

Information Memorandum

Dated 11 September 2020



Domestic Wholesale A\$ Bond Programme

Issuer

South Australian Government Financing Authority

(a statutory authority constituted by the Government Financing Authority Act 1982 of South Australia)
(ABN 75 277 967 856)

Guaranteed by the Treasurer of the State of South Australia

Dealers

**Australia and New Zealand Banking Group Limited
Citigroup Global Markets Australia Pty Limited
Commonwealth Bank of Australia
Deutsche Bank AG, Sydney Branch
J.P. Morgan Securities Australia Limited
Merrill Lynch (Australia) Futures Limited
National Australia Bank Limited
Nomura International plc
RBC Capital Markets
The Hongkong and Shanghai Banking Corporation Limited, Sydney Branch
The Toronto-Dominion Bank
UBS AG, Australia Branch
Westpac Banking Corporation**

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Important Notice

This Information Memorandum replaces the Information Memorandum dated 14 August 2015 and any other information memoranda issued prior to that date in connection with the Programme.

Introduction

This Information Memorandum relates to an Australian dollar medium term bond programme ("**Programme**") established by the South Australian Government Financing Authority (ABN 75 277 967 856) ("**Issuer**") under which medium term bonds denominated in Australian dollars ("**Bonds**") may be issued by the Issuer from time to time.

The Bonds will be issued with the benefit of a guarantee ("**Guarantee**") from the Treasurer of the State of South Australia ("**Guarantor**") pursuant to Section 15(1) of the *Government Financing Authority Act 1982* (SA).

Issuer's responsibility

This Information Memorandum has been prepared by, and issued with the authority of, the Issuer.

The Issuer accepts responsibility for the information contained in this Information Memorandum other than information provided by the Dealers and the Agents (each as defined in the section entitled "Summary of the Programme" below) in relation to their respective descriptions in the sections entitled "Summary of the Programme" and "Directory" below.

The Issuer is not liable for any loss or damage of any kind whatsoever arising as a result of any information contained in this Information Memorandum, notwithstanding any negligence, default or lack of care by it or that such loss or damage was foreseeable, except to the extent that liability under the *Competition and Consumer Act 2010* (Cth), the *Fair Trading Act 1987* (SA) or other applicable law cannot be excluded.

Place of issuance

Subject to applicable laws and directives, the Issuer may issue Bonds under the Programme in any country including Australia and countries in Europe and Asia but not in the United States of America unless such Bonds are registered under the United States *Securities Act of 1933* (as amended) ("**Securities Act**") or an exemption from the registration requirements under the Securities Act is available.

Terms and conditions of issue

Bonds will be issued in series (each a "**Series**"). Each Series may comprise one or more tranches (each a "**Tranche**") having one or more issue dates and on conditions that are otherwise identical (other than, to the extent relevant, in respect of the issue price, the amount and date of the first payment of interest).

Each issue of Bonds will be made pursuant to such documentation as the Issuer may determine. A pricing supplement and/or another supplement to this Information Memorandum (each a "**Pricing Supplement**") will be issued for each Tranche or Series of Bonds. A Pricing Supplement will contain details of the initial aggregate principal amount, issue price, issue date, maturity date, details of interest (if any) payable, together with any other terms and conditions not set out in this Information Memorandum that may be applicable to that Tranche or Series of Bonds. The terms and conditions ("**Conditions**") applicable to the Bonds are included in this Information Memorandum and may be supplemented, amended, modified or replaced by the Pricing Supplement applicable to those Bonds.

The Issuer may also publish a supplement to this Information Memorandum (or additional Information Memoranda) which describes the issue of Bonds (or particular classes of Bonds) not otherwise described in this Information Memorandum. A Pricing Supplement or a supplement to this Information Memorandum may also supplement, amend, modify or replace any statement or information set out in

a Pricing Supplement or incorporated by reference in this Information Memorandum or a supplement to this Information Memorandum.

Documents incorporated by reference

This Information Memorandum is to be read in conjunction with all documents which are deemed to be incorporated into it by reference as set out below. This Information Memorandum shall, unless otherwise expressly stated, be read and construed on the basis that such documents are so incorporated and form part of this Information Memorandum. References to “**Information Memorandum**” are to this Information Memorandum and to any other document incorporated by reference collectively and to any of them individually.

The following documents (including any documents that are published or issued from time to time after the date of this Information Memorandum) are incorporated in, and taken to form part of, this Information Memorandum:

- the most recently published audited financial statements of the Issuer and the Guarantor from time to time;
- all supplements and amendments to this Information Memorandum circulated by the Issuer from time to time;
- each Pricing Supplement and all documents stated therein to be incorporated in this Information Memorandum; and
- all other documents issued by the Issuer and stated to be incorporated in this Information Memorandum by reference.

Any statement contained in this Information Memorandum shall be modified, replaced or superseded in this Information Memorandum to the extent that a statement contained in any document subsequently incorporated by reference into this Information Memorandum modifies, replaces or supersedes such statement (including whether expressly or by implication or in whole or in part).

Except as provided above, no other information, including any information on the internet sites of the Issuer or in any document incorporated by reference in any of the documents described above, is incorporated by reference into this Information Memorandum.

Copies of documents which are incorporated by reference in this Information Memorandum may be obtained from the Issuer on request, including from its registered office, or from such other person specified in a Pricing Supplement.

Investors should review, amongst other things, the documents which are deemed to be incorporated in this Information Memorandum by reference when deciding whether or not to subscribe for, purchase or otherwise deal in any Bonds or any rights in respect of any Bonds.

No independent verification

The only role of the Dealers and the Agents in the preparation of this Information Memorandum has been to confirm to the Issuer that their respective details, Australian Business Number (“**ABN**”), Australian Company Number (“**ACN**”) and Australian financial services licence (“**AFSL**”) numbers (where applicable) in the sections entitled “Summary of the Programme” and “Directory” below are accurate as at the Preparation Date (as defined below).

Apart from the foregoing, none of the Dealers or the Agents has independently verified the information contained in this Information Memorandum. Accordingly, no representation, warranty or undertaking, express or implied, is made, and no responsibility is accepted, by any of them, as to the accuracy or completeness of this Information Memorandum or any further information supplied by the Issuer in connection with the Programme or any Bonds.

