmers results for the 2010 Fiscal Year

	Segment Revenue		Segment EBIT	
	A\$ Millions	%	A\$ Millions	%
<i>Retail:</i>				
Coles . . . . .	30,002	58	962	32
Home Improvement & Office Supplies . . . . .	7,822	15	802	27
Target . . . . .	3,825	7	381	13
Kmart . . . . .	4,019	8	196	7
<i>Industrial and other:</i>				
Resources . . . . .	1,416	3	165	6
Industrial & Safety . . . . .	1,311	3	111	4
Chemicals & Fertilisers . . . . .	1,060	2	121	4
Energy . . . . .	611	1	102	3
Insurance . . . . .	1,698	3	122	4
Other Businesses . . . . .	<u>63</u>	<u>&lt;1</u>	<u>3</u>	<u>&lt;1</u>
	<u>51,827</u>	<u>100</u>	<u>2,965</u>	<u>100</u>

Each of the Issuer's business divisions maintains operational independence and is run by a divisional board of directors, a divisional managing director and a divisional chief financial officer. The divisional boards include both executive directors on the Issuer's board and other directors who are generally senior executives of the division with relevant experience in the particular business area. The divisional managing directors of the Resources, Retail and Insurance divisions report directly to the Managing Director of the Issuer. The Managing Directors of the Industrial & Safety and Chemical, Energy & Fertilisers divisions report to the Finance Director of the Issuer who in turn reports to the Managing Director of the Issuer. The Issuer's corporate office provides centralised support services to the divisions. Such services include treasury, corporate secretariat, business development, risk management, insurance, legal, human resources, tax, investor relations and group accounting and reporting functions.

The following chart outlines the current structure of the Issuer's operational divisions and identifies the key brands of each business:

# Group structure



## Competitive Strengths

The Issuer believes that it is well positioned to achieve its strategic objectives by building on its key strengths, which include:

**A leading diversified Australian retailer with strong market positions and recognised brands.** The Issuer's retail businesses generated A\$45.7 billion of revenue and A\$2.3 billion of EBIT in the 2010 Fiscal Year, respectively, and maintain strong market positions in Australia. These market leading businesses include:

- *Coles*, one of two national leaders in the supermarket and grocery store industry in Australia;
- *Coles Express*, the second largest fuel retailer in Australia by sales;
- *Target and Kmart*, two of the largest department stores in Australia; and
- *Bunnings*, a market leader in home improvement and outdoor living products, and a major supplier of building materials.

Additionally, the Issuer's retail businesses operate under some of the most well recognised brand names in Australia. The Coles brand name has strong name recognition in Australia having been in the Australian marketplace since 1914. Similarly, the Target and Kmart brands are well known across Australia. Bunnings was awarded the "most trusted retail brand in Australia" in the 2009 and 2010 Readers Digest surveys.

***Extensive and strategically positioned retail store portfolio with long term lease arrangements.*** The Issuer has more than 3,000 retail locations at June 30, 2010 located throughout Australia and New Zealand. In addition, the Issuer's expansive national retail footprint provides it with geographical diversity as its retail divisions are well represented throughout all States and Territories in Australia and New Zealand. The Issuer has long term lease arrangements in key retail locations. Consistent with accepted market practice in Australian retailing, the majority of the Issuer's retail locations are supported by long term leases. Additionally, commercial property in Australia is subject to strict zoning laws creating difficulty for potential new entrants in obtaining greenfield sites in the more densely populated and competitive locations.

***The Issuer's retail businesses operate in economically resilient categories, with its non-discretionary food retailing business and home improvement business providing stable earnings and cash flow generation.*** The Issuer's retail businesses generally have exposure to more resilient categories of the retail sector where profit margins have historically remained relatively steady through economic cycles, supporting a relatively stable and predictable earnings profile. Coles is considered relatively resistant through economic cycles, as the supermarket business provides customers with essential items that are generally subject to a basic level of demand. This exposure to non-discretionary retail businesses and lower-end discretionary retail businesses such as Target and Kmart, combined with the market leadership positions in each of the Issuer's businesses, helps provide the Issuer with a historically stable earnings and cash flow profile.

***Revenue diversity via retail, industrial and other operations and strong operating cash flows.*** The Issuer has a diversified revenue base with established operations in Resources, Industrial & Safety, Chemical, Energy & Fertilisers and Insurance sitting alongside the Issuer's retail businesses. The Issuer believes that this diverse revenue profile has contributed to strong earnings and cash flow performance historically, and that the earnings and cash flows from its diverse operations provide a solid foundation to support growth in the Issuer's businesses. The Issuer's cash flows from operating activities have increased by an average of 31% per annum over the last five financial years while over the same period, EBIT and net profit after tax (NPAT) have grown by an average of 22% and 16% per annum, respectively. In addition, a number of the Issuer's industrial businesses, particularly those in the resources and energy sectors, are exposed to industry segments that have benefited from strong global commodities market conditions.

## The Issuer's Financial History (A\$m)

# Five year financial history

Wesfarmers Limited and its controlled entities

All figures in \$m unless shown otherwise	2010	2009 <sup>1</sup>	2008	2007	2006 <sup>2</sup>
<b>SUMMARISED PROFIT AND LOSS</b>					
Sales revenue	51,485	50,641	33,301	9,667	8,818
Other operating revenue	342	341	283	87	41
Operating revenue	51,827	50,982	33,584	9,754	8,859
Operating profit before depreciation and amortisation, net interest paid and income tax	3,476	3,443	2,660	1,566	1,597
Depreciation and amortisation	(917)	(856)	(660)	(345)	(283)
Net interest paid	(344)	(591)	(571)	(116)	(82)
Income tax expense	(650)	(474)	(366)	(319)	(363)
Operating profit after income tax attributable to members of Wesfarmers Limited	1,565	1,522	1,063	786	869
<b>CAPITAL AND DIVIDENDS</b>					
Ordinary shares on issue (number) 000's	1,157,072	1,157,072	799,438	388,069	378,042
Paid up ordinary capital	23,286	23,286	18,173	2,256	1,902
Dividend per ordinary share	125	110	200	225	215
<b>FINANCIAL PERFORMANCE</b>					
Earnings per ordinary share (weighted average) (cents)	135.7	158.5	174.2	195.2	218.5
Earnings per ordinary share growth	(14.4%)	(9.0%)	(10.8%)	(10.7%)	22.5%
Return on average ordinary shareholders' funds	6.4%	7.3%	8.6%	25.1%	31.1%
Net interest cover – cash basis (times)	6.8	5.0	4.9	8.7	13.8
Income tax expense (effective rate)	29.3%	23.7%	25.6%	28.8%	29.4%
<b>FINANCIAL POSITION AS AT 30 JUNE</b>					
Total assets	39,236	39,062	37,178	12,076	7,430
Total liabilities	14,542	14,814	17,580	8,573	4,264
Net assets	24,694	24,248	19,598	3,503	3,166
Net tangible asset backing per ordinary share	\$3.61	\$3.13	(\$1.36)	\$2.11	\$4.59
Net financial debt to equity	16.3%	18.3%	47.3%	143.6%	46.1%
Total liabilities/total assets	37.1%	37.9%	47.3%	71.0%	57.4%
Stock market capitalisation as at 30 June	33,171	26,337	29,819	17,746	13,356

<sup>1</sup> Restated due to a change in accounting policy for coal rebates payable and rights to mine.

<sup>2</sup> Excludes earnings from the sale of ARG.

**Prudent capital management.** The Issuer has undertaken a number of capital management initiatives to assist it in achieving its business goals while at the same time achieving balance sheet strength, financial flexibility and prudent financial ratios. Capital management initiatives undertaken by the Issuer since 1 January 2008 include; an A\$2.6 billion equity raising (April 2008), a US\$650 million 5 year debt issuance (April 2008), an A\$4.6 billion equity raising (January 2009), a A\$500 million 5 year debt issuance (September 2009) and a reduction, and tenor extension, of existing bank debt facilities. In addition, the Issuers dividend policy enables it to pursue growth opportunities in each of its businesses, including the turnarounds of Coles, Kmart and Officeworks. The Issuer's policy takes into account not only profit generation but also post-capital expenditure cash flow requirements. The Issuer is committed to prudent capital management, as demonstrated by these initiatives, which have strengthened the Issuer's balance sheet via the significant reduction of its gearing ratio from 47.3% as at 30 June 2008 to 16.3% as at 30 June 2010. The Issuer calculates its gearing ratio as total indebtedness less cash at bank and on deposit divided by total equity, in each case as reported in its consolidated financial statements. Its long term credit ratings are Baa1 (Moody's Investor Services) and BBB+ (Standard & Poor's).

**Operational independence among businesses and an experienced management team with a proven track record.** The Issuer has an experienced senior management team with in depth knowledge of, and broad experience in, each of the industry sectors in which it operates. The diversified business model allows each of the Issuer's business divisions to maintain operational independence with each business being run by its own board and management team. The Issuer believes that this approach allows it to promote a management system that creates strength and depth in its human resources within each business division permitting it to continue to deliver strong performance in the future.

## **Growth Strategies**

Consistent with its diversified business mix structure, the Issuer's broad based growth strategies are to continue to:

- strengthen existing businesses through operating excellence and satisfying customer needs;
- secure growth opportunities in order to enhance the existing business model;
- enhance its earnings through value-adding transactions; and
- ensure sustainability through responsible long-term management.

An important component of the Issuer's business strategy is to maintain a prudent capital structure, as discussed above.

### ***Business Segments***

The Issuer conducts its business through the nine operational divisions described below.

#### *Coles division*

The Coles division consists of supermarkets, Coles Express fuel and convenience stores and Coles Liquor stores and, as of 30 June 2010, operated 2,127 stores throughout Australia and 96 hotels predominantly in Queensland.

The Coles division accounted for A\$30.0 billion of revenue and A\$962 million of EBIT for the 2010 Fiscal Year.

#### *Home Improvement & Office Supplies division*

The Issuer's Home Improvement & Office Supplies division consists of Bunnings, Officeworks and Harris Technology. The Home Improvement & Office Supplies division accounted for A\$7.8 billion of revenue and A\$802 million of EBIT for the 2010 Fiscal Year.

Bunnings is Australia and New Zealand's leading retailer of home improvement and outdoor living products based on sales, and a major supplier of building materials. At 30 June 2010, Bunnings had 271 stores operating across all states and territories in Australia and throughout New Zealand, of which 184 were warehouse format stores, 58 were smaller format stores and 29 were trade centers.

Officeworks is Australia's leading retailer and supplier of office and stationery products for home, work and education needs. Operating through an Australian-wide network of stores and fulfillment centers, Officeworks caters for a broad range of customers that include small-to-medium size businesses, students and teachers, and everyday personal shoppers. The Officeworks portfolio also includes Harris Technology, a specialist technology provider for small to medium size businesses and early adopter technology customers. At 30 June 2010, Officeworks operated a national network of 128 stores, and Harris Technology had five retail locations.

#### *Target*

Target is a department store offering on-trend, fashionable apparel and soft homewares. As of 30 June 2010, Target operated 290 stores in Australia, comprised of 171 Target stores and 119 Target Country stores. Target accounted for A\$3.8 billion of revenue and A\$381 million of EBIT in the 2010 Fiscal Year.

#### *Kmart*

Kmart is a leading discount department store retailer offering a range of good value merchandise ranging from apparel to hard goods. As of 30 June 2010, Kmart operated 186 stores in Australia and New Zealand.

Kmart also operates Kmart Tyre & Auto Service, a major automotive service, repair and tyre dealer in Australia. As of June 30, 2010, there were a total of 251 Kmart Tyre & Auto Service outlets. Kmart accounted for A\$4.0 billion of revenue and A\$196 million of EBIT for the 2010 Fiscal Year.

#### *Resources division*

The Issuer's Resources division is involved in the mining, processing, grading and sale of coal to a variety of international and domestic customers. The geographically diverse portfolio of operations includes the Curragh mine in Queensland's Bowen Basin, which produces metallurgical and steaming coal for export and domestic markets,

the Premier mine at Collie in south-west Western Australia, which produces steaming coal for domestic markets, and a 40% interest in the Bengalla mine in the Hunter Valley of New South Wales, which produces steaming coal for both export and domestic markets. Generally, a significant majority of divisional earnings is now derived from export sales from the Curragh and Bengalla mines.

The Resources division accounted for A\$1.4 billion of revenue and A\$165 million of EBIT for the 2010 Fiscal Year.

#### *Industrial & Safety division*

The Issuer's Industrial & Safety division currently comprises eleven businesses that supply engineering products and industrial consumables, safety, packaging, materials handling and lifting products and services to industry and government across Australia and New Zealand.

Collectively, these businesses had 371 outlets (including 128 Coregas gas distribution points) across Australia and New Zealand as at June 30, 2010.

The Industrial & Safety division accounted for A\$1.3 billion of revenue and A\$111 million of EBIT for the 2010 Fiscal Year.

#### *Chemical, Energy & Fertilisers division*

From 1 July 2010, Wesfarmers Chemicals and Fertilisers division and Wesfarmers Energy division merged to form a new division Wesfarmers Chemicals, Energy & Fertilisers. As part of the divisional restructure Coregas, which was part of the Wesfarmers Energy division became part of Wesfarmers Industrial and Safety division.

The Issuer's Chemical, Energy & Fertilisers division is a manufacturer and supplier of ammonia, ammonium nitrate, sodium cyanide, PVC resin, fertilisers and a range of other industrial chemicals used in the mining, mineral processing, industrial and agricultural sectors. The division also operates the industrial gas company Air Liquide WA, LPG and LNG producer Wesfarmers LPG, LPG and LNG distributor Kleenheat Gas and power generation company Energy Generation.

The Chemical, Energy & Fertilisers division accounted for A\$1.7 billion of revenue and A\$223 million of EBIT for the 2010 Fiscal Year.

#### *Insurance division*

The Issuer's Insurance division is currently involved in underwriting, broking, premium funding and financial services activities in Australia, New Zealand and the United Kingdom. The general insurance underwriting operations comprise Wesfarmers Federation Insurance, Lumley Insurance Australia and Lumley General Insurance New Zealand. The broking businesses are OAMPS Australia, OAMPS UK and Crombie Lockwood in New Zealand. The life risk distribution business operates under the OAMPS banner. The premium funding businesses operate as Lumley Finance and Monument Finance in both Australia and New Zealand.

The Insurance division accounted for A\$1.7 billion of revenue and A\$122 million of EBIT for the 2010 Fiscal Year.

#### *Other*

The Issuer's other business interests include Gresham Partners, Gresham Private Equity, Wespine Industries and Bunnings Warehouse Property Trust. Also included in this category are some non-trading items, such as restructuring costs and non-cash impairments, not included in divisional results. The Issuer's other businesses collectively accounted for A\$63 million of revenue and A\$3 million of EBIT for the 2010 Fiscal Year.

## **Management**

### *Board of directors*

The Issuer's business is overseen by a Board of Directors (the **Board**). The Board of Directors Charter (the **Board Charter**) of the Issuer requires the Board to comprise directors with a range of backgrounds and experience, with a preferred number of directors between eight and eleven. The Board is currently comprised of eleven directors, with nine non-executive directors (including the Chairman), and two executive directors.



The directors of the Issuer are:

<u>Name</u>	<u>Age</u>	<u>Position</u>	<u>Year appointed as director</u>
Bob Every*	65	Chairman and Non-Executive Director	2006
Richard Goyder	50	Chief Executive Officer and Managing Director	2002
Terry Bowen	43	Finance Director	2009
Colin Carter, OAM*	67	Non-Executive Director	2002
James Graham, AM	62	Non-Executive Director	1998
Anthony (Tony) Howarth, AO*	58	Non-Executive Director	2007
Charles Macek*	63	Non-Executive Director	2001
Wayne Osborn*	59	Non-executive Director	2010
Diane Smith-Gander*	52	Non-Executive Director	2009
Vanessa Wallace*	47	Non-executive Director	2010
David White <sup>†</sup>	62	Non-Executive Director	1990

\* Independent directors.

<sup>†</sup> The Issuer announced recently that David White will retire effective 9 November 2010.

**Bob Every** holds a Bachelor of Science degree and a Doctorate of Philosophy (Metallurgy) from the University of New South Wales and is a Fellow of the Australian Academy of Technological Sciences and Engineering. The other listed companies of which he is or has been a director in the last three years are Chairman of Boral Limited (Chairman, appointed May 2010, previously Deputy Chairman with initial appointment in September 2007), Iluka Resources Limited (appointed Chairman March 2004 — resigned May 2010), and Sims Group Limited (Chairman, appointed October 2005 — resigned November 2007). He is also a director of O’Connell Street Associates Pty Limited and OCA Services Pty Ltd and the Malcolm Sergeant Cancer Fund for Children in Australia Limited, known as Redkite. He was also the Chairman of the New Zealand-based listed company Steel and Tube Holdings Limited and a director of OneSteel Limited. Other executive positions previously held by Dr. Every include Managing Director of Tubemakers of Australia Limited, President of BHP Steel and Managing Director and Chief Executive Officer of OneSteel Limited, a position from which he retired in May 2005. Dr. Every was appointed Chairman of the Issuer effective from 13 November 2008.

**Richard Goyder** has a Bachelor of Commerce degree from the University of Western Australia and completed the Advanced Management Program at the Harvard Business School in 1998. He joined the Issuer in 1993 after working in various commercial roles at Tubemakers of Australia Limited. He has held a number of commercial positions in the Issuer’s Business Development Department including General Manager. In 1999, Richard was Managing Director of Wesfarmers Dalgety Limited, which subsequently became Wesfarmers Landmark Limited, a position he retained until his appointment as Finance Director of the Issuer in 2002. He was appointed Deputy Managing Director and Chief Financial Officer of the Issuer in 2004 and assumed the role of Managing Director and Chief Executive Officer in July 2005. Richard is a director of Gresham Partners Holdings Ltd, the Fremantle Football Club Limited and a number of the Issuer’s subsidiaries. He is also a member of the University of Western Australia Business School Advisory Board, Chairman of Scotch College Council, a Director of the Business Council of Australia and an Advisory Council Member of the Juvenile Diabetes Research Foundation.

**Terry Bowen** holds a Bachelor of Accountancy degree and is a Certified Practising Accountant. Terry has held a number of finance positions with Tubemakers of Australia Limited, culminating in his appointment as General Manager Finance. Terry joined the Issuer in 1996 and undertook various roles with Wesfarmers Landmark, where he served as Chief Financial Officer until its acquisition by AWB Limited in 2003. He was then appointed the inaugural Chief Financial Officer for Jetstar Airways, prior to rejoining the Issuer as Managing Director, Wesfarmers Industrial & Safety in November 2005. Terry became Finance Director of Coles in 2007, prior to his appointment as Finance Director of the Issuer in May 2009. He is also a director of a number of the Issuer’s subsidiaries and related companies, Gresham Partners Holdings Limited, the Western Australian Institute for Medical Research Incorporated, the Western Australian Opera Company Incorporated and a member of the National Executive of the Group of 100 Inc and the Curtin Business School Accounting Advisory Board.

**Colin Carter, OAM** holds a Bachelor of Commerce degree from Melbourne University and a Master of Business Administration degree from Harvard Business School. He has had extensive experience advising on corporate strategy and corporate governance and his consultancy career has included major projects in Australia and overseas. Colin is a director of SEEK Limited and was a director of Foster’s Group Limited (appointed March

2007 — resigned September 2007). He is also a director of Indigenous Enterprise Partnerships, World Vision Australia, the Ladder Project and the Geelong Football Club, a member of the Board of The Cape York Institute, an Ambassador to the Federal Government Business Action Group — Help Close the Gap, Chairman of the AFL Foundation and an adviser to, and former senior partner of, The Boston Consulting Group.

**James Graham, AM** holds a Bachelor of Engineering in Chemical Engineering with Honours from the University of Sydney, a Master of Business Administration degree from the University of New South Wales and is a Fellow of the Australian Academy of Technological Sciences and Engineering. He has had an active involvement in the growth of the Issuer since 1976 in his current role as Managing Director of Gresham Partners Limited and previously as a director of Hill Samuel Australia Limited and Managing Director of Rothschild Australia Limited. In addition to his investment banking activities, James is Chairman of the Advisory Council of The Institute for Neuroscience and Muscle Research. He is also a director of Wesfarmers General Insurance Limited. Mr. Graham is also a Trustee of the Gowrie Scholarship Trust Fund. He was formerly Chairman of the Darling Harbour Authority in New South Wales, Rabobank Australia Ltd, and Rabobank New Zealand Ltd.

**Anthony (Tony) Howarth, AO** is a Senior Fellow of the Financial Services Institute of Australia and has over 30 years experience in the banking and finance industry. He has held several senior management positions during his career, including Managing Director of Challenge Bank Limited and Chief Executive Officer of Hartleys Limited. Tony is also Adjunct Professor (Financial Management) at the University of Western Australia Business School. Mr. Howarth's board appointments in the last three years include Chairman of Mermaid Marine Australia Limited (appointed — July 2003), and Home Building Society Ltd (appointed June 2003 — delisted December 2007), Deputy Chairman of Bank of Queensland Limited (appointed December 2007 — resigned July 2010) and a director of AWB Limited (appointed March 2005). He is also Chairman of St John of God Health Care Inc. Tony is also involved in a number of community and business organisations including the Senate of the University of Western Australia, Chairman of the Committee for Perth Limited, a member of the Rio Tinto WA Future Fund and the University of Western Australia Business School Advisory Board, and the President of the Australian Chamber of Commerce and Industry and a director of the Chamber of Commerce and Industry of Western Australia (Inc) and West Australian Rugby Union Inc.