The Dealers and the Agents expressly do not undertake to review the financial condition or affairs of the Issuer or any of its affiliates at any time or to advise any holder of a Bond or any other person of any information coming to their attention with respect to the Issuer and make no representations as to the ability of the Issuer to comply with its obligations under the Bonds. None of the Dealers nor the Agents make any representation as to the performance of the Issuer or any particular rate of return, nor do any of the Dealers or the Agents guarantee the repayment of capital or any particular rate of capital or income return, in each case, on any Bonds.

No authorisation

No person has been authorised to give any information or make any representations not contained in or consistent with this Information Memorandum in connection with the Issuer, the Guarantor, the Programme or the issue or sale of the Bonds and, if given or made, such information or representation must not be relied on as having been authorised by the Issuer, the Guarantor, the Dealers, or any of the Agents.

Intending purchasers to make independent investment decision and obtain professional advice

Neither this Information Memorandum nor any other information supplied in connection with the Programme or the issue of any Bonds describes the risks of an investment in any Bonds. Prospective investors should consult their own professional, financial, legal and tax advisers about the risks associated with an investment in any Bonds and the suitability of investing in the Bonds in light of their particular circumstances.

This Information Memorandum contains only summary information concerning the Bonds. Neither the information contained in this Information Memorandum nor any other information supplied in connection with the Programme or the issue of the Bonds (1) is intended to provide the basis of any credit or other evaluation and should not be considered or relied on as a recommendation or a statement of opinion (or a report of either of those things) by any of the Issuer, the Guarantor, the Dealers or any Agent that any recipient of this Information Memorandum or any other information supplied in connection with the Programme or the issue of any Bonds should subscribe for, purchase or otherwise deal in any Bonds or any rights in respect of any Bonds, or (2) describes the risks of an investment in any Bonds.

Each recipient of this Information Memorandum and each investor contemplating subscribing for, purchasing or otherwise dealing in any Bonds or any rights in respect of any Bonds should:

- make and rely upon (and shall be taken to have made and relied upon) its own independent investigation of the financial condition and affairs of, and its own appraisal of the creditworthiness of, the Issuer or the Guarantor;
- determine for themselves the relevance of the information contained in this Information Memorandum (including all information incorporated by reference and forming part of this Information Memorandum) and any other information supplied in connection with the Programme or the issue of any Bonds, and must base their investment decision solely upon their independent assessment and such investigations as they consider necessary; and
- consult their own financial, legal and professional advisers about the risks associated with an investment in any Bonds and the suitability of investing in any Bonds in light of their particular situation.

No accounting, regulatory, investment, legal, tax or other professional advice is given in respect of the legal or taxation treatment of investors or purchasers in connection with an investment in any Bonds or rights in respect of them and each investor is advised to consult its own professional adviser.

No offer

This Information Memorandum does not, and is not intended to, constitute an offer or invitation by or on behalf of the Issuer, the Guarantor, the Dealers or the Agents to any person to subscribe for, purchase or otherwise deal in any Bonds.

Selling restrictions and no disclosure

The distribution and use of this Information Memorandum, including any Pricing Supplement, and any advertisement or other offering material, and the offer or sale of Bonds may be restricted by law in certain jurisdictions and intending purchasers and other investors should inform themselves about them and observe any such restrictions.

In particular:

- this Information Memorandum is not a prospectus or other disclosure document for the purposes of the Corporations Act. Neither this Information Memorandum nor any other disclosure document in relation to the Bonds has been, or will be, lodged with the Australian Securities and Investments Commission (“**ASIC**”); and
- no action has been taken by any of the Issuer, the Guarantor, the Dealers or the Agents which would permit an offering of any Bonds or distribution of this Information Memorandum or any such document in any jurisdiction where action for that purpose is required (including circumstances that would require disclosure under Parts 6D.2 or 7.9 of the Corporations Act 2001 of Australia (“**Corporations Act**”)).

For a description of certain restrictions on offers, sales and deliveries of the Bonds, and on distribution of this Information Memorandum, any Pricing Supplement or other offering material relating to the Bonds, see the section entitled “Selling Restrictions” below.

A person may not (directly or indirectly) offer for subscription or purchase or issue an invitation to subscribe for or buy Bonds, nor distribute or publish this Information Memorandum or any other offering material or advertisement relating to the Bonds, nor give this Information Memorandum and its contents to any other person without the written permission of the Issuer.

No registration in the United States

The Bonds have not been, and will not be, registered under the Securities Act. The Bonds may not be offered, sold, delivered or transferred at any time within the United States of America, its territories or possessions or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act (“**Regulation S**”)) except in a transaction exempt from, or not subject to, the registration requirements of the Securities Act.

Agency and distribution arrangements

Each Dealer and Agent (and each of their respective related bodies corporate, directors, officers and employees) is acting solely as an arm’s length contractual counterparty and not as an adviser or fiduciary to the Issuer or any recipient of this Information Memorandum in connection with the Bonds (including, without limitation, in respect of the preparation and due execution of the transaction documents and the power, capacity or authorisations of any other party to enter into and execute the transaction documents). Furthermore, neither the receipt of this Information Memorandum or any other material relating to the Programme or the issue of any Bonds by any person nor any other matter shall be deemed to create or give rise to an advisory or fiduciary duty or relationship between a Dealer or Agent and that person.

The Issuer has agreed to pay fees to the Agents for undertaking their respective roles and reimburse them for certain of their expenses incurred in connection with the Programme and the offer and sale of Bonds.

The Issuer may also pay a Dealer a fee for undertaking its role or reimburse it for certain expenses in respect of the Bonds subscribed by it, may agree to reimburse the Dealers for certain expenses incurred in connection with this Programme and may indemnify the Dealers against certain liabilities in connection with the offer and sale of Bonds.

The Dealers and the Agents, and their respective related entities, directors, officers and employees (the “**Dealer Groups**”) are involved in a wide range of financial services and businesses including securities

trading and brokerage activities and providing commercial and investment banking, investment management, corporate finance, credit and derivative, trading and research products and services, out of which conflicting interests or duties may arise. The Dealer Groups or the funds which they manage or advise or the funds within which they may have a direct or indirect interest, may from time to time have long or short positions in, or buy and sell (on a principal basis or otherwise), or have pecuniary or other interests in, or act as a market maker in, the Bonds or securities, derivatives, commodities, futures or options identical or related to the Bonds and may trade or otherwise effect transactions, for its own account or the accounts of investors or any other party that may be involved in the issue of Bonds or the Programme. The Dealer Groups may receive fees, brokerage and commissions and may act as a principal in dealing in any Bonds.