**Charles Macek** holds a Bachelor of Economics degree and a Master of Administration degree from Monash University. Charles was formerly aboard member of Telstra Corporation Limited (appointed November 2001 — retired November 2009). Charles is Chairman of the Sustainable Investment Research Institute Pty Ltd, the Racing Information Services Australia Pty Ltd, Orchard Funds Limited and the Vice-Chairman of the (IFRS Advisory Council (formerly the Standards Advisory Council of the International Accounting Standards Board). He is a director of Orchard Capital Investments Ltd and Thoroughbred Trainers Service Centre Limited. He is also a member of the investment committee of Unisuper Limited, Marsh and McLennan Companies, Inc. Australian Advisory Board, the Research Advisory Council of Glass, Lewis & Co LLC, the AICD Corporate Governance Council and the ASIC External Advisory Panel.

**Wayne Osborn** holds a Diploma of Engineering (Electrical) degree from the Gordon Institute of Technology, a Master of Business Administration from Deakin University and is a Member of the Institution of Engineers, Australia. Wayne started his career in telecommunications and moved to the iron ore industry in the mid-1970s. He joined Alcoa in 1979 and worked in a variety of roles and locations across the Australian business, including accountability for Alcoa's Asia Pacific operations, prior to being appointed Managing Director in 2001. Wayne was appointed Chairman of the Australian Institute of Marine Science in 2010. He has an interest in whale conservation and wildlife photography and was elected an International Fellow of the New York-based Explorers Club in 2004. His work in support of the arts through the Australian Business Arts Foundation was recognised with the 2007 WA Business Leader Award. Wayne's board appointments in the last three years include Director of Leighton Holdings Limited, Director of Iluka Resources Limited and Chairman and Managing Director of Alcoa of Australia Ltd (retired in February 2008). He is also Chairman of Thiess Pty Ltd, a Trustee of the Western Australian Museum Board, a Member of the Australian Institute of Company Directors and a Fellow of the Australian Academy of Technological Sciences and Engineering.

**Diane Smith-Gander** holds a Bachelor of Economics degree from the University of Western Australia and a Master of Business Administration degree from the University of Sydney. Diane has over 11 years experience as a banking executive which culminated in her appointment as the head of Westpac Banking Corporation's Business & Technology Solutions & Services Division. Before rejoining Westpac, Diane was a Partner with McKinsey & Company in the USA where she led major transformation projects and had exposure to a wide variety of businesses in areas such as financial services, pharmaceuticals and retail. Diane is the Chair of Basketball Australia and the NBL Commission and a former Chair of the Australian Sports Drug Agency. In August 2009, Diane was also appointed to the Board of NBN Co Limited, the company established to deliver the National Broadband Network.

**Vanessa Wallace** holds a Bachelor of Commerce degree from the University of New South Wales and a Master of Business Administration from the IMD Switzerland. Vanessa currently leads Booz & Company's financial services practice and previously led the strategy practice. She has held multiple governance roles at the highest level within Booz's global partnership. Vanessa is an experienced management consultant who has been with Booz & Company for over 20 years. She is actively involved in the firm's customer, channels and markets activities which focus on areas such as customer experience, offer design and channels to markets across a number of industries. She has had hands on experience in mergers and acquisitions and post merger integration. Vanessa was a Member of the Board of Directors Booz & Company (2008-2010), is a Director of Booz & Company (Australia) Ltd and a number of group subsidiaries and related companies in Australia, New Zealand, Indonesia and Thailand, Chairman's Council of the Australian Chamber Orchestra Pty Ltd and Member of the Australian Institute of Company Directors.

**David White** holds a Bachelor of Business degree from Curtin University and is a fellow of CPA Australia and a member of the Australian Institute of Company Directors. He is Chairman of the Regional Development Australia Wheatbelt (Inc.) (formerly the Wheatbelt Area Consultative Committee). He was formerly the Treasurer of The Royal Agricultural Society of Western Australia (Inc) and formerly a member and Treasurer of Parkerville Children and Youth Care (Inc).

#### ***Board advisor on retail issues***

Wesfarmers appointed Archie Norman as a formal board adviser on retail issues in August 2009. Archie assists with strategy development and the management of Wesfarmers' extensive retail business. Mr. Norman's business career began with Citibank in the mid-1970s. He became the youngest partner of McKinsey & Company in 1982 and later Group Finance Director of Woolworths/Kingfisher. In 1991, he was appointed Chief Executive of Asda, then Britain's fourth largest supermarket chain. Archie revitalized Asda over the next five years. In 1999, Asda was sold to Wal-Mart. Archie was a member of the British parliament from 1997 to 2005 and today is chairman of Aurigo Management, a senior advisor to Lazard and chairman of HSS, a United Kingdom equipment hire business which Aurigo acquired in June. Archie has worked with the Issuer and Coles at the management level since October 2007. He has previously helped develop business turnaround plans for the Coles, Target and Kmart divisions and the Office Supplies business, in particular Coles Supermarkets and advised on the recruitment of senior executives to supplement management resources within Coles. In his advisory role it is expected that Archie attends Board meetings on a regular basis as well as the Board's annual planning conference, he also provides retail advice to the Chairman and the Board as required.

#### ***Executive officers***

Executive officers of the Issuer who are not directors as of the date of this Offering Circular are as follows:

<u>Name</u>	<u>Age</u>	<u>Position</u>
Ian McLeod . . . . .	51	Managing Director, Coles Division
John Gillam . . . . .	44	Managing Director, Home Improvement and Office Supplies Division
Launa Inman . . . . .	54	Managing Director, Target Division
Guy Russo . . . . .	51	Managing Director, Kmart
Robert Scott . . . . .	41	Managing Director, Wesfarmers Insurance
Olivier Chretien . . . . .	43	Managing Director, Wesfarmers Industrial and Safety
Tom O'Leary . . . . .	46	Managing Director, Wesfarmers Chemicals, Energy & Fertilisers
Stewart Butel . . . . .	54	Managing Director, Resources Division

**Ian McLeod** joined Coles as Managing Director in May 2008 and is responsible for the Coles supermarkets, liquor and convenience businesses. Prior to this, Ian was Chief Executive Officer of Halfords Group plc. Halfords is the UK's leading retailer of car parts, leisure and cycling products. In 2000 and 2001, Ian was on the Executive Board of Wal-Mart Germany as Chief Merchandise Officer and immediately before that was Managing Director of Asda's largest operating division with responsibility for 40 superstores and about 20,000 employees where he guided its performance to be the strongest in the company. Prior to the Wal-Mart takeover in June 1999 Ian held various senior roles and Asda management board positions including Productivity Director, Trading Director responsible for Ambient Grocery (the company's biggest trading division) and Trading Director for bakery, frozen food, dairy and in-store restaurants. He was one of only two Asda managers promoted to this level after Archie Norman took over as Asda CEO. Outside his experience in retail, Ian also spent two years as CEO of Celtic plc, the listed company controlling Celtic Football Club. Ian completed the Advanced Management Program at Harvard Business School in 1999.

**John Gillam** holds a Bachelor of Commerce degree from the University of Western Australia, is a Fellow of the Australian Institute of Management and has completed IMD's Program for Executive Development. He is also qualified as a chartered accountant. He was appointed Managing Director of the Home Improvement division in August 2004 and became the Managing Director of the expanded Home Improvement and Office Supplies division in November 2007. He is also a director of a number of Wesfarmers group subsidiaries and related companies and a member of the Heartwell Foundation Board. John commenced at Wesfarmers in 1997 in a commercial role in business development and then became Chief Financial Officer at Bunnings. John was appointed Company Secretary of Wesfarmers in July 2001 and subsequently Managing Director of CSBP in July 2002 before returning to Bunnings in 2004. Prior to Wesfarmers, John was General Manager of Medical Corporation Australia where he worked following his initial career in corporate finance and corporate recovery at KPMG.

**Launa Inman** holds a Bachelor of Commerce with Honours and a Masters of Commerce in Strategy and Economics. Launa was appointed Managing Director of Target in 2005, with leadership of 25,000 employees and more than 285 Target and Target Country stores. Prior to this appointment Launa was Managing Director of Officeworks, responsible for more than 80 Officeworks Superstores and Officeworks BusinessDirect. Launa previously held senior leadership roles in Australia's Big W and with large South African-based retail companies, Pages and Edgars. Launa was awarded 2003 Telstra Australian Business Woman of the Year and winner of the Commonwealth Government Private and Corporate Sector Award. She completed the Advanced Management Program at Wharton in 2004. She is a member of the Australian Institute of Company Directors, Chief Executive Women Inc, Australian Institute of Management and World Retail Congress Advisory Board. In March 2009 Launa joined the Board of The Alannah and Madeline Foundation, a not-for-profit organisation aimed at protecting children from violence.

**Guy Russo** was Managing Director and Chief Executive Officer of McDonald's Australia between 1999 and 2005, and President of McDonald's Greater China region between 2005 and 2007. Guy started at McDonalds in 1974, working his way through the ranks while completing management development training at McDonald's in-house university as well as at Macquarie University Graduate School of Management in Sydney. He held all key operations positions within the Australian business including Regional Manager of the largest market, NSW/ACT, from 1991; in 1995 he became a Vice President of McDonald's Australia and in 1997 was appointed advisory director to the Australian Board. During this time he also served on numerous international task forces within the global corporation. After leaving McDonalds in 2007, Guy ran his own consulting firm advising public and private ventures with commercial interests in China, as well as other markets.

**Robert Scott** holds a Master of Applied Finance degree from Macquarie University and a Bachelor of Commerce degree from the Australian National University. He has a Graduate Diploma in Applied Finance and Investments and is a qualified Chartered Accountant. Rob worked for Wesfarmers in 1993/94 in the finance and accounting team. Before rejoining Wesfarmers in business development in 2004 he worked with Deutsche Bank AG in Hong Kong and Sydney in various investment banking roles. These roles involved cross border mergers and acquisitions, equity and debt capital markets, financing and restructuring. Rob was appointed Deputy Managing Director of Wesfarmers Insurance in February 2007 and Managing Director in July 2007. Rob is a director of a number of Wesfarmers group subsidiaries. Rob is also a director and Deputy President of the Insurance Council of Australia.

**Olivier Chretien** holds an engineering degree from Ecole Centrale Paris, France and a Master of Business Administration from INSEAD. Olivier has worked in logistics project management roles with an engineering contractor, Jacobs Serete. He then spent nine years in management consulting with The Boston Consulting Group in France and Australia. He joined Wesfarmers as General Manager Commercial, Wesfarmers Industrial and Safety in February 2006. Olivier was appointed Managing Director of Wesfarmers Industrial and Safety in November 2007. He is a director of a number of Wesfarmers Group subsidiaries and related companies.

**Tom O'Leary** holds a law degree from the University of Western Australia and has completed the Advanced Management Program at Harvard Business School. Prior to joining Wesfarmers, Tom worked in London for 10 years, initially in finance law with Allen & Overy, and then in investment banking and private equity at Japanese securities firms Nomura and Nikko. Tom joined Wesfarmers' Business Development team in 2000 and, following the acquisition of Howard Smith in 2001, project managed the integration of Bunnings and Hardwarehouse before returning to Business Development in 2002 as General Manager of the team. He has led a number of major acquisitions and divestments since that time, including the Coles acquisition, and was appointed Executive General Manager, Business Development and joined Wesfarmers' Executive Committee in 2006. In 2009 Tom was appointed Managing Director of the Group's Energy Division, and then appointed Managing Director of the Chemicals, Energy & Fertilisers Division with the announcement to merge the two divisions in April 2010. Tom is a director of a number of Wesfarmers Group subsidiaries and related companies and has been a director of the

Clontarf Foundation since 2006. The Clontarf Foundation is a not-for-profit organisation promoting education in the Aboriginal community.

**Stewart Butel** holds a Bachelor of Science (Geology), Graduate Diploma in Business, Diploma of Mining, and has completed the Advanced Management Program at Harvard Business School. In addition he holds both NSW and QLD Mine Managers Certificates. He has worked in the coal mining industry in New South Wales, Queensland and Western Australia. He joined Wesfarmers in 2000 following Wesfarmers' acquisition of the Curragh mine. In June 2002 he was appointed Managing Director of Wesfarmers Premier Coal and in April 2005 became Director Coal Operations for Wesfarmers Energy. Stewart was appointed Managing Director of Wesfarmers Resources (formerly Wesfarmers Coal) in September 2006. Stewart is a director of a number of Wesfarmers subsidiaries and is also on the board of the Queensland Resources Council. He was previously on the Executive Council of the WA Chamber of Mines and Energy and served on the South West Development Commission in Western Australia.

### **PRINCIPAL SHAREHOLDERS**

The Issuer is not aware (having reviewed the substantial shareholder notices lodged with the Australian Securities Exchange or otherwise) of any holder of more than 5 per cent. of any class of its voting securities.

There are no arrangements known to the Issuer the operation of which may at a subsequent date result in a change in control of the Issuer.

### **RELATED PARTY TRANSACTIONS**

For a discussion of related party transactions, see note 34 to the Issuer's annual consolidated financial statements for the 2010 Fiscal Year which is incorporated by reference and forms a part of this Offering Circular.

## DESCRIPTION OF THE GUARANTORS

### Guarantee Structure

Pursuant to the terms of the trust deed dated 28 October 2008 between the Issuer, each Guarantor and DB Trustees (Hong Kong) Limited (such Trust Deed as modified and/or supplemented and/or restated from time to time, the **Trust Deed**), each Guarantor has agreed to guarantee the payment and performance obligations of the Issuer under any Notes for so long as such Guarantor is party to the guarantee deed poll dated 10 October 2007, as amended and supplemented by a supplemental deed dated 6 March 2008 (the **Guarantee Deed Poll**) and/or the Issuer has any outstanding Material Indebtedness which is guaranteed by that subsidiary.

The Guarantee Deed Poll provides for each Guarantor to guarantee the obligations of the Issuer or any other guarantor which is party to the Guarantee Deed Poll under any document nominated by the Issuer as a “Guaranteed Document”. The Guarantee Deed Poll is governed by the laws of Western Australia or New South Wales in the Commonwealth of Australia. As at 30 June 2010, the outstanding unsecured indebtedness specified by the Issuer as guaranteed under the Guarantee Deed Poll was A\$6.6 billion which includes A\$2.6 billion outstanding under the Issuer’s syndicated credit facility (the **Syndicated Credit Facility**). For the avoidance of doubt, the Trust Deed is not a Guaranteed Document but the Programme Agreement and the Agency Agreement (each as defined in this Offering Circular) are. The Issuer may specify further obligations in the future as Guaranteed Documents without the need for the consent of the Noteholders or Trustee.

Under existing arrangements with certain of its bank lenders, the Issuer has agreed that subsidiaries representing at least 85 per cent. of each of the “Adjusted EBITDA” and “Total Assets” of the Issuer and its subsidiaries together will be parties to the Guarantee Deed Poll. These percentages are calculated on the basis of the most recent annual or semi-annual financial statements of the Issuer or, in the case of a subsidiary acquired after the date on which those financial statements were prepared, the most recent annual or semi-annual financial statements of that subsidiary. The obligation to maintain 85 per cent. of the Issuer’s subsidiaries as parties to the Guarantee Deed Poll can be amended or waived by the bank lenders at any time and may terminate upon repayment of the amounts outstanding under the Syndicated Credit Facility, in each case without the need for the consent of the Trustee or Noteholders. The Guarantors will also be released from their guarantees at such time as the Issuer no longer has outstanding any Material Indebtedness which is guaranteed by one or more of its subsidiaries (other than pursuant to the Deed of Cross Guarantee dated 27 June 2008 and any replacement guarantee issued under Class Order CO 98/1418 of the Australian Securities and Investments Commission or any successor to that order (the **Deed of Cross Guarantee**)).

### Release of Guarantors

Any or all of the Guarantors may be released at any time from their respective guarantees and other obligations under the Trust Deed and each Series of Notes without the consent of the Trustee or the relevant Noteholders. The release of any such Guarantor from its guarantee under the Trust Deed and such Notes will occur automatically upon:

(a) the release of such Guarantor(s) under each document governing the guaranteed obligations of the Issuer (other than under the Deed of Cross Guarantee) under the Syndicated Credit Facility, any replacement or substitute debt facility for the Syndicated Credit Facility or any Material Indebtedness whether pursuant to the Guarantee Deed Poll or otherwise; and

(b) the delivery to the Trustee of an officer’s certificate from the Issuer certifying that such Guarantor(s) have been or are concurrently being released from their respective guarantees under the Syndicated Credit Facility, any replacement or substitute debt facility for the Syndicated Credit Facility or any Material Indebtedness.

Neither the Trust Deed nor any Notes contains any requirement as to the number of the Issuer’s subsidiaries that must be or remain Guarantors.

### New Guarantors

The Trust Deed also provides for other subsidiaries of the Issuer to accede to the Trust Deed as new guarantors of any outstanding or future issuance of Notes (the **New Guarantors**) if such subsidiary becomes a guarantor under the Syndicated Credit Facility, any replacement or substitute debt facility for the Syndicated Credit Facility or any other Material Indebtedness of the Issuer (other than by way of the Deed of Cross Guarantee). The Issuer is under an obligation to cause that subsidiary to become a New Guarantor within 30 days of such subsidiary guaranteeing any amounts of the Issuer under those facilities. The New Guarantor will become a Guarantor under the Trust Deed in

respect of any outstanding or future issuance of Notes by entering into an accession deed on the terms set out in that document.

### **Current Guarantors**

As at the date of this Offering Circular the following subsidiaries of the Issuer are Guarantors:

Australian Vinyls Corporation Pty Ltd  
Bi-Lo Pty Ltd  
Bunnings Group Limited  
Bunnings Limited  
CGNZ Finance Limited  
Coles Group Finance Limited  
Coles Group Limited  
Coles Group Property Developments Ltd  
Coles Group Supply Chain Pty Ltd  
Coles Supermarkets Australia Pty Ltd  
Coregas Pty Ltd  
CSBP Limited  
Eureka Operations Pty Ltd  
Grocery Holdings Pty Ltd  
J Blackwood & Son Pty Ltd  
Kmart Australia Limited  
Liquorland (Australia) Pty. Ltd.  
Liquorland (Qld.) Pty Ltd  
OAMPS Insurance Brokers Ltd  
Officeworks Superstores Pty Ltd  
Target Australia Pty Ltd  
Wesfarmers Bengalla Limited  
Wesfarmers Chemicals, Energy & Fertilizers Limited  
Wesfarmers Curragh Pty Ltd  
Wesfarmers Investments Pty Ltd  
Wesfarmers Premier Coal Limited  
Wesfarmers Kleenheat Gas Pty. Ltd.  
Wesfarmers Limited  
Wesfarmers LPG Pty Ltd  
Wesfarmers Private Equity Pty Ltd  
Wesfarmers Retail Holdings Pty Ltd  
Wesfarmers Retail Pty Ltd

The list of Guarantors may change from time to time as some of these Guarantors may be released or New Guarantors added in the manner described above under the sections headed “*Release of Guarantors*” and “*New Guarantors*” above and as more specifically set out under “*Terms and Conditions of the Notes*”. A list of the current Guarantors from time to time is and will be available from the Issuer and/or the Principal Paying Agent upon request.



## DOCUMENTS INCORPORATED BY REFERENCE

The following documents published or issued from time to time after the date hereof shall be deemed to be incorporated in, and to form part of, this Offering Circular:

(a) the audited consolidated annual financial statements for each of the last two financial years of the Issuer (as at the date hereof, for the financial years ended 30 June 2009 and 30 June 2010);

(b) the most recently published audited consolidated annual financial statements and, if published later, the most recently published interim consolidated financial statements (if any) of the Issuer; and

(c) all supplements or amendments to this Offering Circular circulated by the Issuer from time to time, save that any statement contained herein or in a document which is deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Offering Circular to the extent that a statement contained in any such subsequent document which is deemed to be incorporated by reference herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Offering Circular.

The Issuer will provide, without charge, to each person to whom a copy of this Offering Circular has been delivered, upon the request of such person, a copy of any or all of the documents deemed to be incorporated herein by reference unless such documents have been modified or superseded as specified above. Requests for such documents should be directed to the Issuer at its office set out at the end of this Offering Circular. In addition, such documents will be available from the principal office of the Principal Paying Agent at 48/F Cheung Kong Center 2 Queen's Road Central, Hong Kong.

If the terms of the Programme are modified or amended in a manner which would make this Offering Circular, as so modified or amended, inaccurate or misleading, a supplement to this Offering Circular or a new offering circular will be prepared for use in connection with any subsequent issue of Notes.

## FORM OF THE NOTES

The Notes of each Series will be issued in either bearer form, with or without interest coupons and talons for further coupons (if appropriate) attached, or registered form, without interest coupons attached, in each case as specified in the applicable Pricing Supplement.

### **Bearer Notes**

The following applies to Notes specified in the applicable Pricing Supplement to be in bearer form.

Each Tranche of Notes will be in bearer form and will be initially issued in the form of a temporary global note (a **Temporary Global Note**) or, if so specified in the applicable Pricing Supplement, a permanent Global Note (a **Permanent Global Note**) which, in either case, will be delivered on or prior to the original issue date of the relevant Tranche to a common depositary (the **Common Depositary**) for, Euroclear Bank S.A./N.V. (**Euroclear**) and Clearstream Banking, *société anonyme* (**Clearstream, Luxembourg**). Notes in bearer form will be delivered and deliverable only outside the United States (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction). Whilst any Note is represented by a Temporary Global Note, payments of principal, interest (if any) and any other amount payable in respect of Notes will be made against presentation of the Temporary Global Note only outside the United States (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction) and only to the extent that customary certification to the effect that the beneficial owners of interests in such Note are not U.S. persons or persons who have purchased for resale to any U.S. person or any person within the United States (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction), as required by U.S. Treasury Regulations, has been received by Euroclear and/or Clearstream, Luxembourg and Euroclear and/or Clearstream, Luxembourg, as applicable, has given a like certification (based on the certifications it has received) to the Principal Paying Agent.