References to credit ratings

There may be references to credit ratings in this Information Memorandum, a Pricing Supplement, another supplement to this Information Memorandum or a document which is deemed to be incorporated in this Information Memorandum by reference.

A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the relevant assigning organisation. They may be revised, suspended or withdrawn at any time by the rating agency. Each credit rating should be evaluated independently of any other credit rating.

Credit ratings are for distribution only to a person (a) who is not a “retail client” within the meaning of section 761G of the Corporations Act and is also a sophisticated investor, professional investor or other investor in respect of whom disclosure is not required under Parts 6D.2 or 7.9 of the Corporations Act, and (b) who is otherwise permitted to receive credit ratings in accordance with applicable law in any jurisdiction in which the person may be located. Anyone who is not such a person is not entitled to receive the relevant document and anyone who receives the relevant document must not distribute it to any person who is not entitled to receive it.

Currencies

In this Information Memorandum, references to “**A\$**” or “**Australian dollars**” are to the lawful currency of the Commonwealth of Australia.

References to internet site addresses

Any internet site addresses provided in this Information Memorandum are for reference only and, unless expressly stated otherwise, the content of any such internet site is not incorporated by reference into, and does not form part of, this Information Memorandum.

Currency of information

The information contained in this Information Memorandum is prepared as of its Preparation Date. Neither the delivery of this Information Memorandum nor any offer, issue or sale made in connection with this Information Memorandum at any time implies that the information contained in it is correct, that any other information supplied in connection with the Programme or the issue of Bonds is correct or that there has not been any change (adverse or otherwise) in the financial conditions or affairs of the Issuer, the Guarantor or any other person or entity at any time subsequent to the Preparation Date. In particular, the Issuer is not under any obligation to any person to update this Information Memorandum at any time after an issue of Bonds.

In this Information Memorandum, “**Preparation Date**” means, in relation to:

- this Information Memorandum, the date indicated on its face or, if the Information Memorandum has been amended, supplemented or replaced, the date indicated on the face of that amendment, supplement or replacement;
- annual reports and any financial statements incorporated in this Information Memorandum, the date up to, or as at, the date on which such annual reports and financial statements relate; and

- any other item of information which is to be read in conjunction with this Information Memorandum, the date indicated on its face as being its date of release or effectiveness.

Section 309B(1)(c) of the Securities and Futures Act (Chapter 289) of Singapore notification

Unless otherwise stated in the Pricing Supplement in respect of any Bonds, all Bonds issued or to be issued under the Programme shall be “prescribed capital markets products” (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in the Monetary Authority of Singapore (“**MAS**”) Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

MiFID II Product Governance / Target Market

The Pricing Supplement in respect of any Bonds may include a legend entitled “MiFID II Product Governance” which will outline the target market assessment in respect of the Bonds and which channels for distribution of the Bonds are appropriate. Any person subsequently offering, selling or recommending the Bonds (a “**distributor**”) should take into consideration the target market assessment; however, a distributor subject to Directive 2014/65/EU (as amended, “**MiFID II**”) is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the “**MiFID Product Governance Rules**”), any Dealer subscribing for any Bonds is a manufacturer in respect of such Bonds, but otherwise none of the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

Summary of the Programme

The following is a brief summary only and should be read in conjunction with the rest of this Information Memorandum and, in relation to any Bonds, the applicable Conditions and any applicable Pricing Supplement. A term used below but not otherwise defined has the meaning given to it in the Conditions. A reference to a "Pricing Supplement" does not limit the provisions or features of this Programme which may be supplemented, amended, modified or replaced by a Pricing Supplement in relation to a particular Tranche or Series of Bonds.

Issuer: South Australian Government Financing Authority (a statutory authority constituted by the Government Financing Authority Act 1982 (SA)) (ABN 75 277 967 856).

Further information regarding the Issuer is set out in the documents which are deemed to be incorporated in this Information Memorandum.

Guarantor: The Treasurer of the State of South Australia pursuant to Section 15(1) of the Government Financing Authority Act 1982 (SA).

Programme description: A debt issuance programme under which, subject to applicable laws and directives, the Issuer may elect to issue medium term bonds denominated in Australian dollars ("**Bonds**") in the Australian wholesale domestic capital market in uncertificated registered form. There is no limit on the aggregate principal amount of Bonds which may be issued by the Issuer under the Programme.

Programme Term: The term of the Programme continues until terminated by the Issuer giving 30 days' notice to the Dealers then appointed to the Programme generally or, if no Dealers are then appointed to the Programme generally, at such time as the Issuer determines.

Dealers: Australia and New Zealand Banking Group Limited
Citigroup Global Markets Australia Pty Limited
Commonwealth Bank of Australia
Deutsche Bank AG, Sydney Branch
J.P. Morgan Securities Australia Limited
Merrill Lynch (Australia) Futures Limited
National Australia Bank Limited
Nomura International plc
Royal Bank of Canada
The Hongkong and Shanghai Banking Corporation Limited, Sydney Branch
The Toronto-Dominion Bank
UBS AG, Australia Branch
Westpac Banking Corporation

Other Dealers may be appointed by the Issuer from time to time for a specific Tranche of Bonds or to the Programme generally under a subscription or other agreement. A list of the Dealers for a specific Tranche of Bonds can be obtained from the Issuer following the issue of those Bonds.

Contact details and particulars of the ABN and AFSL for each of the above named Dealers are set out in the section entitled "Directory" below.

Registrar: Link Market Services Limited and/or any other person appointed by the Issuer to perform registry functions and establish and maintain a Register (as defined below) in or outside Australia on the Issuer's behalf from time to time ("**Registrar**"). Details of additional appointments in respect of a Tranche or Series will be notified in the applicable Pricing Supplement.

Issuing and Paying Agent:	Link Market Services Limited and/or such other person appointed by the Issuer to act as issuing agent or paying agent on the Issuer's behalf from time to time in Australia in respect of a Tranche or Series (" Issuing and Paying Agent ") as will be notified in the applicable Pricing Supplement.
Calculation Agents:	If a Calculation Agent is required for the purpose of calculating any amount or making any determination under a Bond, such appointment will be notified in the applicable Pricing Supplement. The Issuer may terminate the appointment of the Calculation Agent, appoint additional or other Calculation Agents or elect to have no Calculation Agent. Where no Calculation Agent is appointed, the calculation of interest, principal and other payments in respect of the relevant Bonds will be made by the Issuer.
Agents:	Each Registrar, Issuing and Paying Agent, Calculation Agent and any other person appointed by the Issuer to perform other agency functions with respect to any Tranche or Series of Bonds (details of such appointment may be set out in the applicable Pricing Supplement).
Form of Bonds:	<p>Bonds will be issued in registered uncertificated form and will be debt obligations of the Issuer which are constituted by, and owing under, the Bond Deed Poll dated 14 August 2015, as amended or supplemented from time to time, or such other deed poll executed by the Issuer as may be specified in an applicable Pricing Supplement (each a "Deed Poll").</p> <p>Bonds take the form of entries in a register ("Register") maintained by a Registrar.</p> <p>The Issuer may from time to time issue Bonds in a form not specifically contemplated in this Information Memorandum. Terms applicable to any other type of Bond that the Issuer may issue under the Programme will be set out in the applicable Pricing Supplement or another supplement to this Information Memorandum.</p>
Status and ranking:	The Bonds will constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer. As among themselves, the Bonds of each Series will rank <i>pari passu</i> and will be payable rateably without preference or priority with all other present and future direct, unconditional, unsubordinated and unsecured obligations of the Issuer, except as such obligations as are mandatorily preferred by law.
Negative pledge:	Not applicable.
Issuance in Series:	Bonds will be issued in Series. Each Series may comprise one or more Tranches having one or more issue dates and on conditions that are otherwise identical (other than, to the extent relevant, in respect of the issue price and the first payment of interest). The Bonds of each Tranche of a Series are intended to be fungible with the other Tranches of Bonds of that Series. The Issuer commonly refers to each such Series as its " select line ".
Maturities:	Subject to all applicable laws and directives, Bonds may have any maturity as may be specified in an applicable Pricing Supplement or as may be agreed between the Issuer and the relevant purchasing Dealer. The Bonds of select lines will predominantly be issued on the basis of a select number of preferred maturity dates as will be described in the relevant Pricing Supplement for those Bonds. However, the Issuer may from time to time issue Bonds with different maturity dates as will be described in the relevant Pricing Supplement for those Bonds.

Issue Price: Bonds will be issued at the price specified in the applicable Pricing Supplement.

Interest: Interest may be at a fixed, floating or other variable rate and may vary during the lifetime of the relevant Series. However, Bonds will predominately be issued bearing a fixed rate of interest.

Interest will be payable on the date or dates and in the manner specified in the relevant Pricing Supplement for the Bonds.

The Issuer may also issue Bonds on a different basis, including at a discount to its face value and not bearing interest, a floating rate of interest applying to the Bond or the Bond being adjusted by reference to an index, as may be provided for in the relevant Pricing Supplement for such a Bond.

Denominations: Subject to all applicable laws and directives, Bonds will be issued in such denominations as may be specified in the applicable Pricing Supplement.

Clearing Systems: Bonds may be transacted either within or outside any Clearing System (as defined below).

The Issuer may apply to Austraclear Ltd (ABN 94 002 060 773) ("**Austraclear**") for approval for Bonds to be traded on the clearing and settlement system operated by it ("**Austraclear System**"). Upon approval by Austraclear, the Bonds will be traded through Austraclear in accordance with the rules and regulations of the Austraclear System. Such approval by Austraclear is not a recommendation or endorsement by Austraclear of such Bonds.

Transactions relating to interests in the Bonds may also be carried out through the settlement system operated by Euroclear Bank SA/NV ("**Euroclear**"), the settlement system operated by Clearstream Banking, S.A. ("**Clearstream, Luxembourg**") or any other clearing system outside Australia specified in the applicable Pricing Supplement (the Austraclear System, Euroclear, Clearstream, Luxembourg and any other clearing system specified in the applicable Pricing Supplement, each a "**Clearing System**").

Interest in the Bonds traded in the Austraclear System may be held for the benefit of Euroclear or Clearstream, Luxembourg. In these circumstances, entitlements in respect of holdings of interests in Bonds in Euroclear would be held in the Austraclear System by a nominee of Euroclear (currently HSBC Custody Nominees (Australia) Limited) while entitlements in respect of holdings of interests in Bonds in Clearstream, Luxembourg would be held in the Austraclear System by a nominee of Clearstream, Luxembourg (currently J.P. Morgan Nominees Australia Pty Limited).

The rights of a holder of interests in a Bond held through Euroclear or Clearstream, Luxembourg are subject to the respective rules and regulations for accountholders of Euroclear and Clearstream, Luxembourg, the terms and conditions of agreements between Euroclear and Clearstream, Luxembourg and their respective nominees and/or custodians and the rules and regulations of the Austraclear System. In addition, any transfer of interests in a Bond, which is held through another Clearing System will, to the extent such transfer will be recorded on the Austraclear System, be subject to the Corporations Act and the requirements for minimum consideration as set out in the Conditions.

The Issuer will not be responsible for the operation of the clearing arrangements which is a matter for the clearing institutions, their nominees, their participants and the investors.

Title: Entry of the name of the person in the Register in respect of a Bond in registered form constitutes the obtaining or passing of title and is conclusive evidence that the person so entered is the registered holder of that Bond subject to correction for fraud or proven error.

Title to Bonds which are held in a Clearing System will be determined in accordance with the rules and regulations of the relevant Clearing System. Bonds which are held in the Austraclear System will be registered in the name of Austraclear.

No certificates in respect of any Bonds will be issued unless the Issuer determines that certificates should be available or it is required to do so pursuant to any applicable law, regulation or directive.

Title to other Bonds which are not lodged in a Clearing System will depend on the form of those Bonds as specified in the applicable Pricing Supplement.

Payments: Payments to persons who hold Bonds through a Clearing System will be made in accordance with the rules and regulations of the relevant Clearing System.

If Bonds are not lodged in a Clearing System, then payments in respect of those Bonds will be made to the account of the registered holder noted in the Register as at the close of business in the place where the Register is maintained on the relevant Record Date. If no account is notified, then payments will be made by cheque mailed on the Business Day immediately preceding the relevant payment date to the registered holder at its address appearing in the Register on the Record Date or in such other manner as the Issuer considers appropriate.