On and after the date (the **Exchange Date**) which is 40 days after a Temporary Global Note is issued, interests in such Temporary Global Note will be exchangeable (free of charge) upon a request as described therein either for (a) interests in a Permanent Global Note of the same Series or (b) for definitive Notes of the same Series with, where applicable, receipts, interest coupons and talons for further coupons attached (as indicated in the applicable Pricing Supplement and subject, in the case of definitive Notes, to such notice period as is specified in the applicable Pricing Supplement (which notice period shall not exceed 60 days)), in each case against customary certification of beneficial ownership as described above unless such certification has already been given in connection with a payment of principal, interest or any other amount payable in respect of the Notes. The holder of a Temporary Global Note will not be entitled to collect any payment of interest, principal or other amount due on or after the Exchange Date unless, upon due certification, exchange of the Temporary Global Note for an interest in a Permanent Global Note or for definitive Notes is improperly withheld or refused.

Payments of principal, interest (if any) or any other amounts on a Permanent Global Note will be made through Euroclear and/or Clearstream, Luxembourg against presentation or surrender (as the case may be) of the Permanent Global Note without any requirement for certification.

The applicable Pricing Supplement will specify that a Permanent Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Notes with, where applicable, receipts, interest coupons and talons attached only upon the occurrence of an Exchange Event. For these purposes, **Exchange Event** means that (i) an Event of Default (as defined in Condition 11 (*Events of Default and Enforcement*)) has occurred and is continuing, (ii) the Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and, in any case, no successor or alternative clearing system is available or (iii) the Issuer has or will become subject to adverse tax consequences which would not be suffered were the Notes represented by the Permanent Global Note in definitive form. The Issuer will promptly give notice to Noteholders in accordance with Condition 15 (*Notices*) if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Global Note) or the Trustee may give notice to the Principal Paying Agent requesting exchange and, in the event of the occurrence of an Exchange Event as described in (iii) above, the Issuer may also give notice to the Principal Paying Agent requesting exchange. Any such exchange shall occur not later than 45 days after the date of receipt of the first relevant notice by the Principal Paying Agent. No definitive Note delivered in exchange for a Permanent Global Note will be mailed or otherwise delivered to any location in the United States (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction) in connection with such exchange.

The following legend will appear on all Notes which have an original maturity of more than 183 days and on all receipts, interest coupons and talons relating to such Notes:

“ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.”

The sections referred to provide that United States holders, with certain exceptions, will not be entitled to deduct any loss on Notes, receipts, interest coupons, or talons and will not be entitled to capital gains treatment of any gain on any sale, disposition, redemption or payment of principal in respect of such Notes, receipts, interest coupons, or talons.

The following legend will appear on all Notes which have an original maturity of 183 days or less and on all receipts, interest coupons and talons relating to such Notes:

“BY ACCEPTING THIS OBLIGATION, THE HOLDER REPRESENTS AND WARRANTS THAT IT IS NOT A UNITED STATES PERSON (OTHER THAN AN EXEMPT RECIPIENT DESCRIBED IN SECTION 6049(b)(4) OF THE INTERNAL REVENUE CODE AND THE REGULATIONS THEREUNDER) AND THAT IT IS NOT ACTING FOR OR ON BEHALF OF A UNITED STATES PERSON (OTHER THAN AN EXEMPT RECIPIENT DESCRIBED IN SECTION 6049(b)(4) OF THE INTERNAL REVENUE CODE AND THE REGULATIONS THEREUNDER).”

Notes which are represented by a Global Note will only be transferable in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be.

### Registered Notes

The following applies to Notes specified in the applicable Pricing Supplement to be in registered form.

The Registered Notes of each Tranche offered and sold in reliance on Regulation S, which will be sold to non-U.S. persons outside the United States, will initially be represented by a global note in registered form (a **Global Registered Note** and together with any Global Bearer Note, the **Global Notes**). Prior to expiry of the distribution compliance period (as defined in Regulation S), if any, applicable to each Tranche of Notes, beneficial interests in a Global Registered Note may not be offered or sold to, or for the account or benefit of, a U.S. person save as otherwise provided in Condition 2 (*Transfers of Registered Notes*) and may not be held otherwise than through Euroclear or Clearstream, Luxembourg and such Global Registered Note will bear a legend regarding such restrictions on transfer.

Global Registered Notes will be deposited with a common depository for, and registered in the name of a nominee of, Euroclear and Clearstream, Luxembourg, as specified in the applicable Pricing Supplement. Persons holding beneficial interests in Global Registered Notes will be entitled or required, as the case may be, under the circumstances described below, to receive physical delivery of Registered Notes in definitive form.

Payments of principal, interest or any other amount in respect of the Registered Notes in definitive form will, in the absence of provision to the contrary, be made to the person shown on the Register (as defined in Condition 7.4 (*Payments in respect of Definitive Registered Notes and Global Registered Notes*)) as the registered holder of the Global Registered Notes. None of the Issuer, the Guarantors the Trustee, the Principal Paying Agent, any Paying Agent or the Registrar will have any responsibility or liability for any aspect of the records relating to or payments or deliveries made on account of beneficial ownership interests in the Global Registered Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Payments of principal, interest or any other amount in respect of the Registered Notes in definitive form will, in the absence of provision to the contrary, be made to the persons shown on the Register on the relevant Record Date (as defined in Condition 7.4 (*Payments in respect of Definitive Registered Notes and Global Registered Notes*)) immediately preceding the due date for payment in the manner provided in that Condition.

Interests in a Global Registered Note will be exchangeable (free of charge), in whole but not in part, for definitive Registered Notes without receipts, interest coupons or talons attached only upon the occurrence of an Exchange Event. For these purposes, **Exchange Event** means that (i) an Event of Default has occurred and is continuing, (ii) the Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and, in any case, no successor or alternative clearing system is available or (iii) the Issuer has or will become subject to adverse tax consequences which would not be suffered were the Notes represented by the Registered Notes in definitive form. The Issuer will

promptly give notice to Noteholders in accordance with Condition 15 (*Notices*) if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Global Registered Note) may give notice to the Registrar requesting exchange and, in the event of the occurrence of an Exchange Event as described in (iii) of the definition of such, the Issuer may also give notice to the Registrar requesting exchange. Any such exchange shall occur not later than 10 days after the date of receipt of the first relevant notice by the Registrar.

### **Transfer of Interests**

Interests in a Global Registered Note may, subject to compliance with all applicable restrictions, be transferred to a person who wishes to hold such interest in another Global Registered Note. No beneficial owner of an interest in a Global Registered Note will be able to transfer such interest, except in accordance with the applicable procedures of Euroclear and Clearstream, Luxembourg, in each case, to the extent applicable.

### **General**

Pursuant to the Agency Agreement (as defined under “*Terms and Conditions of the Notes*”), the Principal Paying Agent shall arrange that, where a further Tranche of Notes is issued which is intended to form a single Series with an existing Tranche of Notes, Notes of such further Tranche shall be assigned a common code and ISIN, which are different from the common code and ISIN assigned to Notes of any other Tranche of the same Series until at least the expiry of the distribution compliance period (as defined in Regulation S under the Securities Act), if any, applicable to Notes of such Tranche.

For so long as any Note is represented by a Global Note held on behalf of Euroclear and/or Clearstream, Luxembourg, each person (other than Euroclear and/or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg, as the case may be, as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear and/or Clearstream, Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Trustee and their respective agents as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal, interest and any other amount payable on such nominal amount of such Notes, for which purposes the bearer of the relevant Global Bearer Note or the registered holder of the relevant Global Registered Note shall be treated by the Issuer, the Trustee and their respective agents as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note, and the expressions **Noteholder** and **holder of Notes** and related expressions shall be construed accordingly.

Any reference herein to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Pricing Supplement or as may otherwise be approved by the Issuer, the Principal Paying Agent and the Trustee.

No Noteholder, Receiptholder or Couponholder (as defined under “*Terms and Conditions of the Notes*”) shall be entitled to proceed directly against the Issuer unless the Trustee, having become bound so to proceed, fails to do so within a reasonable period and the failure shall be continuing.

If the applicable Pricing Supplement specifies any modification to the Terms and Conditions of the Notes as described herein, it is envisaged that, to the extent that such modification relates only to Conditions 1 (*Form, Denomination and Title*), 5 (*Redenomination*), 6 (*Interest*), 7 (*Payments*), 8 (*Redemption and Purchase*) (except Condition 8.2 (*Redemption for tax reasons*)), 10 (*Prescription*), 11 (*Events of Default and Enforcement*), 14 (*Exchange of Talons*), 15 (*Notices*) (insofar as such Notes are not listed or admitted to trading on any stock exchange(s) and/or competent listing authorities) or 18 (*Further Issues*), they will not necessitate the preparation of a supplement to this Offering Circular. If the Terms and Conditions of the Notes of any Series are to be modified in any other respect, a supplement to this Offering Circular will be prepared, if appropriate.

For so long as any Notes are listed on the SGX-ST and the rules of the SGX-ST so require, the Issuer shall appoint and maintain a Paying Agent in Singapore (where such Notes may be presented or surrendered for payment or redemption) in the event that any of the Global Notes representing such Notes is exchanged for definitive Notes. In addition, in the event that any of the Global Notes is exchanged for definitive Notes, an announcement of such exchange will be made by or on behalf of the Issuer through the SGX-ST and such announcement will include all material information with respect to the delivery of the definitive Notes, including details of the Paying Agent in Singapore unless the Issuer obtains an exemption from SGX-ST.

## FORM OF PRICING SUPPLEMENT

Set out below is the form of Pricing Supplement which will be completed for each Tranche of Notes issued under the Programme.

[Date]

# WESFARMERS LIMITED

(ABN 28 008 984 049)

(incorporated with limited liability in Australia)

**€3,000,000,000**

**Euro Medium Term Note Programme**

**unconditionally guaranteed by  
certain subsidiaries of Wesfarmers Limited**

This document constitutes the Pricing Supplement relating to the issue of Notes described herein.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Offering Circular dated 27 October 2010, as supplemented by the supplement[s] dated [ ] and [ ]. This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with such Offering Circular.

*[The following alternative language applies if the first tranche of an issue which is being increased was issued under an Offering Circular with an earlier date.]*

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the **Conditions**) set forth in the Offering Circular dated 27 October 2010. This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with the Offering Circular dated [current date], save in respect of the Conditions which are extracted from the Offering Circular dated [original date] and are attached hereto.]

*[Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or subparagraphs. Italics denote directions for completing the Pricing Supplement]*

*[If Notes have a maturity of less than one year from the date of their issue, the minimum denomination may need to be £100,000 or its equivalent in any other currency.]*

*[Notes with a maturity of 183 days or less are required to be issued in minimum denominations of U.S.\$500,000 (or the equivalent amount in the relevant Specified Currency determined by reference to the spot rate on the date of issuance).]*

- |    |  |  |
|----|--|--|
| 1. | Issuer:  | Wesfarmers Limited   |
| 2. | (a) Series Number:   | [ ]  |
|    | (b) Tranche Number:  | [ ]  |
|    |  | <i>(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible)</i>                      |
| 3. | Specified Currency or Currencies:                              | [ ]  |
| 4. | Aggregate Nominal Amount:                                      |  |
|    | (a) Series:  | [ ]  |
|    | (b) Tranche:   | [ ]  |
| 5. | (a) Issue Price:   | [ ] per cent. of the Aggregate Nominal Amount<br>[plus accrued interest from [insert date] (in the case of fungible issues only, if applicable)] |
|    | (b) Net proceeds:<br><i>(Required only for listed issues):</i> | [ ]  |
| 6. | (a) Specified Denominations:                                   | [ ]  |

*(N.B. If an issue of Notes is (i) admitted to trading on a European Economic Area exchange; and/or (ii) offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Directive, the minimum denomination of the Notes must be €50,000 or more (or the equivalent amount in any other currency))*

*(In the case of Registered Notes, this means the minimum integral amount in which transfers can be made.)*

*(N.B.: where multiple denominations above [€50,000] or equivalent are being used the following sample wording should be followed:*

*“[€50,000] and integral multiples of [€1,000] in excess thereof up to and including [€99,000]. No Notes in definitive form will be issued with a denomination above [€99,000].”*)

- (b) Calculation Amount [            ]  
*(If only one Specified Denomination, insert the Specified Denomination.*  
*If more than one Specified Denomination, insert the highest common factor. Note: There must be a common factor in the case of two or more Specified Denominations.)*
7. (a) Issue Date: [            ]  
(b) Interest Commencement Date: [specify/Issue Date/Not Applicable] *(N.B. An Interest Commencement Date will not be relevant for certain Notes, for example Zero Coupon Notes.)*
8. Maturity Date: [Fixed rate — specify date/Floating rate — Interest Payment Date falling in or nearest to [specify month]]
9. Interest Basis: [[            ] per cent. Fixed Rate] [[LIBOR/EURIBOR] +/- [            ] per cent. Floating Rate] [Zero Coupon] [Index Linked Interest] [Dual Currency Interest] [specify other] (further particulars specified below)
10. Redemption/Payment Basis: [Redemption at par] [Index Linked Redemption] [Dual Currency Redemption] [Partly Paid] [Instalment] [specify other]
11. Change of Interest Basis or Redemption/Payment Basis: [Specify details of any provision for change of Notes into another Interest Basis or Redemption/Payment Basis]
12. Put/Call Options: [Investor Put] [Issuer Call] [(further particulars specified below)]
13. (a) Status of the Notes: The Notes constitute direct, unconditional, unsubordinated and (subject to the provisions of Condition 4) unsecured obligations of the Issuer and rank *pari passu* among themselves and (save for certain obligations required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the Issuer, from time to time outstanding.

- (b) Status of the Guarantee: The obligations of each Guarantor are direct, unconditional and (subject to the provisions of Condition 4) unsecured obligations of such Guarantor and rank *pari passu* and (save for certain obligations required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of such Guarantor from time to time outstanding.
- (c) [Date [Board] approval for issuance of Notes obtained: [ ] [and [ ], respectively] None required]  
(*N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes*)
14. Listing: [Singapore/specify other/None]
15. Method of distribution: [Syndicated/Non-syndicated]
16. Rating: [ ]

#### PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

17. Fixed Rate Note Provisions [Applicable/Not Applicable]  
(*If not applicable, delete the remaining subparagraphs of this paragraph*)
- (a) Rate(s) of Interest: [ ] per cent. per annum [payable [annually/semi-annually/quarterly] in arrear]  
(*If payable other than annually, consider amending Condition*)
- (b) Interest Payment Date(s): [[ ] in each year up to and including the Maturity Date]/[specify other]  
(*N.B. This will need to be amended in the case of long or short coupons*)
- (c) Fixed Coupon Amount(s): [ ] per Calculation Amount
- (d) Broken Amount(s): [ ] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [ ]
- (e) Day Count Fraction: [30/360 or Actual/Actual (ICMA) or [specify other]]
- (f) Determination Date(s): [ ] in each year  
(*Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon*  
*N.B. This will need to be amended in the case of regular interest payment dates which are not of equal duration*  
*N.B. Only relevant where Day Count Fraction is Actual/Actual (ICMA)*)
- (g) Other terms relating to the method of calculating interest for Fixed Rate Notes: [None/Give details]
18. Floating Rate Note Provisions [Applicable/Not Applicable]  
(*If not applicable, delete the remaining subparagraphs of this paragraph*)
- (a) Specified Period(s)/Specified Interest Payment Dates: [ ]
- (b) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/[specify other]]
- (c) Additional Business Centre(s): [ ]

- (d) Manner in which the Rate of Interest and Interest Amount is to be determined: [Screen Rate Determination/ISDA Determination/*specify other*]
- (e) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Principal Paying Agent): [ ]
- (f) Screen Rate Determination:
- Reference Rate: [ ]  
(*Either LIBOR, EURIBOR or other, although additional information is required if other — including fallback provisions in the Agency Agreement*)
  - Interest Determination Date(s): [ ]  
(*Second London business day prior to the start of each Interest Period if LIBOR (other than Sterling or euro LIBOR), first day of each Interest Period if Sterling LIBOR and the second day on which the TARGET 2 System is open prior to the start of each Interest Period if EURIBOR or euro LIBOR*)
  - Relevant Screen Page: [ ]  
(*In the case of EURIBOR, if not Reuters EURIBOR01, ensure it is a page which shows a composite rate or amend the fallback provisions appropriately*)
- (g) ISDA Determination:
- Floating Rate Option: [ ]
  - Designated Maturity: [ ]
  - Reset Date: [ ]
- (h) Margin(s): [+/-] [ ] per cent. per annum
- (i) Minimum Rate of Interest: [ ] per cent. per annum
- (j) Maximum Rate of Interest: [ ] per cent. per annum
- (k) Day Count Fraction: [Actual/Actual (ISDA) Actual/365 (Fixed) Actual/360 30/360 30E/360 30E/360 (ISDA) *Other*]  
(*See Condition 6.2(d) for alternatives*)
- (l) Fallback provisions, rounding provisions and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions: [ ]
19. Zero Coupon Note Provisions [Applicable/Not Applicable]  
(*If not applicable, delete the remaining subparagraphs of this paragraph*)
- (a) Accrual Yield: [ ] per cent. per annum
  - (b) Reference Price: [ ]
  - (c) Any other formula/basis of determining amount payable: [ ]
  - (d) Day Count Fraction in relation to Early Redemption Amounts and late payment: [Conditions 8.5(c) and 8.10 apply/*specify other*]  
(*Consider applicable day count fraction if not U.S. dollar denominated*)
20. Index Linked Interest Note Provisions [Applicable/Not Applicable]  
(*If not applicable, delete the remaining subparagraphs of this paragraph*)
- (a) Index/Formula: [*give or annex details*]
  - (b) Calculation Agent responsible for calculating the interest due: [ ]



- (c) Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible or impracticable: [            ]
- (d) Specified Period(s)/Specified Interest Payment Dates: [            ]
- (e) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/*specify other*]
- (f) Additional Business Centre(s): [            ]
- (g) Minimum Rate of Interest: [            ] per cent. per annum
- (h) Maximum Rate of Interest: [            ] per cent. per annum
- (i) Day Count Fraction: [            ]
21. Dual Currency Interest Note Provisions [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (a) Rate of Exchange/method of calculating Rate of Exchange: [*give details*]
- (b) Calculation Agent, if any, responsible for calculating the interest payable: [            ]
- (c) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable: [            ]
- (d) Person at whose option Specified Currency(ies) is/are payable: [            ]

#### PROVISIONS RELATING TO REDEMPTION

22. Issuer Call: [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (a) Optional Redemption Date(s): [            ]
- (b) Optional Redemption Amount and method, if any, of calculation of such amount(s): [[            ] per Calculation Amount/*specify other*]
- (c) If redeemable in part:
- (i) Minimum Redemption Amount: [            ] per Calculation Amount
- (ii) Maximum Redemption Amount: [            ] per Calculation Amount
- (d) Notice period (if other than as set out in the Conditions): [            ]  
*(N.B. If setting notice periods which are different to those provided in the Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Principal Paying Agent or Trustee)*
23. Investor Put: [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (a) Optional Redemption Date(s): [            ]

- (b) Optional Redemption Amount of each Note and method, if any, of calculation of such amount(s): [[ ] per Calculation Amount/specify other]
- (c) Notice period (if other than as set out in the Conditions): [ ]  
*(N.B. If setting notice periods which are different to those provided in the Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Principal Paying Agent or Trustee)*
24. Final Redemption Amount of each Note: [ ] per Calculation Amount/specify other/see Appendix]
25. Early Redemption Amount of each Note payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in Condition 8.5): [ ] per Calculation Amount/specify other/see Appendix]

#### GENERAL PROVISIONS APPLICABLE TO THE NOTES

26. Form of Notes: [Bearer Notes: Temporary Global Note exchangeable for a Permanent Global Note on and after the Exchange Date which is exchangeable for Definitive Notes upon an Exchange Event]  
 [Bearer Notes: Temporary Global Note exchangeable for Definitive Notes on and after the Exchange Date]  
 [Bearer Notes: Permanent Global Note exchangeable for Definitive Notes upon an Exchange Event]] *(N.B. Only applicable for Notes issued in compliance with TEFRA C)*  
 [Registered Notes: Global Registered Note ([ ] nominal amount) [exchangeable for Registered Notes in definitive form]]  
*(Ensure that this is consistent with the wording in the “Form of the Notes” section in the Offering Circular and the Notes themselves)*
27. Additional Financial Centre(s) or other special provisions relating to Payment Days: [Not Applicable/give details]  
*(Note that this item relates to the place of payment and not Interest Period end dates to which items 18(c) and 20(f) relate)*
28. Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature) (Only applicable to Bearer Notes): [Yes/No. If yes, give details/Not Applicable]
29. Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: [Not Applicable/give details. N.B. a new form of Temporary Global Note and/or Permanent Global Note may be required for Partly Paid issues]
30. Details relating to Instalment Notes:
- (a) [Instalment Amount(s): [Not Applicable/give details]]
- (b) [Instalment Date(s): [Not Applicable/give details]]

31. Redenomination applicable: Redenomination [not] applicable  
 [(If Redenomination is applicable, specify the applicable Day Count Fraction and any provisions necessary to deal with floating rate interest calculation (including alternative reference rates))] [(if Redenomination is applicable, specify the terms of the redenomination in an Annex to the Pricing Supplement)]
32. Other terms or special conditions, including any Financial Covenants: [Not Applicable/give details]  
 [Consider whether any Financial Covenants (as contemplated by Condition 4.2) are applicable and, if so, specify details of such Financial Covenants]

#### DISTRIBUTION

33. (a) If syndicated, names of Managers: [Not Applicable/give names]  
 (b) Stabilising Manager (if any): [Not Applicable/give name]
34. If non-syndicated, name of relevant Dealer: [ ]
35. Whether TEFRA D or TEFRA C rules applicable or TEFRA rules not applicable: [TEFRA D/TEFRA C/TEFRA not applicable] [(N.B. TEFRA only applicable in relation to Bearer Notes)]
36. Additional selling restrictions: [Not Applicable/give details]

#### OPERATIONAL INFORMATION

37. Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s): [Not Applicable/give name(s) and number(s)]
38. Delivery: Delivery [against/free of] payment
39. Additional Paying Agent(s) (if any): [ ]

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ISIN: [ ]  
 Common Code: [ ]

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#### LISTING APPLICATION

This Pricing Supplement comprises the pricing supplement required for issue and admission to trading on [specify relevant stock exchange] of the Notes described herein pursuant to the €3,000,000,000 Euro Medium Term Note Programme of Wesfarmers Limited.]