Redemption: Bonds may be redeemed prior to scheduled maturity as more fully set out in the Conditions and the applicable Pricing Supplement.

Bonds entered in a Clearing System will be redeemed through that Clearing System in a manner that is consistent with the rules and regulations of that Clearing System.

Selling restrictions: The offer, sale and delivery of Bonds and the distribution of this Information Memorandum and other material in relation to any Bonds are subject to such restrictions as may apply in any country in connection with the offer and sale of a particular Tranche or Series of Bonds. In particular, restrictions on the offer, sale or delivery of Bonds in Australia, the United States of America, the United Kingdom, Japan, Hong Kong, Singapore and New Zealand and a prohibition of sales to European Economic Area and United Kingdom retail investors are set out in the section entitled "Selling Restrictions" below.

Restrictions on the offer, sale and/or distribution of Bonds may also be set out in the applicable Pricing Supplement.

No action has been taken in any jurisdiction that would permit a public offering of any of the Bonds or possession or distribution of the information memorandum or any other offering material in any country or jurisdiction where action for that purpose is required.

No offer, sale or delivery of Bonds will be made in any jurisdiction outside Australia, other than as permitted by law.

Transfer procedure: Bonds may only be transferred in whole, in minimum denominations of A\$1,000 (or an integral multiple of that amount) and in accordance with the Conditions.

In particular, Bonds may only be transferred if:

- (a) in the case of Bonds to be transferred in, or into, Australia:
 - (i) the offer or invitation giving rise to the transfer is for an aggregate consideration of at least A\$500,000 (or its equivalent in an alternative currency and, in either case, disregarding moneys lent by the transferor or its associates) and does not otherwise require disclosure to investors under Parts 6D.2 or 7.9 of the Corporations Act; and
 - (ii) the transfer is not to a “retail client” for the purposes of section 761G of the Corporations Act; and
- (b) at all times, the transfer complies with all applicable laws and directives of the jurisdiction where the transfer takes place.

Transfers of Bonds held in a Clearing System, will be made in accordance with the rules and regulations of the relevant Clearing System.

Restrictions on the transfer of Bonds may also be set out in the applicable Pricing Supplement in addition to, or in lieu of, the restrictions set out above.

Transfers will not be registered during the period from the Record Date until the first business day after the relevant date for payment.

Stamp duty: Any stamp duty incurred at the time of issue of the Bonds will be for the account of the Issuer. Any stamp duty incurred on a transfer of Bonds will be for the account of the relevant investors.

As at the date of this Information Memorandum, no *ad valorem* stamp duty is payable in any Australian State or Territory on the issue, transfer or redemption of the Bonds. However, investors are advised to seek independent advice regarding any stamp duty or other taxes imposed by another jurisdiction upon the transfer of Bonds, or interests in Bonds, in any jurisdiction.

Taxes, withholdings and deductions: All payments in respect of the Bonds will be made without deduction for or on account of withholding taxes, subject as provided in Condition 12 (“Taxation”). In the event that any such deduction is made, the Issuer will have no obligation or liability to pay any additional amounts to cover the amounts so deducted.

All payments in respect of the Bonds will be made subject to any deduction or withholding required by Sections 1471 through 1474 of the United States Internal Revenue Code of 1986, any regulations or other guidance promulgated thereunder or any official interpretations thereof (including under an agreement described under Section 1471(b)), or of any intergovernmental agreement implementing an alternative approach thereto or any implementing law in relation thereto (collectively, “**FATCA**”), and no additional amounts will be paid to cover the amounts so withheld or deducted.

It is the intention that Bonds issued by the Issuer will be issued in a manner which satisfies the public offer test in section 128F of the Income Tax Assessment Act 1936 of Australia.

A brief overview of the Australian taxation treatment of payments of interest on Bonds is set out in the section entitled “Australian Taxation” below. A brief overview of the impact of FATCA and the OECD Common Reporting Standard is set out in the section entitled “U.S. Foreign Account Tax Compliance Act and OECD Common Reporting Standard” below.

Investors should obtain their own taxation and other applicable advice regarding the taxation and other fiscal status of investing in any Bonds.

- Listing: It is not currently intended that the Bonds will be listed on any stock or securities exchange but application may be made to list a particular issue of Bonds on a stock exchange, which will be indicated in the Pricing Supplement for that issue.
- Governing law: The Bonds and all related documentation will be governed by the laws of the State of South Australia.
- Use of proceeds: The net proceeds from each issue of Bonds will be used by the Issuer for its general corporate purposes.
- Credit rating: Bonds to be issued under the Programme may be rated by one or more rating agencies. The credit rating of an individual Tranche or Series of Bonds will be specified in the applicable Pricing Supplement for those Bonds (or another supplement to this Information Memorandum). The credit rating of an individual Tranche or Series of Bonds may not necessarily be the same as the credit ratings of the Issuer.

A credit rating is not a recommendation to buy, sell or hold Bonds and may be subject to revision, suspension or withdrawal at any time by the assigning rating agency.

Credit ratings are for distribution only to a person (a) who is not a “retail client” within the meaning of section 761G of the Corporations Act and is also a sophisticated investor, professional investor or other investor in respect of whom disclosure is not required under Parts 6D.2 or 7.9 of the Corporations Act, and (b) who is otherwise permitted to receive credit ratings in accordance with applicable law in any jurisdiction in which the person may be located. Anyone who is not such a person is not entitled to receive the relevant document and anyone who receives the relevant document must not distribute it to any person who is not entitled to receive it.

Investors to obtain independent advice with respect to investment and other risks:

This Information Memorandum does not describe the risks of an investment in any Bonds. Prospective investors should consult their own professional, financial, legal and tax advisers about risks associated with an investment in any Bonds and the suitability of investing in the Bonds in light of their particular circumstances.

The South Australian Government Financing Authority

Introduction

The South Australian Government Financing Authority (“**SAFA**”) was established on 13 January 1983 by the *Government Financing Authority Act of South Australia 1982* (SA) (“**GFA Act**”) as the central fund raiser for almost all governmental agencies and instrumentalities (“**semi-government authorities**”) in the State of South Australia (“**South Australia**”) and for the South Australian Government itself.

Under the GFA Act:

- SAFA was established as a corporate body constituted by the Under Treasurer of South Australia; and
- the South Australian Government Financing Advisory Board was established, and whose functions include providing advice to the Treasurer of South Australia (“**Treasurer**”) and SAFA on the exercise of SAFA’s functions and powers.

SAFA’s functions include:

- developing and implementing borrowing and investment programmes for the benefit of semi-governmental authorities;
- to act as captive insurer of the South Australian Government, including activities of insurers, re-insurers and co-insurers of risks of the Government of South Australia; and
- to manage the passenger and light commercial vehicle fleet operations for the Government of South Australia.

For the purposes of undertaking its functions SAFA can borrow money within or outside Australia, including through the issue of securities.

SAFA’s activities form an integral part of the South Australian public sector financial management. With respect to its fund raising activities, funds raised by SAFA in the domestic and international capital markets are generally on-lent to the South Australian Government and semi-governmental authorities.

SAFA is, in the exercise and performance of its powers and functions, subject to the control and direction of the Treasurer and its accounts are audited by the South Australian Auditor-General.

SAFA’s annual report (including accounts) is tabled in the South Australian Parliament around the same time as the annual Financial Statements are presented by the Treasurer of South Australia to the South Australian Parliament.

SAFA had capital and reserves of A\$415 million as at 30 June 2019. Under the terms of the GFA Act, moneys provided to SAFA by the Treasurer are to be regarded as provided upon such terms and conditions as the Treasurer may from time to time determine.

Financial Statements

The latest financial statements of SAFA are available from SAFA upon request or from SAFA’s website <https://safa.sa.gov.au/>. These financial statements are audited by the Auditor-General of the State of South Australia in accordance with Australian Auditing Standards and application of Treasurer’s Instructions issued under the *Public Finance & Audit Act 1983* (SA).

Use of proceeds

The net proceeds from each issue of Bonds will be used by SAFA for the purposes of performing its statutory functions under the GFA Act. The proceeds will be available to SAFA for on-lending to South Australian semi-government authorities and to the Government of South Australia or for other purposes authorised by the GFA Act.

THE STATE OF SOUTH AUSTRALIA

General

The State of South Australia, located in the central and southern part of the continent of Australia, covers a total area of 984,321 square kilometres, representing 12.8 per cent. of the area of the Australian continent.

As at the date of this Information Memorandum, the population of South Australia is approximately 1.7 million representing 7.14 per cent. of the population of Australia. Almost 77 per cent. of South Australia's population live in the capital city, Adelaide and surrounding metropolitan areas.

System of Government

South Australia is one of the six Australian States (originally constituted by Acts of Parliament in Great Britain) which, in 1901, ceded many of their powers on certain matters of national importance (e.g. international affairs and defence) to the Commonwealth. From time to time other powers relating to matters of local importance are delegated to local governing bodies. In addition, statutory powers within specified fields are exercised by certain semi-government bodies such as SAFA.

Both the Commonwealth and the South Australian Parliaments are bicameral. In each Parliament, the leader of the Government (the Prime Minister of the Commonwealth and the Premier of South Australia) is a member of the Lower House while the Upper House has restricted powers.

Like the Commonwealth, South Australia's system of executive government is based on the system which evolved in Great Britain in the eighteenth century and is generally known as "cabinet" or "responsible" government. Its main principles are that the Head of State, Her Majesty the Queen (or her representative, the Governor, acting on her behalf) should perform government acts on the advice of her ministers, that she should choose her principal Ministers of State from Members of Parliament belonging to the party or coalition of parties commanding a majority in the Lower House, that the Ministry so chosen should be collectively responsible to that House for the Government of South Australia and that the Ministry should resign if it ceases to command a majority there.

The cabinet system operates chiefly by means of constitutional conventions, customs and historical precedent. The executive power of South Australia is exercisable by the Governor who is advised by an executive council which meets only for formal purposes. The overall policy of a Ministry is in practice determined by some or all of the Ministers of State, at regular meetings chaired by the Premier. This group of Ministers is known as the Cabinet.

COMMONWEALTH FINANCIAL RELATIONS AND STATE ACCOUNTS

Commonwealth / State Financial Relations

Regulation of Borrowings

Under the Financial Agreement of 1927 made between the Commonwealth and State Governments ("**Financial Agreement**"), the Commonwealth assumed responsibility to Holders for all State debts existing on 30 June 1927.

The Financial Agreement also established the Australian Loan Council ("**Loan Council**") which consists of a representative of the Commonwealth Government (in practice the Treasurer of Australia) and of each State of Government (either the Premier or the Treasurer of the State). Loan Council's functions include determining the aggregate annual borrowing program of the Commonwealth and State

governments and their authorities and distributing that program between the Commonwealth and the States. The Financial Agreement provided that, with certain rather limited exceptions, State Governments could not borrow directly. Instead, a mechanism by which the Commonwealth acted as the central borrower for all State Governments was used with the Commonwealth allocating the proceeds to each State.

New borrowings on behalf of the States by the Commonwealth ceased by 1986/87. Until 1989/90 borrowings were restricted to refinancing maturing debt not able to be met by the States from balances available in the National Debt Sinking Fund (“NDSF”).

At the June 1990 Loan Council meeting it was resolved that commencing in 1990/91, the States would make additional payments to the NDSF and thereby provide for the progressive redemption of all maturing borrowings raised on behalf of the States by the Commonwealth under the Financial Agreement.

At the June 1992 Loan Council meeting, amendments to the Financial Agreement were approved in principle to enable States to borrow by the issue of securities in their own names (as distinct from their central borrowing authorities) in domestic and overseas markets and to remove the Commonwealth’s explicit power to borrow on behalf of the States. The requirement for future Commonwealth and State borrowings to be approved under the provisions of the Financial Agreement was also removed.

Loan Council’s monitoring and reporting arrangements were changed during 1992/93. The new arrangements focus upon an aggregate Loan Council Allocation which is based upon each jurisdiction’s estimated general government deficit/surplus as defined by the Australian Bureau of Statistics. The measure reflects a jurisdiction’s net call on financial markets.

During 1994/95, legislative amendments were passed which reduced the role of the Financial Agreement to providing for the existence of the Loan Council, which has no legal powers, and to specifying arrangements between the Commonwealth and the States in relation to past borrowings. The new Financial Agreement became effective on 1 July 1995.