#### RESPONSIBILITY

The Issuer accepts responsibility for the information contained in this Pricing Supplement.

Signed on behalf of the Issuer:

By: \_\_\_\_\_  
*Duly authorised*

## TERMS AND CONDITIONS OF THE NOTES

*The following are the Terms and Conditions of the Notes which will be incorporated by reference into each Global Note (as defined below) and each Note in definitive form, in the latter case only if permitted by the relevant stock exchange or other relevant competent listing authority (if any) and agreed by the Issuer and the relevant Dealer at the time of issue but, if not so permitted and agreed, such Note in definitive form will have endorsed thereon or attached thereto such Terms and Conditions. The applicable Pricing Supplement in relation to any Tranche of Notes may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the following Terms and Conditions, replace or modify the following Terms and Conditions for the purpose of such Notes. The applicable Pricing Supplement (or the relevant provisions thereof) will be endorsed upon, or attached to, each Global Note and each Note in definitive form. Reference should be made to "Form of the Notes" for a description of the content of Pricing Supplements which will specify which of such terms are to apply in relation to the relevant Notes.*

This Note is one of a Series (as defined below) of Notes issued by Wesfarmers Limited (ABN 28 008 984 049) (the **Issuer**) constituted by a Trust Deed (such Trust Deed as modified and/or supplemented and/or restated from time to time, the **Trust Deed**) dated 28 October 2008 made between the Issuer, each guarantor named therein (each a **Guarantor** and together the **Guarantors**) and DB Trustees (Hong Kong) Limited (the **Trustee**, which expression shall include any successor as Trustee).

References herein to the **Notes** shall be references to the Notes of this Series and shall mean:

- (a) in relation to any Notes represented by a global Note (a **Global Note**), units of the lowest Specified Denomination in the Specified Currency, in each case specified in the applicable Pricing Supplement;
- (b) any Global Note in bearer form (each a **Global Bearer Note**);
- (c) any Global Note in registered form (each a **Global Registered Note**);
- (d) any Bearer Notes in definitive form (**Definitive Bearer Notes**, together with the Global Bearer Notes, the **Bearer Notes**) issued in exchange for a Global Bearer Note; and
- (e) any Registered Notes in definitive form (**Definitive Registered Notes**, together with the Global Registered Notes, the **Registered Notes**) (whether or not issued in exchange for a Global Registered Note).

The Notes, the Receipts (as defined below) and the Coupons (as defined below) have the benefit of an Agency Agreement (such Agency Agreement as amended and/or supplemented and/or restated from time to time, the **Agency Agreement**) dated 28 October 2008 and made between the Issuer, the Trustee, Deutsche Bank AG, Hong Kong Branch as issuing and principal paying agent and agent bank (the **Principal Paying Agent**, which expression shall include any successor principal paying agent) and the other paying agents named therein (together with the Principal Paying Agent, the **Paying Agents**, which expression shall include any additional or successor paying agents), Deutsche Bank AG, Hong Kong Branch as registrar (the **Registrar**, which expression shall include any successor registrar) and transfer agent and the other transfer agents named therein (together with the Registrar, the **Transfer Agents**, which expression shall include any additional or successor transfer agents).

Interest bearing Definitive Bearer Notes have interest coupons (**Coupons**) and, if indicated in the applicable Pricing Supplement, talons for further Coupons (**Talons**) attached upon issue. Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons or talons. Definitive Bearer Notes repayable in instalments have receipts (**Receipts**) for the payment of the instalments of principal (other than the final instalment) attached upon issue. Definitive Registered Notes do not have Receipts, Coupons or Talons attached upon issue.

The final terms for this Note (or the relevant provisions thereof) are set out in the Pricing Supplement attached to or endorsed on this Note which supplement these Terms and Conditions (the **Conditions**) and which may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these Conditions, replace or modify these Conditions for the purposes of this Note. References to the **applicable Pricing Supplement** are to the Pricing Supplement (or the relevant provisions thereof) attached to or endorsed on this Note.

Any reference to **Noteholders** or **holders** in relation to any Notes shall mean (in the case of Definitive Bearer Notes) the holders of the Notes and (in the case of Definitive Registered Notes) the persons in whose name the Notes are registered and shall, in relation to any Notes represented by a Global Note, be construed as provided below. Any reference herein to **Receiptholders** shall mean the holders of the Receipts and any reference herein to **Couponholders** shall mean the holders of the Coupons and shall, unless the context otherwise requires, include the holders of the Talons.

The Trustee acts for the benefit of the Noteholders, the Receiptholders and the Couponholders in accordance with the provisions of the Trust Deed.

As used herein, **Tranche** means Notes which are identical in all respects (including as to listing) and **Series** means a Tranche of Notes together with any further Tranche or Tranches of Notes which are (a) expressed to be consolidated and form a single series and (b) identical in all respects (including as to listing) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices (as set out in the applicable Pricing Supplement).

Copies of the Trust Deed and the Agency Agreement are available for inspection during normal business hours at the registered office for the time being of the Trustee being at 48/F Cheung Kong Center, 2 Queen's Road Central, Hong Kong and at the specified office of each of the Paying Agents. Copies of the applicable Pricing Supplement are obtainable during normal business hours at the specified office of each of the Paying Agents save that, if this Note is an unlisted Note of any Series, the applicable Pricing Supplement will only be obtainable by a Noteholder holding one or more unlisted Notes of that Series and such Noteholder must produce evidence satisfactory to (a) the Issuer and (b) the Trustee or, as the case may be, the relevant Paying Agent, as to its holding of such Notes and identity. The Noteholders, the Receiptholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Trust Deed, the Agency Agreement and the applicable Pricing Supplement which are applicable to them. The statements in the Conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed and the Agency Agreement.

Words and expressions defined in the Trust Deed and the Agency Agreement or used in the applicable Pricing Supplement shall have the same meanings where used in the Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Trust Deed and the Agency Agreement, the Trust Deed will prevail and, in the event of inconsistency between the Trust Deed or the Agency Agreement and the applicable Pricing Supplement, the applicable Pricing Supplement will prevail.

## Definitions

For the purposes of the Conditions:

**Business Day** means a day which is both:

(a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London, Hong Kong, Sydney and any Additional Business Centre specified in the applicable Pricing Supplement; and

(b) either (i) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than London and any Additional Business Centre and which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney and Auckland, respectively) or (ii) in relation to any sum payable in euro, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET 2) System (the **TARGET 2 System**) is open.

**Deed of Cross Guarantee** means the deed of cross guarantee dated 27 June 2008 among the Issuer and certain of its Subsidiaries named therein or any replacement for it, in each case, as modified and/or supplemented and/or restated from time to time.

**Determination Period** means each 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).

**Established Rate** means the rate for the conversion of the Specified Currency (including compliance with rules relating to roundings in accordance with applicable European Community regulations) into euro established by the Council of the European Union pursuant to Article 123 of the Treaty.

**euro** means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty.

**Group** means the Issuer and its Subsidiaries.

**Indebtedness** means any indebtedness for money borrowed now or hereafter existing and any liabilities under any bond, note, bill, loan, stock or other security, in each case issued for cash or in respect of acceptance credit

facilities or as consideration for assets or services, but excluding such liabilities incurred in relation to the acquisition of goods or services in the ordinary course of business of the Person incurring such liabilities.

**Material Indebtedness** means Indebtedness of the Issuer entered into after 28 October 2008 (other than Indebtedness in relation to Project Financing and Indebtedness that has been defeased in accordance with its terms) which, in the aggregate, has an aggregate principal amount outstanding greater than A\$300,000,000 or its equivalent in other currencies or currency units.

**Material Subsidiary** means at any time any wholly-owned Subsidiary of the Issuer which at that time represents in excess of 5 per cent. of the Total Assets or Adjusted EBITDA of the Issuer and its Subsidiaries.

**Officer's Certificate** means a certificate given to the Trustee by any director, secretary, the chief executive officer or the chief financial officer of the Issuer or such other person duly authorised to act on behalf of the Issuer.

**Person** means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organisation (including, without limitation, an unincorporated joint venture), government or any agency or political subdivision thereof or any other entity.

**Project Financing** means any financing arrangement entered into by the Issuer or any Subsidiary:

(a) for the purpose of financing or refinancing all or a substantial part of the cost of acquiring or developing a project, venture or asset;

(b) which financing arrangement relies on the cash flow of that project, venture or asset or the value of the project, venture or asset or both as the principal means of repayment of the financing arrangement; and

(c) under which financing arrangement recourse to the Issuer and its Subsidiaries for the repayment of that financing is limited to the assets and cash flow of that project, venture or, as appropriate, that asset.

**Property** means any asset, revenue or other property, whether tangible or intangible, real or personal, including, without limitation, any right to receive income.

**Redenomination Date** means (in the case of interest bearing Notes) any date for payment of interest under the Notes or (in the case of Zero Coupon Notes) any date, in each case specified by the Issuer in the notice given to the Noteholders pursuant to Condition 5.1 above and which falls on or after the date on which the country of the Specified Currency first participates in the third stage of European economic and monetary union.

**Responsible Officer** means an executive officer of the Person, including the chief executive officer, the chief financial officer, or an executive director responsible for the operations of the Person.

**Security Interest** means any mortgage, charge, pledge, lien or any other security or preferential interest or arrangement of any kind of any right of, or arrangement with, any creditor to have its claim satisfied in priority to other creditors with, or from the proceeds of, any asset, including security by way of deposit of moneys or other property and title retention.

**Sub-unit** means, with respect to any Specified Currency other than euro, the lowest amount of such Specified Currency that is available as legal tender in the country of such Specified Currency and, with respect to euro, one cent.

**Subsidiary** means, as to any Person, any corporation, association or other business entity in which such Person or one or more of its subsidiaries or such Person and one or more of its subsidiaries owns sufficient equity or voting interests to enable it or them (as a group) ordinarily, in the absence of contingencies, to elect a majority of the directors (or Persons performing similar functions) of such entity, and any partnership or joint venture if more than a 50 per cent. interest in the profits or capital thereof is owned by such Person or one or more of its subsidiaries or such Person and one or more of its subsidiaries (unless such partnership or joint venture can and does ordinarily take major business actions without the prior approval of such Person or one or more of its subsidiaries). Unless the context otherwise clearly requires, any reference to a **Subsidiary** is a reference to a Subsidiary of the Issuer.

**Syndicated Credit Facility** means the syndicated credit facility agreement dated 2 October 2007 among the Issuer and the arrangers, underwriters, lenders and agents party thereto, as modified and/or supplemented and/or restated from time to time.

**Syndicated Facility** means any replacement or substitute debt facility for the Syndicated Credit Facility.

**Total Assets** means the sum of the values of the assets (after deducting any applicable provisions applicable to them) of the Issuer and its Subsidiaries on a consolidated basis as disclosed in the latest annual or semi-annual financial statements of the Issuer, including the total value of assets the subject of a Project Financing to the extent

only that it exceeds the liabilities comprising the Project Financing, but excluding the value of any asset leased by the Issuer or any Subsidiary arising from the capitalisation of leases.

**Treaty** means the Treaty establishing the European Community, as amended.

## 1. FORM, DENOMINATION AND TITLE

The Notes are in the form of Bearer Notes or Registered Notes as specified in the applicable Pricing Supplement and, in the case of Notes in definitive form, serially numbered, in the Specified Currency and the Specified Denomination(s) specified in the applicable Pricing Supplement. Notes of one Specified

Denomination may not be exchanged for Notes of another Specified Denomination and Bearer Notes may not be exchanged for Registered Notes and *vice versa*.

This Note may be a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, an Index Linked Interest Note, a Dual Currency Interest Note or a combination of any of the foregoing, depending upon the Interest Basis shown in the applicable Pricing Supplement.

This Note may be an Index Linked Redemption Note, an Instalment Note, a Dual Currency Redemption Note, a Partly Paid Note or a combination of any of the foregoing, depending upon the Redemption/Payment Basis shown in the applicable Pricing Supplement.

Definitive Bearer Notes are issued with Coupons (and, where appropriate, Talons) attached, unless they are Zero Coupon Notes in which case references to Coupons and Couponholders in the Conditions are not applicable.

Subject as set out below, title to Definitive Bearer Notes, Receipts and Coupons will pass by delivery and title to Definitive Registered Notes will pass upon registration of transfers in the register which is kept by the Registrar in accordance with the provisions of the Trust Deed and the Agency Agreement. The Issuer, the Guarantors, the Trustee, the Paying Agents, the Registrar and the Transfer Agents will (except as otherwise required by law) deem and treat the bearer of any Definitive Bearer Note, Receipt or Coupon and the registered holder of any Definitive Registered Note as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any Global Note, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Notes is represented by a Global Note held on behalf of Euroclear Bank S.A./N.V. (**Euroclear**) and/or Clearstream Banking, *société anonyme* (**Clearstream, Luxembourg**), each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Guarantors, the Trustee, the Paying Agents, the Registrar and the Transfer Agents as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal, interest and any other amount payable on such nominal amount of such Notes, for which purpose the bearer of the relevant Global Bearer Note or the registered holder of the relevant Global Registered Note shall be treated by the Issuer, the Guarantor, the Trustee, any Paying Agent, the Registrar, and any Transfer Agent as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the expressions **Noteholder** and **holder of Notes** and related expressions shall be construed accordingly. In determining whether a particular person is entitled to a particular nominal amount of notes as aforesaid, the Trustee may rely on such evidence and/or information and/or certification as it shall, in its absolute discretion, think fit and, if it does so rely, such evidence and/or information and/or certification shall, in the absence of manifest error, be conclusive and binding on all concerned.

Notes which are represented by a Global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear and Clearstream, Luxembourg, as the case may be.

References to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Pricing Supplement or as may otherwise be approved by the Issuer, the Principal Paying Agent and the Trustee.

## 2. TRANSFERS OF REGISTERED NOTES

### 2.1 *Transfers of interests in Global Registered Notes*

Transfers of beneficial interests in Global Registered Notes will be effected by Euroclear or Clearstream, Luxembourg, as the case may be, and, in turn, by other participants and, if appropriate, indirect participants in such

clearing system acting on behalf of beneficial transferors and transferees of such interests. A beneficial interest in a Global Registered Note will, subject to compliance with all applicable legal and regulatory restrictions, be transferable for Definitive Registered Notes or for a beneficial interest in another Global Registered Note only in the authorised denominations set out in the applicable Pricing Supplement and only in accordance with the rules and operating procedures for the time being of Euroclear or Clearstream, Luxembourg and in accordance with the requirements specified in the Trust Deed and the Agency Agreement. Transfers of a Global Registered Note registered in the name of a nominee for Euroclear or Clearstream, Luxembourg shall be limited to transfers of such Global Registered Note, in whole but not in part, to another nominee of Euroclear or Clearstream, Luxembourg or to a successor of Euroclear or Clearstream, Luxembourg or such successor's nominee.

## ***2.2 Transfers of Definitive Registered Notes***

Subject as provided in Condition 2.5 below, upon the terms and subject to the conditions set forth in the Trust Deed and the Agency Agreement, a Definitive Registered Note may be transferred in whole or in part (in the Specified Denominations indicated in the applicable Pricing Supplement). In order to effect any such transfer (i) the holder or holders must (A) surrender the Definitive Registered Note for registration of the transfer of such Definitive Registered Note (or the relevant part of the Definitive Registered Note) at the specified office of the Registrar or any Transfer Agent, with the form of transfer thereon duly executed by the holder or holders thereof or by his or their attorney or attorneys duly authorised in writing and (B) complete and deposit with the Registrar as such Transfer Agent such other certifications as may be required by the Registrar or, as the case may be, such Transfer Agent and (ii) the Registrar or, as the case may be, such Transfer Agent must, after due and careful enquiry, be satisfied with the documents of title and the identity of the person making the request. Any such transfer will be subject to such reasonable regulations as the Issuer, the Trustee and the Registrar may from time to time prescribe (the initial such regulations being set out in Schedule 3 to the Agency Agreement). Subject as provided above, the Registrar or, as the case may be, the relevant Transfer Agent will, within three business days (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar or, as the case may be, the relevant Transfer Agent is located) of the request (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations), authenticate and deliver, or procure the authentication and delivery of, at its specified office to the transferee or (at the risk of the transferee) send by uninsured mail, to such address as the transferee may request, a new Definitive Registered Note of a like aggregate nominal amount to the Definitive Registered Note (or the relevant part of the Definitive Registered Note) transferred. In the case of the transfer of part only of a Definitive Registered Note, a new Definitive Registered Note in respect of the balance of the Definitive Registered Note not transferred will be authenticated and delivered or (at the risk of the transferor) sent to the transferor.

## ***2.3 Registration of transfer upon partial redemption***

In the event of a partial redemption of Notes under Condition 8, the Issuer shall not be required to register the transfer of any Definitive Registered Note, or part of a Definitive Registered Note, called for partial redemption.

## ***2.4 Costs of registration***

Noteholders will not be required to bear the costs and expenses of effecting any registration of transfer as provided above, except for any costs or expenses of delivery other than by regular uninsured mail and except that the Issuer may require the payment of a sum sufficient to cover any stamp duty, tax or other governmental charge that may be imposed in relation to the registration.

## ***2.5 Closed Periods***

No Noteholder may require the transfer of a Registered Note to be registered during the period of (i) 15 days ending on (and including) the due date for redemption of, or payment of any Instalment Amount in respect of, that Note and (ii) during the period of seven days ending on (and including) any Record Date.

## ***2.6 Exchanges and transfers of Definitive Registered Notes generally***

Holders of Definitive Registered Notes may exchange such Notes for interests in a Global Registered Note of the same Tranche at any time.



### 3. STATUS OF THE NOTES AND THE GUARANTEE

#### 3.1 Status of the Notes

The Notes and any relative Receipts and Coupons are direct, unconditional, unsubordinated and (subject to the provisions of Condition 4) unsecured obligations of the Issuer and rank *pari passu* among themselves and (save for certain obligations required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the Issuer, from time to time outstanding.

#### 3.2 Status of the Guarantee

The payment of principal and interest in respect of the Notes and all other moneys payable by the Issuer under or pursuant to the Trust Deed has been unconditionally and irrevocably guaranteed on a joint and several basis by the Guarantors in the Trust Deed (the **Guarantee**). For so long as each Guarantor remains a Guarantor, its obligations under the Guarantee are direct, unconditional, unsubordinated and (subject to the provisions of Condition 4) unsecured obligations of such Guarantor and (save for certain obligations required to be preferred by law) rank equally with all other unsecured obligations (other than subordinated obligations, if any) of a Guarantor, from time to time outstanding.

#### 3.3 Release of Guarantors

Any or all of the Guarantors may be released at any time from the Guarantee and such Guarantor's other obligations under the Trust Deed and any outstanding Notes without the consent of the Trustee or Noteholders. Such release will occur upon the release of such Guarantor(s) as a guarantor under each agreement, deed or other document governing the guarantee of the obligations of the Issuer (other than the Deed of Cross Guarantee), under the Syndicated Credit Facility, any Syndicated Facility or any other Material Indebtedness, and upon delivery to the Trustee of an Officer's Certificate certifying that such Guarantor(s) have been or are being concurrently released from their respective guarantees and other obligations under such Syndicated Credit Facility, any Syndicated Facility and all Material Indebtedness. Concurrent with the delivery of such Officer's Certificate to the Trustee and without any further act by any other party, such Guarantor(s) shall be automatically and unconditionally irrevocably released from the Trust Deed, the Guarantee and its other obligations under the Trust Deed and shall have no further liability or responsibility under the Notes or the Trust Deed. The release of a Guarantor under this Condition 3.3 shall not diminish the obligations and liabilities of the remaining Guarantors.

The Issuer shall promptly give notice to the Noteholders in accordance with Condition 15 following any such release of a Guarantor.

#### 3.4 New Guarantors

If any Subsidiary of the Issuer (which is not a Guarantor) becomes a guarantor under the Syndicated Credit Facility, any Syndicated Facility or any other Material Indebtedness, or becomes a guarantor as a result of its acquisition, incorporation, the incurrence of any Material Indebtedness or otherwise (other than, for the avoidance of doubt, by way of the Deed of Cross Guarantee), then within 30 days of such Subsidiary becoming such a guarantor, the Issuer will cause that Subsidiary to also become a Guarantor (a **New Guarantor**) of all amounts due and payable under the Notes and under the Trust Deed.

The Issuer shall promptly give notice to the Trustee, Principal Paying Agent, the Registrar and to the Noteholders in accordance with Condition 15, of the appointment of any such New Guarantor.

### 4. COVENANTS

#### 4.1 Negative Pledge

(a) For so long as the Notes remain outstanding, the Issuer shall not itself, and shall not permit any Subsidiary to, create, incur, issue, assume or guarantee or permit to exist any Security Interest on the whole or any part of the Property of the Issuer or any Subsidiary or on any shares of stock in, or of any Subsidiary, in each case, to secure any present or future Indebtedness without effectively providing that the Notes shall be secured equally and rateably with (or, at the option of the Issuer or such Subsidiary, prior to) such secured Indebtedness, so long as such Indebtedness shall be so secured.