Taxation and Revenue Sharing

The Commonwealth retains exclusive power to impose customs and excise duties, but shares responsibility with the States for all other forms of taxation. However, since 1942 and with the agreement of the States, the Commonwealth has been the sole income taxing authority in Australia. In 2000, the Commonwealth Government introduced a goods and service tax (GST) as part of a national taxation reform program. As part of the national tax reform package, the Commonwealth agreed to provide the revenue generated by the GST to State and Territory Governments.

The Commonwealth distributes the GST to the States as general purpose funding that can be used freely by the States to finance their own expenditure priorities. GST grants are distributed amongst the States based upon the relative revenue raising capacity and expenditure needs of each State as assessed by an independent advisory body, the Commonwealth Grants Commission. The principle of the distribution methodology is based on Australia’s commitment to ensuring that each State has the capacity to provide public services at a similar standard and level of efficiency as the other States for a comparable revenue-raising effort.

The Commonwealth also provides Specific Purpose Payments and National Partnership Payments, which are “tied” to particular Commonwealth Government expenditure objectives. The administration of these funds by the States is subject to guidelines agreed with the Commonwealth. The distribution and magnitude of Specific Purpose Payments and National Partnership Payments are determined through the Commonwealth Budget, usually following negotiations between the State and Commonwealth Government.

South Australian Public Sector Finances

The collection of public revenue and the expenditure of public money in South Australia is the responsibility of three groups of authorities:

- the Commonwealth Government;
- the South Australian Government and State government business entities, which together make up South Australian public sector finances; and
- local government.

In relation to the South Australian Government, State tax revenues are generated from property, including land tax and stamp duty, payroll tax and taxes on motor vehicles, gambling and insurance contracts. The State also collects royalties from mining operations in the State. Around 50 per cent. of the revenue of the South Australian Government is derived from grants from the Commonwealth Government. Revenue is also derived from the proceeds of the sale of goods and services to the public and to other governments and authorities.

State Authority Accounts

South Australian public sector finances comprise the financial transactions of all South Australian Government departments, agencies and non-financial State semi-government bodies. Transfers between accounts and agencies within the South Australian public sector are eliminated by consolidation to reflect the net transactions of the South Australian public sector with the rest of the economy.

State Government Accounts

State government finance is a component of South Australian public sector finances and relates to transactions which are published in the Treasurer's Accounts, that is, the Consolidated Account, Deposit Accounts and Special Deposit Accounts. Departmental expenditures comprise the majority of the expenditures of these accounts but also included are those Boards and Committees which operate mainly through the Treasurer's Accounts and which are not analysed as separate statutory authorities.

Consolidated Account

Current Receipts and Payments

This section of the Consolidated Account is credited with receipts from many items of State taxation, fees licences and charges for service, recoveries by the Government on its investments in various State Authorities, general revenue assistance grants from the Commonwealth and current Commonwealth specific purpose grants. This section is debited with the cost of revenue collection, legislative and administrative functions, interest on borrowings by the Treasurer of South Australia, provision of education, health, social security and welfare and other services, development of State resources and the net cost of operating business undertakings.

Capital Receipts and Payments

This section of the Consolidated Account records the capital payments for construction, or acquisition, of assets such as schools, reservoirs, hospitals, forests, plant and equipment, advances to public authorities and for primary production and housing.

Receipts to this section include grants provided by the Commonwealth for specific capital purposes, funds borrowed from SAFA and receipts from sale of assets.

Deposit Accounts and Special Deposit Accounts

These accounts are established in accordance with Sections 21 and 8 of the *Public Finance and Audit Act 1987* (SA).

Deposit Accounts principally represent moneys lodged with the Treasurer by public authorities and other bodies on current account and funds established under an Act of Parliament to be applied to a specific purpose.

The main purpose of Special Deposit Accounts has been to facilitate the allocation of charges and receipts under various headings of receipts and payments within the Consolidated Account.

However, there have been significant changes in public sector financial management involving the transfer of agency financial operations from the Consolidated Account to Special Deposit Accounts.

Under new budgetary funding and accounting arrangements, amounts determined by the Government to be appropriate for each agency are appropriated by Parliament and transferred from Consolidated Account to respective Special Deposit Accounts to cover all of the operations of individual departments.

The amounts transferred are in effect the difference between revenues and expenditures of each department and when supplemented by revenues raised directly by agencies are available to fund currency and capital expenditures.

The decision to expand progressively the use of Special Deposit Accounts as part of establishing a financial framework for budget sector agencies, was based on the benefits that would result in terms of improved accountability to Parliament and clearer presentation of the overall financial operations of agencies. The changed accounting arrangements also complement and improve the budget policy and thrust of recent years for agencies to have maximum flexibility and provides incentives for agencies to effectively manage the overall level of resources provided to them by the Government. Incentives to agencies including retained benefits resulting from revenue raising or cost cutting opportunities were often lacking under the previous arrangements for departments operating through Consolidated Account.

Further information regarding the finances of the State of South Australia is available at www.treasury.sa.gov.au/budget/current-budget.

Conditions of the Bonds

*The following are the conditions which, as supplemented, amended, modified or replaced by an applicable Pricing Supplement, apply to each Bond constituted by the Deed Poll (“**Conditions**”). References to the **Pricing Supplement** in these conditions do not limit the provisions which may be supplemented, amended, modified or replaced by the Pricing Supplement in relation to a particular Tranche or Series of Bonds. Terms used in the applicable Pricing Supplement will, unless the contrary intention appears, have the same meaning where used in these Conditions but will prevail to the extent of any inconsistency.*

Each Holder, and each person claiming through or under each such Holder, is bound by, and is deemed to have notice of, the provisions of the Deed Poll and these Conditions (including the applicable Pricing Supplement). Each such person is also deemed to have notice of the Information Memorandum. Copies of each of these documents are available for inspection by the Holder during normal business hours at the Specified Office of the Issuer and the Registrar.