(b) Paragraph (a) above shall not apply to:

(i) any Security Interest existing at the Issue Date;

(ii) a Security Interest arising by operation of law provided in the ordinary course of business which is not yet due and payable;

(iii) a pledge over documents of title to goods created in the ordinary course of business in favour of a supplier to secure the purchase price of those goods or trade finance on usual arm's length terms from the supplier where the purchase price of those goods or trade finance is paid in the ordinary course of business;

(iv) a right of title retention in favour of a supplier in connection with the acquisition of assets in the ordinary course of business;

(v) any Security Interest which exists at the time of acquisition on or over any asset acquired by a member of the Group (otherwise than from another member of the Group) and is not created in contemplation of or in connection with that acquisition;

(vi) in the case of any Person which becomes a Subsidiary of the Issuer, any Security Interest which exists on or over its assets when it becomes a Subsidiary and is not created in contemplation of or in connection with it becoming a Subsidiary;

(vii) any Security Interest mandatorily imposed by the law of any jurisdiction outside Australia in which the Issuer or any Subsidiary conducts business provided that the Security Interest is confined to the assets located in that jurisdiction;

(viii) any set-off arrangement in relation to the transaction banking business of the Issuer or any Subsidiary;

(ix) pledges, deposits or any other Security Interest made or arising under worker's compensation laws or similar laws or legislation, or deposits of money or property in the ordinary course of business by way of security for the proper performance of statutory obligations;

(x) any Security Interest imposed by law, such as carriers', warehousemen's and mechanics' Security Interests, in each case for sums not yet due or being contested in good faith by appropriate proceedings or other Security Interests arising out of judgements or awards against such Person with respect to which such Person shall then be proceeding with an appeal or other proceedings for review;

(xi) any Security Interest for property taxes not yet subject to penalties for non-payment or that are being contested in good faith and by appropriate proceedings;

(xii) any Security Interest in favour of issuers of surety bonds, bank guarantees, or letters of credit issued pursuant to the request of and for the account of such Person in the ordinary course of its business; provided, however, that such bonds, bank guarantees or letters of credit do not constitute Indebtedness;

(xiii) any Security Interest in favour of a governmental agency arising by operation of law;

(xiv) any Security Interest given in the course of Project Financing;

(xv) any Security Interest over the interest of the Issuer or any Subsidiary in an unincorporated joint venture given by such entity to the other participant or participants (and any manager or operator) of the joint venture to secure liabilities relating to that unincorporated joint venture;

(xvi) for so long as any Subsidiaries are Guarantors, any Security Interest securing Indebtedness owing by any Guarantor to the Issuer or any other Guarantor and, at any time in which no Subsidiary is a guarantor pursuant to the terms of the Trust Deed, any Security Interest securing Indebtedness owing by any Subsidiary to the Issuer or any other Subsidiary;

(xvii) minor survey exceptions, minor encumbrances, easements or reservations of, or rights of others for, licences, rights-of-way, sewers, electric lines, telegraph and telephone lines and other similar purposes, or zoning or other restrictions as to the use of real property or any Security Interest incidental to the conduct of the business of such Person or to the ownership of its real properties that were not incurred in connection with Indebtedness and that do not in the aggregate materially adversely affect the value of any such real property or materially impair the use of such real property in the operation of the business of such Person; or

(xviii) any Security Interest extending, renewing or replacing, in whole or in part, any Security Interest set forth above.

Notwithstanding the foregoing, the Issuer or any Subsidiary may issue, assume or guarantee Indebtedness secured by a Security Interest that would otherwise be subject to the foregoing restrictions in this Condition in an aggregate amount which, together with the outstanding principal amount of all other Indebtedness of the Issuer and

its Subsidiaries that would otherwise be subject to the foregoing restrictions in this section, does not at any time exceed 15 per cent. of Total Assets.

#### **4.2 Financial Covenants**

The Notes may contain such financial or other covenants, if any, as may be specified in the applicable Pricing Supplement (the **Financial Covenants**).

### **5. REDENOMINATION**

#### **5.1 Redenomination**

Where redenomination is specified in the applicable Pricing Supplement as being applicable to the Notes of a Series, the Issuer may, without the consent of the Noteholders, the Receiptholders and the Couponholders, but only after prior consultation with the Trustee, and on giving prior notice to the Principal Paying Agent, the Registrar (in the case of Registered Notes), Euroclear and Clearstream, Luxembourg and upon giving at least 30 days' prior notice to the relevant Noteholders, in accordance with Condition 15, elect that, with effect from the Redenomination Date specified in such notice, the Notes of such Series shall be redenominated in euro.

The election will have effect as follows:

(a) the Notes and the Receipts shall be deemed to be redenominated in euro in the denomination of €0.01 with a nominal amount for each Note and Receipt equal to the nominal amount of that Note or Receipt in the Specified Currency, converted into euro at the Established Rate, provided that, if the Issuer determines, with the agreement of the Principal Paying Agent and the Trustee, that the then market practice in respect of the redenomination in euro of internationally offered securities is different from the provisions specified above, such provisions shall be deemed to be amended so as to comply with such market practice and the Issuer shall promptly notify the Noteholders, in accordance with Condition 15, the stock exchange(s) or competent listing authorities (if any) on or by which the Notes may be listed and/or admitted to trading, Euroclear and Clearstream, Luxembourg and the Paying Agents of such deemed amendments;

(b) save to the extent that an Exchange Notice has been given in accordance with paragraph (d) below, the amount of interest due in respect of the Notes will be calculated by reference to the aggregate nominal amount of Notes presented (or, as the case may be, in respect of which Coupons are presented) for payment by the relevant holder and the amount of such payment shall be rounded down to the nearest €0.01;

(c) if definitive Notes are required to be issued after the Redenomination Date, they shall be issued at the expense of the Issuer in the denominations of €1,000, €10,000, €100,000 and (but only to the extent of any remaining amounts less than €1,000 or such smaller denominations acceptable to the applicable clearing systems as the Principal Paying Agent and the Trustee may approve) €0.01 and such other denominations as the Principal Paying Agent shall determine and notify to the Noteholders in accordance with Condition 15 save that the minimum denomination of each Note admitted to trading on a regulated market within the European Economic Area (as such term is defined in the Markets in Financial Instruments Directive (Directive 2004/39/EC)) or offered to the public in a Member State of the European Economic Area in circumstances which require the publication of a prospectus under the Prospectus Directive (Directive 2003/71/EC) will be €50,000 (or, if the Notes are denominated in a Specified Currency other than euro, the equivalent amount in such Specified Currency);

(d) if issued prior to the Redenomination Date, all unmatured Coupons denominated in the Specified Currency (whether or not attached to the Notes) will become void with effect from the date on which the Issuer gives notice to the holders of the Notes in accordance with Condition 15 (the **Exchange Notice**) that replacement euro-denominated Notes, Receipts and Coupons are available for exchange (provided that such securities are so available) and no payments will be made in respect of them. The payment obligations contained in any Notes and Receipts so issued will also become void on that date although those Notes and Receipts will continue to constitute valid obligations of the Issuer. New euro-denominated Notes, Receipts and Coupons will be issued in exchange for Notes, Receipts and Coupons denominated in the Specified Currency in such manner as the Principal Paying Agent may specify and as shall be notified to the Noteholders in the Exchange Notice. No Exchange Notice may be given less than 15 days prior to any date for payment of principal or interest on the Notes;

(e) after the Redenomination Date, all payments in respect of the Notes, the Receipts and the Coupons, other than payments of interest in respect of periods commencing before the Redenomination Date, will be made solely in euro as though references in the Notes to the Specified Currency were to euro. Payments will be

made in euro by credit or transfer to a euro denominated account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque;

(f) if the Notes are Fixed Rate Notes and interest for any period ending on or after the Redenomination Date is required to be calculated for a period ending other than on an Interest Payment Date, it will be calculated:

(i) in the case of the Notes represented by a Global Note, by applying the Rate of Interest to the aggregate outstanding nominal amount of the Notes represented by such Global Note; and

(ii) in the case of definitive Notes, by applying the Rate of Interest to the Calculation Amount;

and in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Fixed Rate Note in definitive form comprises more than one Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note shall be the aggregate of the amounts (determined in the manner provided above) for each Calculation Amount comprising the Specified Denomination without any further rounding;

(g) if the Notes are Floating Rate Notes, the applicable Pricing Supplement will specify any relevant changes to the provisions relating to interest; and

(h) such other changes shall be made to this Condition as the Issuer may decide, after consultation with the Principal Paying Agent and the Trustee, and as may be specified in the notice, to conform it to conventions then applicable to instruments denominated in euro.

## 6. INTEREST

### 6.1 *Interest on Fixed Rate Notes*

Each Fixed Rate Note bears interest 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 Maturity Date.

For so long as any of the Fixed Rate Notes are represented by a Global Note held on behalf of Euroclear and/or Clearstream, Luxembourg, interest will be calculated on the full nominal amount outstanding of the Fixed Rate Notes (or, if they are Partly Paid Notes, the full amount paid up) and will be paid to Euroclear and Clearstream, Luxembourg for distribution by them to entitled accountholders in accordance with their usual rules and operating procedures. In respect of each definitive Fixed Rate Note, interest will be calculated on its outstanding nominal amount (or, if it is a Partly Paid Note, the amount paid up).

If the Notes are in definitive form, except as 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 so specified.

As used in these 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.

Except in the case of Notes in definitive form where an applicable Fixed Coupon Amount or Broken Amount is specified in the applicable Pricing Supplement, interest shall be calculated in respect of any period by applying the Rate of Interest to:

(a) in the case of Fixed Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Fixed Rate Notes represented by such Global Note (or, if they are Partly Paid Notes, the aggregate amount paid up); or

(b) in the case of Fixed Rate Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Fixed Rate Note in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

**Day Count Fraction** means, in respect of the calculation of an amount of interest in accordance with this Condition 6.1:

(a) if “Actual/Actual (ICMA)” is specified in the applicable Pricing Supplement:

(i) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the **Accrual Period**) is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (A) the number of days in such Determination Period and (B) the number of Determination Dates (as specified in the applicable Pricing Supplement) that would occur in one calendar year; or

(ii) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, 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

(b) if “30/360”, “360/360” or “Bond Basis” is specified in the applicable Pricing Supplement, the number of days in the Interest 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 Interest Period falls;

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

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

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

“D<sub>1</sub>” is the first calendar day, expressed as a number, of the Interest Period, unless such number is 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 Interest 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;

## **6.2 Interest on Floating Rate Notes and Index Linked Interest Notes**

### **(a) Interest Payment Dates**

Each Floating Rate Note and Index Linked Interest Note bears interest on its outstanding nominal amount (or, if it is a Partly Paid Note, the amount paid up) from (and including) the Interest Commencement Date and such interest will be payable in arrear on either:

(i) the Specified Interest Payment Date(s) in each year specified in the applicable Pricing Supplement; or

(ii) if no Specified Interest Payment Date(s) is/are specified in the applicable Pricing Supplement, each date (each such date, together with each Specified Interest Payment Date, 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 the 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).

For so long as any of the Floating Rate Notes or Index Linked Interest Notes are represented by a Global Note held on behalf of Euroclear and/or Clearstream, Luxembourg, interest will be calculated on the full nominal amount

outstanding of the relevant Notes (or, if they are Partly Paid Notes, the full amount paid up) and will be paid to Euroclear and Clearstream, Luxembourg for distribution by them to entitled accountholders in accordance with their usual rules and operating procedures. In respect of each definitive Floating Rate Note or Index Linked Interest Note, interest will be calculated on its outstanding nominal amount (or, if it is a Partly Paid Note, the amount paid up).

If a Business Day Convention is specified in the applicable Pricing Supplement and (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

(A) in any case where Specified Periods are specified in accordance with Condition 6.2(a)(ii) above, the Floating Rate Convention, such Interest Payment Date (a) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (ii) below shall apply *mutatis mutandis* or (b) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (i) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (ii) each subsequent Interest Payment Date shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Interest Payment Date occurred; or

(B) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day; or

(C) the Modified Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or

(D) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

*(b) Rate of Interest*

The Rate of Interest payable from time to time in respect of Floating Rate Notes and Index Linked Interest Notes will be determined in the manner specified in the applicable Pricing Supplement.

(i) ISDA Determination for Floating Rate Notes

Where ISDA 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 be the relevant ISDA Rate plus or minus (as indicated in the applicable Pricing Supplement) the Margin (if any). For the purposes of this subparagraph (i), **ISDA Rate** for an Interest Period means a rate equal to the Floating Rate that would be determined by the Principal Paying Agent under an interest rate swap transaction if the Principal Paying Agent were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. and as amended and updated as at the Issue Date of the first Tranche of the Notes (the **ISDA Definitions**) and under which:

(A) the Floating Rate Option is as specified in the applicable Pricing Supplement;

(B) the Designated Maturity is a period specified in the applicable Pricing Supplement; and

(C) the relevant Reset Date is either (a) if the applicable Floating Rate Option is based on the London interbank offered rate (**LIBOR**) or on the Euro-zone interbank offered rate (**EURIBOR**), the first day of that Interest Period or (b) in any other case, as specified in the applicable Pricing Supplement.

For the purposes of this subparagraph (i), **Floating Rate**, **Calculation Agent**, **Floating Rate Option**, **Designated Maturity** and **Reset Date** have the meanings given to those terms in the ISDA Definitions.

Unless otherwise stated in the applicable Pricing Supplement the Minimum Rate of Interest shall be deemed to be zero.

(ii) Screen Rate Determination for Floating Rate Notes

Where 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, be either:

(A) the offered quotation; or

(B) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at 11.00 a.m. (London time, in the case of LIBOR, or Brussels time, in the case of EURIBOR) on the Interest Determination Date in question plus or minus (as indicated in the applicable Pricing Supplement) the Margin (if any), all as determined by the Principal Paying Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Principal Paying Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

The Agency Agreement contains provisions for determining the Rate of Interest in the event that the Relevant Screen Page is not available or if, in the case of (A) above, no such offered quotation appears or, in the case of (B) above, fewer than three such offered quotations appear, in each case as at the time specified in the preceding paragraph.

If the Reference Rate from time to time in respect of Floating Rate Notes is specified in the applicable Pricing Supplement as being other than LIBOR or EURIBOR, the Rate of Interest in respect of such Notes will be determined as provided in the applicable Pricing Supplement.

(c) *Minimum Rate of Interest and/or Maximum Rate of Interest*

If the applicable Pricing Supplement specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (b) above is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest.

If the applicable Pricing Supplement specifies a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (b) above is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

(d) *Determination of Rate of Interest and calculation of Interest Amounts*

The Principal Paying Agent, in the case of Floating Rate Notes, and the Calculation Agent, in the case of Index Linked Interest Notes, will at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period. In the case of Index Linked Interest Notes, the Calculation Agent will notify the Principal Paying Agent of the Rate of Interest for the relevant Interest Period as soon as practicable after calculating the same.

The Principal Paying Agent or, as the case may be, the Calculation Agent will calculate the amount of interest (the **Interest Amount**) payable on the Floating Rate Notes or Index Linked Interest Notes for the relevant Interest Period by applying the Rate of Interest to:

(A) in the case of Floating Rate Notes or Index Linked Interest Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Notes represented by such Global Note (or, if they are Partly Paid Notes, the aggregate amount paid up); or

(B) in the case of Floating Rate Notes or Index Linked Interest Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Floating Rate Note or an Index Linked Interest Note in definitive form is a multiple of the Calculation

Amount, the Interest Amount payable in respect of such Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

**Day Count Fraction** means, in respect of the calculation of an amount of interest in accordance with this Condition 6.2:

(i) if “Actual/Actual (ISDA)” or “Actual/Actual” is specified in the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (I) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (II) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);

(ii) if “Actual/365 (Fixed)” is specified in the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 365;

(iii) if “Actual/360” is specified in the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 360;

(iv) if “30/360”, “360/360” or “Bond Basis” is specified in the applicable Pricing Supplement, the number of days in the Interest 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 Interest Period falls;

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

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

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

“D<sub>1</sub>” is the first calendar day, expressed as a number, of the Interest Period, unless such number is 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 Interest 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;

(v) if “30E/360” or “Eurobond Basis” is specified in the applicable Pricing Supplement, the number of days in the Interest 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 Interest Period falls;

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

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

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

“D<sub>1</sub>” is the first calendar day, expressed as a number, of the Interest 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 the Interest Period, unless such number would be 31, in which case D<sub>2</sub> will be 30;



(vi) if “30E/360 (ISDA)” is specified in the applicable Pricing Supplement, the number of days in the Interest 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 Interest Period falls;

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

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

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

“D<sub>1</sub>” is the first calendar day, expressed as a number, of the Interest 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 Interest Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D<sub>2</sub> will be 30.

*(e) Notification of Rate of Interest and Interest Amounts*

The Principal Paying Agent will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer, the Trustee and any stock exchange on which the relevant Floating Rate Notes or Index Linked Interest Notes are for the time being listed and notice thereof to be published in accordance with Condition 15 as soon as possible after their determination but in no event later than the fourth London Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to each stock exchange on which the relevant Floating Rate Notes or Index Linked Interest Notes are for the time being listed and to the Noteholders in accordance with Condition 15. For the purposes of this paragraph, the expression **London Business Day** means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for general business in London.

*(f) Determination or Calculation by Trustee*

If for any reason at any relevant time the Principal Paying Agent or, as the case may be, the Calculation Agent defaults in its obligation to determine the Rate of Interest or the Principal Paying Agent defaults in its obligation to calculate any Interest Amount in accordance with subparagraph (b)(i) or subparagraph (b)(ii) above or as otherwise specified in the applicable Pricing Supplement, as the case may be, and in each case in accordance with paragraph (d) above, the Trustee shall determine the Rate of Interest at such rate as, in its absolute discretion (having such regard as it shall think fit to the foregoing provisions 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 the circumstances or, as the case may be, the Trustee shall 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 Principal Paying Agent or the Calculation Agent, as applicable.

*(g) Certificates to be final*

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 6.2, whether by the Principal Paying Agent or, if applicable, the Calculation Agent, shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Guarantors, the Trustee, the Principal Paying Agent, the Calculation Agent (if applicable), the other Paying Agents and all Noteholders, Receiptholders and Couponholders and (in the absence of wilful default, bad faith or manifest error) no liability to the Issuer, the Guarantors, the Noteholders, the Receiptholders or the Couponholders shall attach to the Principal Paying Agent or, if applicable, the Calculation Agent or the Trustee in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

### **6.3 Interest on Dual Currency Interest Notes**

The rate or amount of interest payable in respect of Dual Currency Interest Notes shall be determined in the manner specified in the applicable Pricing Supplement.

### **6.4 Interest on Partly Paid Notes**

In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid-up nominal amount of such Notes and otherwise as specified in the applicable Pricing Supplement.

### **6.5 Accrual of interest**

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the date for its redemption unless, upon due presentation thereof, payment of principal is improperly withheld or refused. In such event, interest will continue to accrue until whichever is the earlier of:

(a) the date on which all amounts due in respect of such Note have been paid; and

(b) five days after the date on which the full amount of the moneys payable in respect of such Note has been received by the Principal Paying Agent and notice to that effect has been given to the Noteholders as provided in the Trust Deed.

## **7. PAYMENTS**

### **7.1 Method of payment**

Subject as provided below:

(a) payments in a Specified Currency other than euro will be made by credit or transfer to an account in the relevant Specified Currency (which, in the case of a payment in Japanese yen to a non-resident of Japan, shall be a non-resident account) maintained by the payee with, or, at the option of the payee, by a cheque in such Specified Currency drawn on, a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney and Auckland, respectively), provided however that no payment may be made by transfer of funds to an account maintained in the United States (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction) or by cheque mailed to an address in the United States (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction); and

(b) payments in euro will be made by credit or transfer to a euro denominated account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque, provided however that no payment may be made by transfer of funds to an account maintained in the United States (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction) or by cheque mailed to an address in the United States (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction).

Payments will be subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 9.

### **7.2 Presentation of Definitive Bearer Notes, Receipts and Coupons**

Payments of principal in respect of Definitive Bearer Notes will (subject as provided below) be made in the manner provided in Condition 7.1 above against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the relevant Definitive Bearer Notes, and payments of interest in respect of Definitive Bearer Notes will (subject as provided below) be made as aforesaid only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Coupons, in each case at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction)).

Payments of instalments of principal (if any) in respect of Definitive Bearer Notes, other than the final instalment, will (subject as provided below) be made in the manner provided in Condition 7.1 above against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the relevant Receipt in accordance with the preceding paragraph. Payment of the final instalment will be made in the manner provided in

Condition 7.1 above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the relevant Definitive Bearer Note in accordance with the preceding paragraph. Each Receipt must be presented for payment of the relevant instalment together with the Definitive Bearer Note to which it appertains. Receipts presented without the Definitive Bearer Note to which they appertain do not constitute valid obligations of the Issuer. Upon the date on which any Definitive Bearer Note becomes due and repayable, unmatured Receipts (if any) relating thereto (whether or not attached) shall become void and no payment shall be made in respect thereof.

Definitive Bearer Notes which are Fixed Rate Notes (other than Dual Currency Notes, Index Linked Notes or Long Maturity Notes (as defined below)) should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of 10 years after the Relevant Date (as defined in Condition 9) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 10) or, if later, five years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

Upon any Fixed Rate Note in definitive bearer form becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the date on which any Floating Rate Note, Dual Currency Note, Index Linked Note or Long Maturity Note in definitive bearer form becomes due and repayable, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof. A **Long Maturity Note** is a Fixed Rate Note (other than a Fixed Rate Note which on issue had a Talon attached) whose nominal amount on issue is less than the aggregate interest payable thereon provided that such Note shall cease to be a Long Maturity Note on the Interest Payment Date on which the aggregate amount of interest remaining to be paid after that date is less than the nominal amount of such Note.

If the due date for redemption of any Definitive Bearer Note is not an Interest Payment Date, interest (if any) accrued in respect of such Note from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against surrender of the relevant Definitive Bearer Note.

### **7.3 Payments in respect of Global Bearer Notes**

Payments of principal and interest (if any) in respect of Notes represented by any Global Bearer Note will (subject as provided below) be made in the manner specified above in relation to Definitive Bearer Notes and otherwise in the manner specified in the relevant Global Bearer Note against presentation or surrender, as the case may be, of such Global Bearer Note at the specified office of any Paying Agent outside the United States (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction). A record of each payment made against presentation or surrender of any Global Bearer Note, distinguishing between any payment of principal and any payment of interest, will be made on such Global Bearer Note by the Paying Agent to which it was presented and such record shall be *prima facie* evidence that the payment in question has been made.

### **7.4 Payments in respect of Definitive Registered Notes and Global Registered Notes**

Payments of principal (other than instalments of principal prior to the final instalment) in respect of each Definitive Registered Note and each Global Registered Note will be made against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the Definitive Registered Note or Global Registered Note at the specified office of the Registrar or any of the Paying Agents. Such payments will be made by transfer to the Designated Account (as defined below) of the holder (or the first named of joint holders) of the Note appearing in the register of holders of the Notes in registered form maintained by the Registrar (the **Register**) at the close of business on the third business day (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar is located) before the relevant due date. Notwithstanding the previous sentence, if (a) a holder does not have a Designated Account or (b) the principal amount of the Notes held by a holder is less than US\$250,000 (or its approximate equivalent in any other Specified Currency), payment will instead be made by a cheque in the Specified Currency drawn on a Designated Bank (as defined below). For these purposes, **Designated Account** means the account (which, in the case of a payment in Japanese yen to a non-resident of Japan, shall be a non-resident account) maintained by a holder with a Designated Bank and identified as

such in the Register and **Designated Bank** means (in the case of payment in a Specified Currency other than euro) a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney or Auckland, respectively) and (in the case of a payment in euro) any bank which processes payments in euro.

Payments of interest and payments of instalments of principal (other than the final instalment) in respect of each Definitive Registered Note and each Global Registered Note will be made by a cheque in the Specified Currency drawn on a Designated Bank and mailed by uninsured mail on the business day in the city where the specified office of the Registrar is located immediately preceding the relevant due date to the holder (or the first named of joint holders) of the Note in registered form appearing in the Register at the close of business on the fifteenth day (whether or not such fifteenth day is a business day) before the relevant due date (the **Record Date**) at his address shown in the Register on the Record Date and at his risk. Upon application of the holder to the specified office of the Registrar not less than three business days in the city where the specified office of the Registrar is located before the due date for any payment of interest or an instalment of principal (other than the final instalment) in respect of a Note in registered form, the payment may be made by transfer on the due date in the manner provided in the preceding paragraph. Any such application for transfer shall be deemed to relate to all future payments of interest (other than interest due on redemption) and instalments of principal (other than the final instalment) in respect of the Notes in registered form which become payable to the holder who has made the initial application until such time as the Registrar is notified in writing to the contrary by such holder. Payment of the interest due in respect of each Note in registered form on redemption and the final instalment of principal will be made in the same manner as payment of the principal amount of such Note.

Holders of Notes in registered form will not be entitled to any interest or other payment for any delay in receiving any amount due in respect of any Note in registered form as a result of a cheque posted in accordance with this Condition arriving after the due date for payment or being lost in the post. No commissions or expenses shall be charged to such holder by the Registrar in respect of any payments of principal or interest in respect of Notes in registered form.

None of the Issuer, the Trustee or the Paying Agents will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Global Registered Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

#### ***7.5 General provisions applicable to payments***

The holder of a Global Note shall be the only person entitled to receive payments in respect of Notes represented by such Global Note and the Issuer or, as the case may be, the Guarantors will be discharged by payment to, or to the order of, the holder of such Global Note in respect of each amount so paid. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the beneficial holder of a particular nominal amount of Notes represented by such Global Note must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for his share of each payment so made by the Issuer or, as the case may be, the Guarantors to, or to the order of, the holder of such Global Note.

Notwithstanding the foregoing provisions of this Condition, if any amount of principal and/or interest in respect of Notes is payable in U.S. dollars, such U.S. dollar payments of principal and/or interest in respect of such Notes will be made at the specified office of a Paying Agent in the United States if:

- (a) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in U.S. dollars at such specified offices outside the United States of the full amount of principal and interest on the Notes in the manner provided above when due;
- (b) payment of the full amount of such principal and interest at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in U.S. dollars; and
- (c) such payment is then permitted under United States law without involving, in the opinion of the Issuer and the Guarantors, adverse tax consequences to the Issuer or any of the Guarantors.

#### ***7.6 Payment Day***

If the date for payment of any amount in respect of any Note, Receipt or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall

not be entitled to further interest or other payment in respect of such delay. For these purposes, **Payment Day** means any day which (subject to Condition 10) is:

(a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:

- (i) the relevant place of presentation;
- (ii) London, Hong Kong and Sydney;
- (iii) any Additional Financial Centre specified in the applicable Pricing Supplement; and

(b) either (A) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than the place of presentation and any Additional Financial Centre and which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney and Auckland, respectively) or (B) in relation to any sum payable in euro, a day on which the TARGET2 system is open.

### ***7.7 Interpretation of principal and interest***

Any reference in the Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

- (a) any additional amounts which may be payable with respect to principal under Condition 9 or under any undertaking or covenant given in addition thereto, or in substitution therefor, pursuant to the Trust Deed;
- (b) the Final Redemption Amount of the Notes;
- (c) the Early Redemption Amount of the Notes;
- (d) the Optional Redemption Amount(s) (if any) of the Notes;
- (e) in relation to Notes redeemable in instalments, the Instalment Amounts;
- (f) in relation to Zero Coupon Notes, the Amortised Face Amount (as defined in Condition 8.5); and
- (g) any premium and any other amounts (other than interest) which may be payable by the Issuer under or in respect of the Notes.

Any reference in the Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 9 or under any undertaking or covenant given in addition thereto, or in substitution therefor, pursuant to the Trust Deed.

## **8. REDEMPTION AND PURCHASE**

### ***8.1 Redemption at maturity***

Unless previously redeemed or purchased and cancelled as specified below, each Note (including each Index Linked Redemption Note and Dual Currency Redemption Note) will be redeemed by the Issuer at its Final Redemption Amount specified in, or determined in the manner specified in, the applicable Pricing Supplement in the relevant Specified Currency on the Maturity Date.

### ***8.2 Redemption for tax reasons***

The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time (if this Note is neither a Floating Rate Note, an Index Linked Interest Note nor a Dual Currency Interest Note) or on any Interest Payment Date (if this Note is either a Floating Rate Note, an Index Linked Interest Note or a Dual Currency Interest Note), on giving not less than 30 nor more than 60 days' notice to the Trustee, the Principal Paying Agent and, in the case of Registered Notes, the Registrar and, in accordance with Condition 15, the Noteholders (which notice shall be irrevocable), if the Issuer satisfies the Trustee immediately before the giving of such notice that:

- (a) on the occasion of the next payment due under the Notes, the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 9 or the Guarantors would be unable for reasons outside their control to procure payment by the Issuer and in making payment themselves pursuant to the Guarantee would be required to pay such additional amounts, in each case as a result of any change in, or amendment to, the laws or regulations of a Tax Jurisdiction (as defined in Condition 9) or any change in the

application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes; and

(b) such obligation cannot be avoided by the Issuer or, as the case may be, the Guarantors taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer or, as the case may be, the Guarantors would be obliged to pay such additional amounts were a payment in respect of the Notes then due.

Prior to the publication of any notice of redemption pursuant to this Condition, the Issuer shall deliver to the Trustee a certificate signed by two Directors of the Issuer or, as the case may be, two Directors of the Guarantors 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 an opinion of independent legal advisers of recognised standing to the effect that the Issuer or, as the case may be, the Guarantors has or will become obliged to pay such additional amounts as a result of such change or amendment and the Trustee shall be entitled to accept such certificate and opinion as sufficient evidence of the satisfaction of the conditions precedent set out above, in which event it shall be conclusive and binding on the Noteholders, the Receiptholders and the Couponholders.

Notes redeemed pursuant to this Condition 8.2 will be redeemed at their Early Redemption Amount referred to in Condition 8.5 below together (if appropriate) with interest accrued to (but excluding) the date of redemption.

### **8.3 Redemption at the option of the Issuer (Issuer Call)**

If Issuer Call is specified in the applicable Pricing Supplement, the Issuer may, having given:

(a) not less than 15 nor more than 30 days' notice to the Noteholders in accordance with Condition 15; and

(b) not less than 15 days before the giving of the notice referred to in (a) above, notice to the Trustee and to the Principal Paying Agent;

(which notices shall be irrevocable and shall specify the date fixed for redemption), redeem all or some only of the Notes then outstanding on any Optional Redemption Date and at the Optional Redemption Amount(s) specified in, or determined in the manner specified in, the applicable Pricing Supplement together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date. Any such redemption must be of a nominal amount not less than the Minimum Redemption Amount and not more than the Maximum Redemption Amount, in each case as may be specified in the applicable Pricing Supplement. In the case of a partial redemption of Notes, the Notes to be redeemed (**Redeemed Notes**) will be selected individually by lot, in the case of Redeemed Notes represented by definitive Notes, and in accordance with the rules of Euroclear and/or Clearstream, Luxembourg, in the case of Redeemed Notes represented by a Global Note, not more than 30 days prior to the date fixed for redemption (such date of selection being hereinafter called the **Selection Date**). In the case of Redeemed Notes represented by definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 15 not less than 15 days prior to the date fixed for redemption. The aggregate nominal amount of Redeemed Notes represented by definitive Notes shall bear the same proportion to the aggregate nominal amount of all Redeemed Notes as the aggregate nominal amount of definitive Notes outstanding bears to the aggregate nominal amount of the Notes outstanding, in each case on the Selection Date, provided that such first mentioned nominal amount shall, if necessary, be rounded downwards to the nearest integral multiple of the Specified Denomination, and the aggregate nominal amount of Redeemed Notes represented by a Global Note shall be equal to the balance of the Redeemed Notes. No exchange of the relevant Global Note will be permitted during the period from (and including) the Selection Date to (and including) the date fixed for redemption pursuant to this Condition 8.3 and notice to that effect shall be given by the Issuer to the Noteholders in accordance with Condition 15 at least five days prior to the Selection Date.

### **8.4 Redemption at the option of the Noteholders (Investor Put)**

If Investor Put is specified in the applicable Pricing Supplement, upon the holder of any Note giving to the Issuer in accordance with Condition 15 not less than 15 nor more than 30 days' notice the Issuer will, upon the expiry of such notice, redeem, subject to, and in accordance with, the terms specified herein and in the applicable Pricing Supplement, such Note on the Optional Redemption Date and at the Optional Redemption Amount together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date.

If this Note is in definitive form, to exercise the right to require redemption of this Note, the holder of this Note must deliver such Note on any Business Day (as defined in Condition 6) falling within the notice period at the specified office of any Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes), at any time during the normal business hours of such Paying Agent or, as the case may be, the Registrar, accompanied by a duly signed and completed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent or, as the case may be, the Registrar (a **Put Notice**) and in which the holder must specify a bank account (or, if payment is required to be made by cheque, an address) to which payment is to be made under this Condition accompanied by this Note or evidence satisfactory to the Paying Agent concerned that this Note will, following delivery of the Put Notice, be held to its order or under its control and, in the case of Registered Notes, the nominal amount thereof to be redeemed and, if less than the full nominal amount of the Registered Notes so surrendered is to be redeemed, an address to which a new Registered Note in respect of the balance of such Registered Notes is to be sent subject to and in accordance with the provisions of Condition 2.2. If this Note is represented by a Global Note or is in definitive form and held through Euroclear or Clearstream, Luxembourg, to exercise the right to require redemption of this Note, the holder of this Note must, within the notice period, give notice to the Principal Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes) of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg (which may include notice being given on his instruction by Euroclear or Clearstream, Luxembourg or any common depositary, as the case may be, for them to the Principal Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes) by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg from time to time and, at the same time present or procure the presentation of the relevant Global Note or definitive Note, as the case may be, to the Principal Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes) for notation accordingly.

### **8.5 Early Redemption Amounts**

For the purpose of Condition 8.2 above and Condition 11, each Note will be redeemed at its Early Redemption Amount calculated as follows:

(a) in the case of a Note with a Final Redemption Amount equal to the Issue Price, at the Final Redemption Amount thereof;

(b) in the case of a Note (other than a Zero Coupon Note but including an Instalment Note and a Partly Paid Note) with a Final Redemption Amount which is or may be less or greater than the Issue Price or which is payable in a Specified Currency other than that in which the Note is denominated, at the amount specified in, or determined in the manner specified in, the applicable Pricing Supplement or, if no such amount or manner is so specified in the applicable Pricing Supplement, at its nominal amount; or

(c) in the case of a Zero Coupon Note, at an amount (the **Amortised Face Amount**) calculated in accordance with the following formula:

$$\text{Early Redemption Amount} = \text{RP} \times (1 + \text{AY})^y$$

where:

**RP** means the Reference Price;

**AY** means the Accrual Yield expressed as a decimal; and

**y** is a fraction the numerator of which is equal to the number of days (calculated on the basis of a 360-day year consisting of 12 months of 30 days each) from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator of which is 360,

or on such other calculation basis as may be specified in the applicable Pricing Supplement.

### **8.6 Instalments**

Instalment Notes will be redeemed in the Instalment Amounts and on the Instalment Dates. In the case of early redemption, the Early Redemption Amount will be determined pursuant to Condition 8.5.

### **8.7 Partly Paid Notes**

Partly Paid Notes will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this Condition and the applicable Pricing Supplement.

## **8.8 Purchases**

The Issuer, any Guarantor or any affiliate of the Issuer or any Guarantor may at any time purchase Notes (provided that, in the case of Definitive Bearer Notes, all unmatured Receipts, Coupons and Talons appertaining thereto are purchased therewith) at any price in the open market or otherwise. Such Notes may be held, reissued, resold or, at the option of the Issuer or the relevant Guarantor, surrendered to any Paying Agent and/or the Registrar for cancellation.

## **8.9 Cancellation**

All Notes which are redeemed will forthwith be cancelled (together with all unmatured Receipts, Coupons and Talons attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled and any Notes purchased and cancelled pursuant to Condition 8.8 above (together with all unmatured Receipts, Coupons and Talons cancelled therewith) shall be forwarded to the Principal Paying Agent and cannot be reissued or resold.

## **8.10 Late payment on Zero Coupon Notes**

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to Condition 8.1, 8.2, 8.3 or 8.4 above or upon its becoming due and repayable as provided in Condition 11 is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in Condition 8.5(c) above as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of:

- (a) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and
- (b) five days after the date on which the full amount of the moneys payable in respect of such Zero Coupon Notes has been received by the Principal Paying Agent, the Registrar or the Trustee and notice to that effect has been given to the Noteholders in accordance with Condition 15.

## **9. TAXATION**

All payments of principal and interest in respect of the Notes, Receipts and Coupons by the Issuer or the Guarantors will be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of any Tax Jurisdiction unless such withholding or deduction is required by law. In such event, the Issuer or, as the case may be, the Guarantors will pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Notes, Receipts or Coupons after such withholding or deduction shall equal the respective amounts of principal or interest which would otherwise have been receivable in respect of the Notes, Receipts or Coupons, as the case may be, in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any Note, Receipt or Coupon:

- (a) presented for payment in Australia; or
- (b) presented for payment by or on behalf of a holder who is liable for such taxes or duties in respect of such Note, Receipt or Coupon by reason of his having some connection with a Tax Jurisdiction other than the mere holding of such Note, Receipt or Coupon; or
- (c) presented for payment more than 30 days after the Relevant Date (as defined below) except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day assuming that day to have been a Payment Day (as defined in Condition 7.6); or
- (d) in respect of any estate, inheritance, gift, sale, transfer, excise, personal property or similar tax, duty, assessment or other governmental charge; or
- (e) in respect of any tax, duty, assessment or other governmental charge that is imposed or withheld by reason of the holder or the beneficial owner of a Note being an “associate” of the Issuer for the purposes of Section 128F(6) of the Income Tax Assessment Act 1936 of Australia; or
- (f) in respect of any tax, duty, assessment, withholding or other governmental charge that is imposed, deducted or withheld by reason of a failure of a holder or beneficial owner of a Note, Receipt or Coupon (i) to provide certification, information, or documentation concerning the nationality, residence, identity or connection with the relevant Tax Jurisdiction of the holder or beneficial owner (including, without limitation, the supplying of an Australian Business Number (if relevant), any appropriate tax file number or other appropriate exemption details), if and to the extent that furnishing such information would have reduced or eliminated any taxes, duties, assessments, withholdings or other governmental charges as to which



additional amounts would have otherwise been payable to such holder or beneficial owner, or (ii) to make any certification, declaration or other similar claim or satisfy any information, documentation, statement or reporting requirement, which, in the case of (i) or (ii), is required or imposed by a statute, treaty, rule, regulation or administrative practice of any Tax Jurisdiction (or any territories or political subdivisions or any taxing authority thereof or therein) as a condition or precondition to relief or exemption from all or part of such tax, duty, assessment, withholding or other governmental charge; or

(g) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any other law implementing or complying with, or introduced in order to conform to, such Directive; or

(h) presented for payment by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note, Receipt or Coupon to another Paying Agent in a Member State of the European Union; or

(i) any combination of items (a) to (h) inclusive,

nor shall additional amounts be paid with respect to any payment in respect of a Note, Receipt or Coupon to any holder who is a fiduciary, partnership, limited liability company, fiscally transparent entity or other similar entity or a holder other than the sole beneficial owner of the Note, Receipt or Coupon to the extent that a beneficiary or settlor with respect to such fiduciary or a beneficial owner or a member of such partnership, limited liability company, fiscally transparent entity or other similar entity or a beneficial owner would not have been entitled to such additional amounts had it been the holder or beneficial owner or sole beneficial owner of the Note, Receipt or Coupon.

As used herein:

(i) **Tax Jurisdiction** means (A) with respect to payments made by the Issuer, Australia or any political subdivision or any authority thereof or therein having power to tax, or (B) with respect to payments made by a particular Guarantor, its place of incorporation or any political subdivision or any authority thereof or therein having power to tax; and

(ii) the **Relevant Date** means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Trustee, the Principal Paying Agent or the Registrar, as the case may be, on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 15.

## 10. PRESCRIPTION

The Notes, Receipts and Coupons will become void unless presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest) after the Relevant Date (as defined in Condition 9) therefor.

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition or Condition 7.2 or any Talon which would be void pursuant to Condition 7.2.

## 11. EVENTS OF DEFAULT AND ENFORCEMENT

### 11.1 *Events of Default*

The Trustee at its discretion may, and if so requested in writing by the holders of at least one-quarter in nominal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution shall (subject in each case to being indemnified and/or secured and/or prefunded to its satisfaction), give notice in writing to the Issuer that each Note is, and each Note 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 **Event of Default**) shall occur:

(a) default is made in the payment of any principal on any Notes when due, whether at maturity, upon redemption or otherwise; or

(b) default is made in the payment of any interest due and payable on any Notes when it becomes due and payable, and the continuance of such default for a period of 30 days; or

(c) default is made in the performance, or observance, of any other term, covenant or obligation of the Issuer or a Guarantor in the Trust Deed and continuance of such default for more than 30 days after the earlier of (i) a Responsible Officer of the Issuer obtaining actual knowledge of such default; or (ii) written notice of such default has been given by the Trustee requiring the same to be remedied; or

(d) (i) a default (as principal or as guarantor) is made in the payment of any principal, interest, premium or make-whole amount of any Indebtedness of the Issuer or any of its Subsidiaries having an aggregate principal amount exceeding A\$50,000,000 (or the equivalent thereof in any other currency or currency unit) and is continuing three days after such payment was due (including any applicable grace period relating thereto) or (ii) a default (other than as set forth in (i) above) under any Indebtedness of the Issuer or any of its Subsidiaries having an aggregate principal amount exceeding A\$50,000,000 (or the equivalent thereof in any other currency or currency unit), which default shall have resulted in such Indebtedness becoming or being validly declared due and payable prior to the date on which it would otherwise have become due and payable, except where the default set forth in (i) or (ii) is in relation to Indebtedness relating to Project Financing; or

(e) any distress or execution in respect of any present or future Indebtedness of the Issuer or against any of its Subsidiaries in an aggregate principal amount exceeding A\$50,000,000 is enforced on or against all or substantially all of the assets of the Issuer; or

(f) any authorisation of a government agency which is essential to the performance by the Issuer of its obligations in respect of the Notes, Receipts or Coupons or a Guarantor in respect of its obligations under the Trust Deed or for the validity and enforceability of the Notes, Receipts, Coupons or the Guarantee is repealed, revoked, terminated or expires, which is not replaced by another sufficient authorisation, or such Guarantor is released in accordance with Condition 3.3 and the provisions of the Trust Deed, in each case, within 30 days; or

(g) one or more final judgements are made for the payment of money aggregating in excess of A\$50,000,000 (or the equivalent thereof, as of any date of determination, in any other currency or currency unit) are rendered against one or more of the Issuer or any of its Subsidiaries and which judgements are not, within 60 days after entry thereof, bonded, discharged or stayed pending appeal, or are not discharged within 60 days after the expiration of such stay; or

(h) an order is made or any effective resolution is passed for the winding up of the Issuer or any Guarantor or, if there are no Guarantors, of any Material Subsidiary (other than, in any case, a Subsidiary the sole principal business of which is a project, venture or asset financed by a Project Financing), other than such an order made or a resolution passed for the purposes of a reconstruction, amalgamation or reorganisation where the relevant entity is solvent; or

(i) the Issuer or any Guarantor or, if there are no Guarantors, any Material Subsidiary (other than, in any case, a Subsidiary the sole principal business of which is a project, venture or asset financed by a Project Financing) admits in writing its inability to pay its debts as they fall due; or

(j) the Issuer or any Guarantor or, if there are no Guarantors, any Material Subsidiary (other than, in any case, a Subsidiary the sole principal business of which is a project, venture or asset financed by a Project Financing) enters into or makes any compromise arrangement with its creditors generally including the entering into of some form of moratorium with its creditors generally, other than a compromise arrangement for the purposes of a reconstruction, amalgamation or reorganisation where the relevant entity is solvent; or

(k) a court of competent jurisdiction enters a decree or order for relief in respect of the Issuer or any Guarantor or, if there are no Guarantors, a Material Subsidiary (other than, in any case, a Subsidiary the sole principal business of which is a project, venture or asset financed by a Project Financing) in an involuntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or there is appointed a receiver, administrator, liquidator, custodian, trustee or sequestrator (or similar officer) over the whole or substantially the whole of the assets of the Issuer or a Guarantor or, if there are no Guarantors, a Material Subsidiary (other than, in any case, a Subsidiary the sole principal business of which is a project, venture or asset financed by a Project Financing), as the case may be and any such decree, order or appointment is not removed, discharged or withdrawn within 60 days thereafter; or

(l) the Issuer or any Guarantor, or, if there are no Guarantors, a Material Subsidiary (other than, in any case, a Subsidiary the sole principal business of which is a project, venture or asset financed by a Project Financing) commences a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, other than a case commenced under an applicable law not pertaining to bankruptcy or insolvency for the purposes of a reconstruction, amalgamation or reorganisation where the relevant entity is solvent, or consents to the entry of an order for relief in an involuntary case under any such law, or consents to

the appointment of or taking possession by a receiver, administrator liquidator, assignee, custodian, trustee or sequestrator (or similar official) of the relevant entity over the whole or substantially the whole of its assets, or makes any general assignment for the benefit of creditors.

## **11.2 Enforcement**

The Trustee may at any time, at its discretion and without notice, take such proceedings against the Issuer and/or the Guarantors as it may think fit to enforce the provisions of the Trust Deed, the Notes, the Receipts and the Coupons, but it shall not be bound to take any such proceedings or any other action in relation to the Trust Deed, the Notes, the Receipts or the Coupons unless (i) it shall have been so directed by an Extraordinary Resolution or so requested in writing by the holders of at least one-quarter in nominal amount of the Notes then outstanding and (ii) it shall have been indemnified and/or secured and/or prefunded to its satisfaction.

No Noteholder, Receiptholder or Couponholder shall be entitled to proceed directly against the Issuer or any Guarantor unless the Trustee, having become bound so to proceed, fails so to do within a reasonable period and the failure shall be continuing.

## **12. REPLACEMENT OF NOTES, RECEIPTS, COUPONS AND TALONS**

Should any Note, Receipt, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office outside the United States (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction) of the Principal Paying Agent or any other Paying Agent (in the case of Bearer Notes, Receipts or Coupons) or the Registrar or any Transfer Agent (in the case of Registered Notes) upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Notes, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

## **13. PRINCIPAL PAYING AGENT, REGISTRAR, PAYING AND TRANSFER AGENTS**

The names of the initial Principal Paying Agent, the other initial Paying Agents, the initial Registrar and the other initial Transfer Agents and their initial specified offices are set out below.

The Issuer is entitled, with the prior written approval of the Trustee (such approval not to be unreasonably withheld or delayed), to vary or terminate the appointment of any Paying Agent, Registrar or Transfer Agent and/or appoint additional or other Paying Agents, Registrars or Transfer Agents and/or approve any change in the specified office through which any of the same acts, provided that:

(a) there will at all times be a Principal Paying Agent and a Registrar;

(b) so long as the Notes are listed or admitted to trading on or by any stock exchange(s) or other competent authority, there will at all times be a Paying Agent (in the case of Bearer Notes and for so long as the Notes are listed on the SGX-ST, if the Notes are issued in definitive form, there will be at all times a Paying Agent in Singapore unless the Issuer obtains an exemption from the SGX-ST) and a Registrar and a Transfer Agent (in the case of Registered Notes) with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange(s) or other relevant authority or entity; and

(c) the Issuer undertakes that if Definitive Notes are issued, it will ensure that it maintains a Paying Agent in a Member State of the European Union that is not obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive.

In addition, the Issuer shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in Condition 7.5. Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 15 nor more than 30 days' prior notice thereof shall have been given to the Noteholders in accordance with Condition 15.

In acting under the Agency Agreement, the Paying Agents act solely as agents of the Issuer and the Guarantors and, in certain circumstances specified therein, of the Trustee and do not assume any obligation to, or relationship of agency or trust with, any Noteholders, Receiptholders or Couponholders. The Agency Agreement contains provisions permitting any entity into which any Paying Agent is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor agent.

#### **14. EXCHANGE OF TALONS**

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office outside the United States (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction) of the Principal Paying Agent or any other Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Note to which it appertains) a further Talon, subject to the provisions of Condition 10.

#### **15. NOTICES**

All notices regarding the Bearer Notes will be deemed to be validly given if published in a leading English language daily newspaper of general circulation in London. It is expected that such publication will be made in the *Financial Times* in London. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules of any stock exchange(s) or other competent listing authority on or by which the Bearer Notes are for the time being listed or admitted to trading. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers. If publication as provided above is not practicable, a notice will be given in such other manner, and will be deemed to have been given on such date, as the Trustee shall approve.

All notices regarding Registered Notes will be deemed to be validly given if sent by first class mail or (if posted to an address overseas) by airmail to the holders (or the first named of joint holders) at their respective addresses recorded in the Register and will be deemed to have been given on the fourth day after mailing and, in addition for so long as any Registered Notes are listed and/or admitted to trading on or by any stock exchange or other competent listing authority and the rules of that stock exchange (or other competent listing authority) so require, such notice will be published in a daily newspaper of general circulation in the place or places required by those rules.

Until such time as any definitive Notes are issued, there may, so long as any Global Notes representing the Notes are held in their entirety on behalf of Euroclear and/or Clearstream, Luxembourg, be substituted for such publication in such newspaper(s) and/or such posting the delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg for communication by them to the holders of the Notes and, in addition, for so long as any Notes are listed and/or admitted to trading on or by any stock exchange or other competent listing authority and the rules of that stock exchange or competent listing authority so require, such notice will be published as required by those rules. Any such notice shall be deemed to have been given to the holders of the Notes on the seventh day after the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg.

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together (in the case of any Note in definitive form) with the relative Note or Notes, with the Principal Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes). Whilst any of the Notes are represented by a Global Note, such notice may be given by any holder of a Note to the Principal Paying Agent or the Registrar through Euroclear and/or Clearstream, Luxembourg, as the case may be, in such manner as the Principal Paying Agent, the Registrar and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

#### **16. MEETINGS OF NOTEHOLDERS, MODIFICATION, WAIVER AND SUBSTITUTION**

The Trust Deed contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Notes, the Receipts, the Coupons or any of the provisions of the Trust Deed. Such a meeting may be convened by the Issuer, any of the Guarantors or the Trustee and shall be convened by the Issuer if required in writing by Noteholders holding not less than ten per cent. in nominal amount of the Notes for the time being remaining outstanding. The quorum at any such meeting for passing an Extraordinary Resolution is one or more persons holding or representing not less than 50 per cent. in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing Noteholders whatever the nominal amount of the Notes so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Notes, the Receipts or the Coupons or the Trust Deed (including modifying the date of maturity of the Notes or any date for payment of interest thereon, reducing or cancelling the amount of principal or the rate of interest payable in respect of the Notes or altering the currency of payment of the Notes, the Receipts or the Coupons, as more particularly detailed in the Trust Deed), the quorum shall be one or more persons present and holding or representing in the aggregate not less than two-thirds in nominal amount of the Notes for the time being outstanding, or at any such adjourned meeting one or more persons holding or representing not less than one-third in nominal amount of the Notes for the time being outstanding. An Extraordinary Resolution passed at any meeting of the Noteholders shall be binding on all the

Noteholders, whether or not they are present at the meeting, and on all Receiptholders and Couponholders. In addition, a resolution in writing signed by or on behalf of the Noteholders of not less than three-fourths in nominal amount of the Notes who for the time being are entitled to receive notice of a meeting of Noteholders under the Trust Deed will take effect as if it were an Extraordinary Resolution. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

Pursuant to the Trust Deed, the Trustee may convene a single meeting of the holders of Notes of more than one Series if in the opinion of the Trustee there is no conflict between the holders of such Notes, in which event the provisions of the proceeding paragraph shall apply thereto *mutatis mutandis*.

The Trustee may agree, without the consent of the Noteholders, Receiptholders or Couponholders, to any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of the Notes the Trust Deed or the Agency Agreement, or determine, without any such consent as aforesaid, that any Event of Default or potential Event of Default shall not be treated as such, where, in any such case, it is not, in the reasonable opinion of the Trustee, materially prejudicial to the interests of the Noteholders so to do or may agree, without any such consent as aforesaid, to any modification which is of a formal, minor or technical nature or to correct a manifest error or an error which is, in the reasonable opinion of the Trustee, proven. Any such modification shall be binding on the Noteholders, the Receiptholders and the Couponholders and any such modification, waiver, authorisation or determination shall, unless the Trustee otherwise agrees be notified to the Noteholders in accordance with Condition 15 as soon as practicable thereafter.

In connection with the exercise by it of any of its trusts, powers, authorities and discretions (including, without limitation, any modification, waiver, authorisation or determination), the Trustee shall have regard to the general interests of the Noteholders as a class (but shall not have regard to any interests arising from circumstances particular to individual Noteholders, 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 Noteholders, Receiptholders or 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 Trustee shall not be entitled to require, nor shall any Noteholder, Receiptholder or Couponholder be entitled to claim, from the Issuer, the Guarantors, the Trustee or any other person any indemnification or payment in respect of any tax consequences of any such exercise upon individual Noteholders, Receiptholders or Couponholders except to the extent already provided for in Condition 9 and/or any undertaking or covenant given in addition to, or in substitution for, Condition 9 pursuant to the Trust Deed.

The Trustee may, without the consent of the Noteholders, agree with the Issuer, to the substitution in place of the Issuer (or of any previous substitute under this Condition) as the principal debtor under the Notes, Receipts, Coupons and the Trust Deed of another company, being a Subsidiary of the Issuer, subject to (a) the Notes being unconditionally and irrevocably guaranteed by the Guarantors, (b) the Trustee being satisfied that the interests of the Noteholders will not be materially prejudiced by the substitution and (c) certain other conditions set out in the Trust Deed being complied with.

## **17. INDEMNIFICATION OF THE TRUSTEE AND TRUSTEE CONTRACTING WITH THE ISSUER AND/OR THE GUARANTOR**

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking action unless indemnified and/or secured and/or prefunded to its satisfaction.

The Trust Deed also contains provisions pursuant to which the Trustee is entitled, *inter alia*, (a) to enter into business transactions with the Issuer, any of the Guarantors and/or any of their respective Subsidiaries and to act as trustee for the holders of any other securities issued or guaranteed by, or relating to, the Issuer, any of the Guarantors and/or any of their respective Subsidiaries, (b) 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 Noteholders, Receiptholders or Couponholders and (c) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

## **18. FURTHER ISSUES**

The Issuer shall be at liberty from time to time without the consent of the Noteholders, the Receiptholders or the Couponholders to create and issue further notes having terms and conditions the same as the Notes or the same in

all respects save for the amount and date of the first payment of interest thereon and so that the same shall be consolidated and form a single Series with the outstanding Notes.

## **19. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999**

No person shall have any right to enforce any term or condition of this Note under the Contracts (Rights of Third Parties) Act 1999, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

## **20. GOVERNING LAW AND SUBMISSION TO JURISDICTION**

### ***20.1 Governing law***

The Trust Deed, the Agency Agreement, the Notes, the Receipts and the Coupons and any non-contractual obligations arising out of or in connection with the Trust Deed, the Agency Agreement, the Notes, the Receipts and the Coupons are governed by, and shall be construed in accordance with, English law.

### ***20.2 Submission to jurisdiction***

The Issuer irrevocably agrees, for the benefit of the Trustee, the Noteholders, the Receiptholders and the Couponholders, that the courts of England are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Trust Deed, the Agency Agreement, the Notes, the Receipts and/or the Coupons (including a dispute relating to any non-contractual obligations arising out of or in connection with the Trust Deed, the Agency Agreement, the Notes, the Receipts and/or the Coupons) and accordingly submits to the exclusive jurisdiction of the English courts.

The Issuer waives any objection to the courts of England on the grounds that they are an inconvenient or inappropriate forum. The Trustee, the Noteholders, the Receiptholders and the Couponholders, may take any suit, action or proceedings (together referred to as **Proceedings**) arising out of or in connection with the Trust Deed, the Agency Agreement, the Notes, the Receipts and the Coupons (including any Proceedings relating to any non-contractual obligations arising out of or in connection with the Trust Deed, the Agency Agreement, the Notes, the Receipts and the Coupons) against the Issuer in any other court of competent jurisdiction and concurrent Proceedings in any number of jurisdictions.

### ***20.3 Appointment of Process Agent***

The Issuer appoints Wilmington Trust SP Services (London) Limited at its registered office at 6 Broad Street Place, London EC2M 7JH as its agent for service of process in England, and undertakes that, in the event of Wilmington Trust SP Services (London) Limited ceasing to act or ceasing to be registered in England, it will appoint another person as its agent for service of process in England in respect of any Proceedings. Nothing herein shall affect the right to serve proceedings in any other manner permitted by law.

### ***20.4 Other documents and the Guarantors***

The Issuer and the Guarantors have in the Trust Deed, and the Issuer has in the Agency Agreement submitted to the jurisdiction of the English courts and appointed an agent for service of process in terms substantially similar to those set out above.

## **USE OF PROCEEDS**

The net proceeds from each issue of Notes will be applied by the Issuer in or towards the repayment of portions of its existing debt and for general corporate purposes. If, in respect of any particular issuance of Notes, there is a particular identified use of proceeds, this will be stated in the applicable Pricing Supplement.

## TAXATION

### Australian Taxation

*The following is a summary of the taxation treatment under the Income Tax Assessment Acts of 1936 and 1997 of Australia (together, the **Australian Tax Act**), at the date of this Offering Circular, of payments of interest (as defined in the Australian Tax Act) on the Notes and certain other matters. It is not exhaustive and, in particular, does not deal with the position of certain classes of Noteholders (including, dealers in securities, custodians or other third parties who hold the Notes on behalf of any absolute beneficial Noteholders). Nor does it deal with the Australian tax treatment of any Index Linked Notes or Dual Currency Notes; should the Issuer issue Notes of such kind, the Australian tax treatment of those Notes will be addressed in the applicable Pricing Supplement.*

*The following is general guide and should be treated with appropriate caution. Prospective Noteholders should consult their professional advisers on the tax implications of an investment in the Notes for their particular circumstances.*

#### **Interest withholding tax**

An exemption from Australian interest withholding tax imposed under Division 11A of Part III of the Australian Tax Act (**IWT**) is available in respect of the Notes under section 128F of the Australian Tax Act if the following conditions are met:

- the Issuer continues to be a resident of Australia when it issues the Notes and when interest (as defined in section 128A(1AB) of the Australian Tax Act) is paid. Interest is defined to include amounts in the nature of, or in substitution for, interest and certain other amounts;
- the Notes are issued in a manner which satisfies the public offer test. There are five principal methods of satisfying the public offer test, the purpose of which is to ensure that lenders in capital markets are aware that Wesfarmers is offering the Notes for issue. In summary, the five methods are:
  - (A) offers to 10 or more unrelated financiers or securities dealers;
  - (B) offers to 100 or more investors;
  - (C) offers of listed Notes;
  - (D) offers via publicly available information sources; and
  - (E) offers to a dealer, manager or underwriter who offers to sell those Notes within 30 days by one of the preceding methods.

In addition, the issue of any of the Notes (whether in global form or otherwise) and the offering of interests in any the Notes by one of these methods should satisfy the public offer test;

- the Issuer does not know, or have reasonable grounds to suspect, at the time of issue, that the Notes or interests in the Notes were being, or would later be, acquired, directly or indirectly, by an “associate” of the Issuer, except as permitted by section 128F(5) of the Australian Tax Act; and
- at the time of the payment of interest, the Issuer does not know, or have reasonable grounds to suspect, that the payee is an “associate” of the Issuer, except as permitted by section 128F(6) of the Australian Tax Act.

#### **Associates**

An “associate” of the Issuer for the purposes of section 128F of the Australian Tax Act includes (i) a person or entity which holds more than 50 per cent. of the voting shares of, or otherwise controls, the Issuer, (ii) an entity in which more than 50 per cent. of the voting shares are held by, or which is otherwise controlled by, the Issuer, (iii) a trustee of a trust where the Issuer is capable of benefiting (whether directly or indirectly) under that trust, and (iv) a person or entity who is an “associate” of another person or company which is an “associate” of the Issuer under any of the foregoing.

However, for the purposes of sections 128F(5) and (6) of the Australian Tax Act (see the third and fourth bullet points above), “associate” does not include:

- onshore associates (*i.e.*, Australian resident associates who do not hold the Notes in the course of carrying on business at or through a permanent establishment outside Australia and non-resident associates who hold the Notes in the course of carrying on business at or through a permanent establishment in Australia); or



- offshore associates (*i.e.*, Australian resident associates who hold the Notes in the course of carrying on business at or through a permanent establishment outside Australia and non-resident associates who do not hold the Notes in the course of carrying on business through a permanent establishment in Australia) who are acting in the capacity of:

(A) in the case of section 128F(5), a dealer, manager or underwriter in relation to the placement of the Notes, a clearing house, custodian, funds manager or responsible entity of a registered managed investment scheme; or

(B) in the case of section 128F(6), a clearing house, paying agent, custodian, funds manager or responsible entity of a registered managed investment scheme.

### ***Compliance with section 128F of the Australian Tax Act***

The Issuer intends to issue the Notes, and the Dealers in connection with the primary distribution of the Notes, are required pursuant to an agreement with the Issuer to deal with the Notes, in a manner that satisfies the requirements of the exemption from Australian IWT outlined above. Pursuant to the agreement with the Issuer, the relevant Dealer will not sell any Notes to any person that the employees of such Dealer directly involved in the sale of the Notes actually know or have reasonable grounds to suspect, or that the Issuer has notified the Dealer, is an Offshore Associate of the Issuer. An “Offshore Associate” means an associate (as defined in section 128F of the Australian Tax Act) of the Issuer that is either a non-resident of the Commonwealth of Australia that does not acquire the Notes in carrying on a business at or through a permanent establishment in Australia or alternatively, a resident of Australia that acquires the Notes in carrying on business at or through a permanent establishment outside of Australia (other than, in either case, such an associate acting in the capacity of a dealer, manager or underwriter in relation to the placement of the Notes or in the capacity of a clearing house, custodian, funds manager or responsible entity of a registered scheme within the meaning of the Corporations Act). If any employee of a relevant Dealer effecting the sale, or otherwise directly involved in the sale of the Notes, does not know, or does not have reasonable grounds to suspect, that a person is an Offshore Associate, then the relevant Dealer is not obliged to make positive inquiries of that person, to confirm that person is not such an Offshore Associate. On that basis, no deduction or withholding in respect of Australian IWT should be required to be made from any payment of principal or interest (other than late payment interest) made by the Issuer in respect of the Notes.

### ***Other tax matters***

Under Australian laws as presently in effect:

- *income tax — offshore Noteholders* — assuming the requirements of section 128F of the Australian Tax Act are satisfied with respect to the Notes, payments of principal and interest (as defined in section 128A(1AB) of the Australian Tax Act) (other than late payment interest) to a Noteholder who is a non-resident of Australia and who, during the taxable year, does not hold the Notes in the course of carrying on business at or through a permanent establishment in Australia, will not be subject to Australian income taxes; and
- *gains on disposal of Notes — offshore Noteholders* — a Noteholder, who is a non-resident of Australia and who, during the taxable year, does not hold the Notes in the course of carrying on business at or through a permanent establishment in Australia, will not be subject to Australian income tax on gains realised during that year on sale or redemption of the Notes, provided such gains do not have an Australian source. A gain arising on the sale of the Notes by a non-Australian resident holder to another non-Australian resident where Notes are sold outside Australia and all negotiations are conducted, and documentation executed, outside Australia would not be regarded as having an Australian source; and
- *deemed interest* — there are specific rules that can apply to treat a portion of the purchase price of Notes as interest for withholding tax purposes when certain Notes originally issued at a discount or with a maturity premium or which do not pay interest at least annually are sold to an Australian resident (who does not acquire them in the course of carrying on business at or through a permanent establishment outside Australia) or a non-resident who acquires them in the course of carrying on business at or through a permanent establishment in Australia. These rules do not apply in circumstances where the deemed interest would have been exempt under section 128F of the Australian Tax Act if the Notes had been held to maturity by a non-resident; and
- *death duties* — no Notes will be subject to death, estate or succession duties imposed by Australia, or by any political subdivision or authority therein having power to tax, if held at the time of death; and

- *stamp duty and other taxes* — no ad valorem stamp, issue, registration or similar taxes are payable in Australia on the issue or transfer of any Notes; and
- *other withholding taxes on payments in respect of Notes* — section 12-140 of the Taxation Administration Act 1953 of Australia (the **Taxation Administration Act**) imposes a type of withholding tax at the rate of (currently) 46.5 per cent. on the payment of interest on certain registered securities unless the relevant payee has quoted an Australian tax file number (**TFN**), (in certain circumstances) an Australian Business Number (**ABN**) or proof of some other exemption (as appropriate). Assuming the requirements of section 128F of the Australian Tax Act are satisfied with respect to the Notes, then the requirements of section 12-140 do not apply to payments to a Noteholder in registered form who is not a resident of Australia and not holding those Notes in the course of carrying on business at or through a permanent establishment in Australia. Payments to other classes of Noteholders in registered form may be subject to a withholding where the Noteholder does not quote a TFN, ABN or provide proof of an appropriate exemption (as appropriate); and
- *supply withholding tax* — payments in respect of the Notes can be made free and clear of the “supply withholding tax” imposed under section 12-190 of the Taxation Administration Act; and
- *goods and services tax (GST)* — neither the issue nor receipt of the Notes will give rise to a liability for GST in Australia on the basis that the supply of the Notes will comprise either an input taxed financial supply or (in the case of an offshore subscriber) a GST-free supply. Furthermore, neither the payment of principal or interest by the Issuer, nor the disposal of Notes, would give rise to any GST liability in Australia; and
- *debt/equity rules* — Division 974 of the Australian Tax Act contains tests for characterising debt (for all entities) and equity (for companies) for Australian tax purposes, including for the purposes of dividend withholding tax and IWT. The Issuer intends to issue Notes which are to be characterised as “debt interests” for the purposes of the tests contained in Division 974 and the returns paid on the Notes are to be “interest” for the purpose of section 128F of the Australian Tax Act. Accordingly, Division 974 is unlikely to affect the Australian tax treatment of Noteholders.
- *additional withholdings from certain payments to non-residents* — Section 12-315 of the Taxation Administration Act gives the Governor-General power to make regulations requiring withholding from certain payments to non-residents. However, section 12-315 expressly provides that the regulations will not apply to interest and other payments which are already subject to the current interest withholding tax rules or specifically exempt from those rules. Further, regulations may only be made if the responsible minister is satisfied the specified payments are of a kind that could reasonably relate to assessable income of foreign residents. The regulations promulgated prior to the date of this Offering Circular are not relevant to any payments in respect of the Notes. Any further regulations should also not apply to repayments of principal under the Notes, as in the absence of any issue discount, such amounts will generally not be reasonably related to assessable income. The possible application of any future regulations to the proceeds of any sale of the Notes will need to be monitored.
- *garnishee directions* — The Australian Commissioner of Taxation may give a direction under section 255 of the Australian Tax Act or section 260-5 of the Taxation Administration Act or any similar provision requiring the Issuer to deduct from any payment to any other party (including any Noteholder) any amount in respect of tax payable by that other party.
- *taxation of foreign exchange gains and losses* — Divisions 230, 775 and 960 of the Australian Tax Act contain rules to deal with the taxation consequences of foreign exchange transactions. The rules are complex and may apply to any Noteholders who are Australian residents or non-residents that hold the Notes in the course of carrying on business in Australia. Any such Noteholder should consult their professional advisors for advice as to how to tax account for any foreign exchange gains or losses arising from their holding of the Notes.

### ***Payments under the Guarantee***

The Australian Taxation Office has expressed a view that payments by a guarantor in respect of a debt instrument may be exempt from Australian IWT under section 128F of the Tax Act if those payments would have been exempt had they been made by the issuer of the debt instrument. The basis for this view is that the amounts paid by the guarantor are said to be “in the nature of interest” and therefore interest for the purposes of the Tax Act. The opposing view is that the payments that may be required to be made by the Guarantors would not be interest and therefore would not be subject to Australian IWT in any event. If Australian withholding tax is payable in respect of payments of interest made by the Guarantors to non-resident holders, the Guarantors must pay additional amounts in accordance with the procedure set out below.

### *Interest on bearer securities*

Pursuant to section 126 of the Tax Act, payments of interest in respect of Notes may be subject to Australian withholding tax at a rate of 45 per cent. if the Notes are in bearer form and the Issuer does not provide the names and addresses of the holders of the Notes to the Commissioner of Taxation. No such withholding is required if the Notes are held by non-resident holders where the exemption provided by section 128F of the Tax Act is available or if Australian IWT is payable. However, section 126 of the Tax Act will apply to resident holders. The Issuer intends to treat operators of clearing systems as the holders of the Notes for these purposes.

### *Payment of additional amounts*

If an amount of Australian withholding tax is required to be deducted or withheld by the Issuer (or a Guarantor) from payments of interest in relation to the Notes, then the Issuer or Guarantor (as the case may be) must, subject to certain exceptions set out in Condition 9 (*Taxation*) of the Notes, pay an additional amount that would result in the holders of the Notes receiving an amount equal to that which they would have received had no such deduction or withholding been made. In such circumstances, whether or not an additional amount is payable by the Issuer or the Guarantor, the Issuer will have the option to redeem the Notes in accordance with the Terms and Conditions.

### *Australian Resident holders*

The income received by Australian resident holders in respect of the Notes will be included in the assessable income of those holders for Australian income tax purposes. Australian resident holders that derive a gain on a sale or redemption of Notes may be subject to Australian tax on such gain.

### *Recent developments — Taxation of financial arrangements*

The Australian Government has enacted a new regime for the taxation of financial arrangements (referred to as “**TOFA**”) which may affect the taxation of financial instruments such as the Notes. The new TOFA regime will apply to certain financial arrangements, such as the Notes, acquired on or after July 1, 2010 (or July 1, 2009, at the taxpayer’s election). Taxpayers may elect for the new TOFA regime to apply to all financial arrangements held by them on July 1, 2010 (or July 1, 2009 if an election has been made to adopt that earlier commencement date). In the absence of such election, the pre-existing law governing the taxation of financial arrangements will continue to apply to Notes acquired before the applicable commencement date. The existing law governing the taxation of financial arrangements will also continue to apply to Notes held by taxpayers that are not subject to the TOFA regime because they do not meet certain threshold requirements. In any case, the TOFA regime does not contain any measures that would override the exemption from Australian interest withholding tax available under section 128F of the Australian Tax Act in respect of interest payable on the Notes.

### **EU Savings Directive**

Under EC Council Directive 2003/48/EC regarding the taxation of savings income (the **EU Savings Directive**), Member States of the European Economic Area (each a **Member State**), including Belgium from 1 January 2010, are required to provide to the tax authorities of other Member States details of payments of interest or other similar income paid by a person within its jurisdiction to, or collected by such a person for, an individual resident in that other Member State (or certain limited types of entities established in that other Member State) except that Austria, Belgium and Luxembourg are instead required to apply a withholding system in relation to such payments for a transitional period unless during such period they elect otherwise. The transitional period is to terminate at the end of the first full fiscal year following agreement by certain non-European Union countries to the exchange of information relating to such payments. A number of non-European Union countries and territories including Switzerland have agreed to adopt similar measures (a withholding system in the case of Switzerland).

If the Issuer, the Paying Agents, any successive paying agents or any institution where Notes are deposited should be required to withhold any amount as a consequence of the EU Savings Directive, or the agreements between the European Union and Switzerland, other non-European Union countries or dependents or associated territories provide for measures equivalent to those laid down in the EU Savings Directive, then there is no obligation for the Issuer, the Paying Agents, any successive paying agents or any institution where such Notes are deposited to pay any additional amounts relating to such withholding. With regard to withholding tax being imposed on any payment made by a Paying Agent, the Issuer will be required to maintain a paying agent in a Member State that will not be obliged to withhold or deduct tax pursuant to the EU Savings Directive.

On 15 September 2008 the European Commission issued a report to the Council of the European Union on the operation of the EU Savings Directive, which included the Commission's advice on the need for changes to the EU Savings Directive. On 13 November 2008 the European Commission published a more detailed proposal for amendments to the EU Savings Directive, which included a number of suggested changes. The European Parliament approved an amended version of this proposal on 24 April 2009. If any of the proposed changes are made in relation to the EU Savings Directive, they may amend or broaden the scope of the requirements described above.

## SUBSCRIPTION AND SALE

The Dealers have, in a programme agreement (the **Programme Agreement**) dated 28 October 2008 as amended or supplemented from time to time, agreed with the Issuer a basis upon which they or any of them may from time to time agree to purchase Notes. Any such agreement will extend to those matters stated under “*Form of the Notes*” and “*Terms and Conditions of the Notes*”. In the Programme Agreement, the Issuer has agreed to reimburse the Dealers for certain of their expenses in connection with the establishment and any future update of the Programme and the issue of Notes under the Programme and to indemnify the Dealers against certain liabilities incurred by them in connection therewith.

### United States

In respect of Notes offered or sold in reliance on Regulation S Category 1 (as defined in Rule 903(b)(1) under the Securities Act) as specified in the applicable Pricing Supplement, the Notes have not been and will not be registered under the Securities Act or the securities laws of any state in the United States, and may not be offered, sold or resold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Each Dealer represents and agrees that it has not offered or sold, and will not offer or sell, any such Notes constituting part of its allotment in the United States except in accordance with Rule 903(b)(1) of Regulation S under the Securities Act.

In respect of Notes offered or sold in reliance on Regulation S Category 2 (as defined in Rule 903(b)(2) under the Securities Act) as specified in the applicable Pricing Supplement, the Notes have not been and will not be registered under the Securities Act or the securities laws of any state in the United States, and may not be offered, sold or resold within the United States or to, or for the account or benefit of, any “U.S. person” (as defined in Rule 902(k) under the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Each Dealer represents and agrees that it has not offered and sold any such Notes, and will not offer and sell any such Notes (i) as part of their distribution at any time and (ii) otherwise until 40 days after the completion of the distribution of all Notes of the Tranche of which such Notes are a part, as determined and certified as provided below, except in accordance with Rule 903(b)(2) of Regulation S under the Securities Act. Each Dealer who has purchased Notes of a Tranche hereunder (or in the case of a sale of a Tranche of Notes issued to or through more than one Dealer, each of such Dealers as to the Notes of such Tranche purchased by or through it or, in the case of a syndicated issue, the relevant Lead Manager) shall determine and certify to the Principal Paying Agent the completion of the distribution of the Notes of such Tranche. On the basis of such notification or notifications, the Principal Paying Agent has agreed to notify such Dealer/Lead Manager of the end of the distribution compliance period with respect to such Tranche. Each Dealer also agrees that, at or prior to the confirmation of the sale of the Notes, it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Notes from it during the distribution compliance period, a confirmation or notice to substantially the following effect:

“The Securities covered hereby have not been registered under the U.S. Securities Act of 1933, as amended (the **Securities Act**), and may not be offered, sold or resold within the United States or to, or for the account or benefit of, any “U.S. person” (as defined in Rule 902(k) under the Securities Act) (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of the Securities as determined and certified by the relevant Dealer, in the case of a non-syndicated issue, or the Lead Manager, in the case of a syndicated issue, and except in either case in accordance with Regulation S under the Securities Act. Terms used above have the meanings given to them by Regulation S.”

Terms used in this subclause 1.1 have the meanings given to them by Regulation S.

Each Dealer represents and agrees that it, its affiliates or any persons acting on its or their behalf have not engaged and will not engage in any “directed selling efforts” (as defined in Rule 902(c) under the Securities Act) with respect to any Note, and it and they have complied and will comply with the offering restrictions requirement of Regulation S.

The Bearer Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. Treasury Regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended, and U.S. Treasury Regulations promulgated thereunder.

In addition in respect of Bearer Notes where TEFRA D is specified in the applicable Pricing Supplement:

(a) except to the extent permitted under U.S. Treasury Regulation Section 1.163-5(c)(2)(i)(D) (the **D Rules**), each Dealer (i) represents and covenants that it has not offered or sold, and agrees and covenants that

during the restricted period it will not offer or sell, Notes in bearer form to a person who is within the United States or its possessions or to a United States person, and (ii) represents and covenants that it has not delivered and agrees and covenants that it will not deliver within the United States or its possessions Notes in bearer form that are sold during the restricted period;

(b) each Dealer represents and covenants that it has and agrees and covenants that throughout the restricted period it will have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Notes in bearer form are aware that such Notes may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person, except as permitted by the D Rules;

(c) if it is a United States person, each Dealer represents and covenants that it is acquiring Notes in bearer form for purposes of resale in connection with their original issuance and if it retains Notes in bearer form for its own account, it will only do so in accordance with the requirements of U.S. Treasury Regulation Section 1.163-5(c)(2)(i)(D)(6); and

(d) with respect to each affiliate that acquires Notes in bearer form from a Dealer for the purpose of offering or selling such Notes during the restricted period, such Dealer repeats and confirms the representations, covenants and agreements contained in subclauses (a), (b) and (c) on such affiliate's behalf.

Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended, and U.S. Treasury Regulations promulgated thereunder, including the D Rules.

In respect of Bearer Notes where TEFRA C is specified in the applicable Pricing Supplement, such Bearer Notes must be issued and delivered outside the United States and its possessions in connection with their original issuance. Each Dealer represents, covenants and agrees that it has not offered, sold or delivered, and will not offer, sell or deliver, directly or indirectly (including through an agent), such Bearer Notes within the United States or its possessions in connection with their original issuance. Further, each Dealer represents, covenants and agrees in connection with the original issuance of such Bearer Notes that it has not communicated, and will not communicate, directly or indirectly (including through an agent), with a prospective purchaser if either a Dealer, agent or such purchaser is within the United States or its possessions and will not otherwise involve its United States office or a United States possession office in the offer, sale, delivery, advertisement or promotion of such Bearer Notes. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended, and U.S. Treasury Regulation section 1.163-5(c)(2)(i)(C).

Each issue of Index Linked Notes or Dual Currency Notes shall be subject to such additional U.S. selling restrictions as the Issuer and the relevant Dealer may agree as a term of the issue and purchase of such Notes, which additional selling restrictions shall be set out in the applicable Pricing Supplement. Each relevant Dealer agrees that it shall offer, sell and deliver such Notes only in compliance with such additional U.S. selling restrictions.

## **United Kingdom**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

(a) in relation to any Notes having a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of section 19 of the Financial Services and Markets Act 2000 (the **FSMA**) by the Issuer;

(b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer or the Guarantors; and

(c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to such Notes in, from or otherwise involving the United Kingdom.

## European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a **Relevant Member State**), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the **Relevant Implementation Date**) it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Offering Circular as completed by the Pricing Supplement in relation thereto to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

(a) if the Pricing Supplement in relation to the Notes specifies that an offer of those Notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a **Non-exempt Offer**), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus has subsequently been completed by the Pricing Supplement contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable;

(b) at any time to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;

(c) at any time to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000; and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts;

(d) at any time to fewer than 100 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or

(e) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of Notes referred to in (b) to (e) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an **offer of Notes to the public** in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression **Prospectus Directive** means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

## Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (the **FIEA**) and each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold and will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which is defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Control Law and Law No. 228 of 1949, as amended) or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

## Hong Kong

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

(a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes other than (i) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (ii) in other circumstances which do not result in the

document being a “prospectus” as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and

(b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

## **Singapore**

Each Dealer acknowledges that this Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore, and the Notes will be offered pursuant to exemptions under the Securities and Futures Act, Chapter 289 of Singapore (the **Securities and Futures Act**). Accordingly, each Dealer represents and agrees, and each future Dealer appointed under the Programme will be required to represent and agree that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, the Offering Circular or any document or material in connection with the offer or sale, or invitation for subscription or purchase, of any Notes, whether directly or indirectly, to any person in Singapore other than (a) to an institutional investor pursuant to Section 274 of the Securities and Futures Act, (b) to a relevant person under Section 275(1) of the Securities and Futures Act or to any person pursuant to Section 275(1A) of the Securities and Futures Act and in accordance with the conditions specified in Section 275 of the Securities and Futures Act, or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the Securities and Futures Act.

Each of the following relevant persons specified in Section 275 of the Securities and Futures Act which has subscribed or purchased Notes, namely a person who is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the Securities and Futures Act)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an individual who is an accredited investor,

should note that shares, debentures and units of shares and debentures of that corporation or the beneficiaries’ rights and interest in that trust shall not be transferable for 6 months after that corporation or that trust has acquired the Notes under Section 275 of the Securities and Futures Act except:

(i) to an institutional investor under Section 274 of the Securities and Futures Act or to a relevant person, or to any person pursuant to Section 275(1) and Section 275(1A) of the Securities and Futures Act, respectively and in accordance with the conditions specified in Section 275 of the Securities and Futures Act;

(ii) where no consideration is or will be given for the transfer; or

(iii) where the transfer is by operation of law; or

(iv) pursuant to Section 267(7) of the Securities and Futures Act.

## **Australia**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it:

(a) must not make any offer or invitation in Australia or which is received in Australia in relation to the issue, sale or purchase of any Notes unless the offeree or invitee is required to pay at least A\$500,000 for the Notes or its foreign currency equivalent (in either case disregarding amounts, if any, lent by the offeror or other person offering the Notes or its associates (within the meaning of those expressions in Part 6D.2 of the Corporations Act 2001 (Cth) of Australia (the Corporations Act))), or it is otherwise an offer or invitation in respect of which by virtue of s708 of the Corporations Act, or otherwise, no disclosure is required to be made under Part 6D.2 of the Corporations Act and provided that in any case the offeree or invitee is not a retail client (within the meaning of section 761G of the Corporations Act); and



(b) has not circulated or issued and must not circulate or issue a disclosure document relating to the Notes in Australia or which is received in Australia which requires lodging under Division 5 of Part 6D.2 or under Part 7 of the Corporations Act and has not advertised or published and must not advertise or publish an offer or intended offer which needs such a disclosure document in Australia including any advertisement or published statement received in Australia.

## General

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it will, to the best of its knowledge and belief, comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes this Offering Circular and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and none of the Issuer or any of the other Dealers shall have any responsibility therefor.

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree, that, in connection with the primary distribution of any Notes, it will offer such Notes in a manner which will allow payments of interest, or amounts in the nature of interest, on such Notes to be exempt from Australian interest withholding tax under section 128F of the Australian Tax Act.

In particular, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not sell any Note to a person if, at the time of the sale, the officers of the Dealer involved in the offer or sale knew or had reasonable grounds to suspect that, as a result of the sale, such Note, or an interest in such Note, was being, or would later be, acquired (either directly or indirectly) by an Offshore Associate of the Issuer other than one acting in the capacity of dealer, manager or underwriter in relation to the placement of such Notes or in the capacity of a clearing house, custodian, funds manager or responsible entity of a registered scheme within the meaning of the Corporations Act. For the avoidance of doubt, if a Dealer does not know, or does not have reasonable grounds to suspect, that a person is an Offshore Associate of the Issuer, nothing in this paragraph obliges such Dealer to make positive inquiry of that person to confirm that such person is not an Offshore Associate. **Offshore Associate** of the Issuer means an associate (as defined in section 128F of the Australian Tax Act) of the Issuer that is either a non-resident of the Commonwealth of Australia which does not acquire Notes in carrying on a business at or through a permanent establishment in Australia or, alternatively, a resident of Australia that acquires such Notes in carrying on business at or through a permanent establishment outside of Australia.

None of the Issuer nor any of the Dealers represent that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction that would permit a public offering of any of the Notes, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating any such sale.

With regard to each Tranche, the relevant Dealer will be required to comply with any additional restrictions as the Issuer and the relevant Dealer shall agree and as shall be set out in the applicable Pricing Supplement.

## GENERAL INFORMATION

### Authorisation

The establishment and update of the Programme and the issue of Notes from time to time pursuant to the Programme have been duly authorised by a resolution of the Board of Directors of the Issuer dated 17 October 2008.

### Listing of Notes

Approval in-principle has been received from the SGX-ST for the listing of Notes that may be issued pursuant to the Programme and which are agreed at or prior to the time of issue thereof to be listed on SGX-ST.

### Documents Available

So long as Notes are capable of being issued under the Programme, copies of the following documents will, when published, be available for inspection from the registered office of the Issuer and from the specified office of the Principal Paying Agent at 48/F Cheung Kong Center, 2 Queen's Road Central, Hong Kong:

- (a) the constitutional documents of the Issuer;
- (b) the consolidated audited financial statements of the Issuer in respect of the financial years ended 30 June 2009 and 30 June 2010. The Issuer currently prepares audited consolidated accounts on an annual basis;
- (c) the most recently published audited annual financial statements of the Issuer and the most recently published unaudited interim financial statements (if any) of the Issuer. The Issuer currently prepares unaudited consolidated interim accounts on a six monthly basis;
- (d) the Programme Agreement, the Trust Deed (which includes the forms of the Global Notes, the Notes in definitive form, the Receipts, the Coupons and the Talons) and the Agency Agreement;
- (e) the Guarantee Deed Poll (including any supplements to the Guarantee Deed Poll) and the Deed of Cross Guarantee;
- (f) current list of Guarantors from time to time;
- (g) a copy of this Offering Circular; and
- (h) any future offering circulars, prospectuses, information memoranda and supplements including Pricing Supplements (save that a Pricing Supplement relating to an unlisted Note will only be available for inspection by a holder of such Note and such holder must produce evidence satisfactory to the Issuer and the Principal Paying Agent as to its holding of Notes and identity) to this Offering Circular and any other documents incorporated herein or therein by reference.

### Clearing Systems

The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The appropriate Common Code and ISIN for each Tranche of Notes allocated by Euroclear and Clearstream, Luxembourg will be specified in the applicable Pricing Supplement. If the Notes are to clear through an additional or alternative clearing system the appropriate information will be specified in the applicable Pricing Supplement.

### Significant or Material Change

Save as disclosed in this Offering Circular, there has been no significant change in the financial or trading position of the Issuer or any Guarantor since 30 June 2010 and there has been no material adverse change in the financial position or prospects of the Issuer or any Guarantor since 30 June 2010.

### Litigation

None of the Issuer nor any of the Guarantors is or has been involved in any legal or arbitration proceedings (including any proceedings which are pending or threatened of which the Issuer or the Guarantors are aware) which may have or have had in the 12 months preceding the date of this document a material effect on the financial position of the Issuer or any Guarantor.

**Auditors**

The consolidated financial statements as of and for the years ended 30 June 2010 and 2009 respectively have been audited by Ernst & Young, independent auditors as stated in their reports, incorporated by reference herein.

The auditors of the Issuer have given and not withdrawn their written consent to the reference to its auditors' reports dated 15 September 2009 and 16 September 2010, on the consolidated financial statements of the Issuer for the years ended 30 June 2009 and 30 June 2010, respectively, incorporated by reference herein and to the references to the auditors in the form and context in which they appear herein.

**Dealers Transacting with the Issuer and the Guarantors**

Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may provide services to the Issuer, any of the Guarantors and/or their respective affiliates in the ordinary course of business.

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