1 Interpretation

1.1 Definitions

In these Conditions the following expressions have the following meanings:

Agency Agreement means:

- (a) the agreement entitled “Registry Services Agreement” and dated 17 March 2008 between the Issuer and Link Market Services Limited (ABN 54 083 214 537);
- (b) any other agreement between the Issuer and a Registrar in relation to the establishment and maintenance of a Register (and/or the performance of any payment or other duties) for any issue of Bonds; and/or
- (c) any other agency agreement between the Issuer and an Agent in connection with any issue of Bonds;

Agent means each of the Registrar, the Issuing and Paying Agent, the Calculation Agent and any additional agent appointed under an Agency Agreement, or any of them as the context requires;

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

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

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

Australian Tax Act means the Income Tax Assessment Act 1936 of Australia and, where applicable, the Income Tax Assessment Act 1997 of Australia and the Taxation Administration Act 1953 of Australia;

Bond means each medium term bond specified in an applicable Pricing Supplement and issued or to be issued by the Issuer, constituted by, and owing under, the Deed Poll, and the details of which are recorded in, and evidenced by entry in, the Register. References to any particular type of “Bond” or “Bonds” shall be read and construed accordingly. All references to Bonds

must, unless the context otherwise requires, be read and construed as references to the Bonds of a particular Series;

Business Day means:

- (a) a day (not being a Saturday, Sunday or public holiday in the relevant place) on which banks are open for general banking business in Sydney and Adelaide and in each (if any) Relevant Financial Centre specified in the Pricing Supplement; and
- (b) if a Bond to be held in a Clearing System is to be issued or a payment is to be made in respect of a Bond held in any Clearing System on that day, a day on which each applicable Clearing System in which the relevant Bond is lodged is operating;

Business Day Convention means a convention for adjusting any date if it would otherwise fall on a day that is not a Business Day and the following conventions, where specified in the Pricing Supplement in relation to any date applicable to any Bond, have the following meanings:

- (a) **Floating Rate Convention** means that the date is postponed to the next following day which is a Business Day unless that day falls in the next calendar month, in which event:
 - (i) that date is brought forward to the first preceding day that is a Business Day; and
 - (ii) each subsequent Interest Payment Date is the last Business Day in the month which falls the number of months or other period specified as the Interest Period in the Pricing Supplement after the preceding applicable Interest Payment Date occurred;
- (b) **Following Business Day Convention** means that the date is postponed to the first following day that is a Business Day;
- (c) **Modified Following Business Day Convention** or **Modified Business Day Convention** means that the date is postponed to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date is brought forward to the first preceding day that is a Business Day;
- (d) **Preceding Business Day Convention** means that the date is brought forward to the first preceding day that is a Business Day; and
- (e) **No Adjustment** means that the relevant date must not be adjusted in accordance with any Business Day Convention.

If no convention is specified in the Pricing Supplement, the Following Business Day Convention applies. Different conventions may be specified in relation to, or apply to, different dates;

Calculation Agent means, in respect of a Bond, the Registrar or any other person appointed by the Issuer under an Agency Agreement and specified in the Pricing Supplement as the party responsible for calculating the Interest Rate and other amounts required to be calculated under these Conditions;

Clearing System means:

- (a) the Austraclear System; or
- (b) any other clearing system outside Australia specified in the Pricing Supplement;

Conditions means, in relation to a Bond, these terms and conditions as amended, supplemented, modified or replaced by the Pricing Supplement applicable to such Bond and references to a particular numbered Condition shall be construed accordingly;

Day Count Fraction means, in respect of the calculation of interest on a Bond for any period of time (“**Calculation Period**”), the day count fraction specified in the Pricing Supplement and:

- (a) if “**RBA Bond Basis**” or “**Australian Bond Basis**” is so specified, means one divided by the number of Interest Payment Dates in a year (or where the Calculation Period does not constitute an Interest Period, the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of:
 - (i) the actual number of days in the portion of the Calculation Period falling in a leap year divided by 366; and
 - (ii) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365));
- (b) if “**Actual/Actual (ICMA)**” is so specified, means:
 - (i) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in such Regular Period, and (2) the number of Regular Periods normally ending in any year; and
 - (ii) where the Calculation Period is longer than one Regular Period, the sum of:
 - (A) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
 - (B) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (1) the actual number of days in such Regular Period, and (2) the number of Regular Periods normally ending in any year;
- (c) if “**Actual/365 (Fixed)**” is so specified, means the actual number of days in the Calculation Period divided by 365; or
- (d) any other day count fraction specified in the Pricing Supplement;

Deed Poll means:

- (a) the deed poll entitled “Bond Deed Poll” and dated 14 August 2015; and
- (b) such other deed poll that supplements, amends, amends and restates, modifies or replaces the deed poll referred to above, or which is otherwise acknowledged in writing to be a deed poll for the purposes of the Programme,

and in each case, executed by the Issuer;

Denomination means the notional face value of a Bond specified in the Pricing Supplement;

Event of Default means an event so described in Condition 14 (“Events of Default”);

Extraordinary Resolution has the meaning given in the Meetings Provisions;

FATCA means:

- (a) sections 1471 to 1474 of the United States Internal Revenue Code of 1986 or any associated regulations or other official guidance;
- (b) any treaty, law, regulation or other official guidance enacted in any other jurisdiction, or relating to an intergovernmental agreement between the U.S. and any other jurisdiction, which (in either case) facilitates the implementation of paragraph (a) above; or
- (c) any agreement under the implementation of paragraphs (a) or (b) above, with the U.S. Internal Revenue Service, the U.S. government or any governmental or taxation authority in any other jurisdiction;

Fixed Rate Bond means a Bond on which interest is calculated at a fixed rate payable in arrear on a fixed date or fixed dates in each year and on redemption or on any other dates as specified in the Pricing Supplement;

Floating Rate Bond means a Bond on which interest is calculated at a floating rate payable monthly or 2, 3, 6, or 12 monthly or in respect of any other period or any other date specified in the Pricing Supplement;

Guarantor means the Treasurer of the State of South Australia for and on behalf of the Government of South Australia;

Holder means the person in whose name a Bond is registered;

Information Memorandum means, in respect of a Bond;

- (a) the Information Memorandum dated 11 September 2020 or the then latest information memorandum which replaces the document; or
- (b) the information memorandum or other offering document referred to in the Pricing Supplement,

in each case, prepared by, or on behalf of, and approved in writing by, the Issuer in connection with the issue of that Bond and all documents incorporated by reference in it, including any applicable Pricing Supplement and any other applicable amendments or supplements to it;

Interest Commencement Date means, in respect of a Bond, the Issue Date of the Bond or any other date so specified in the Pricing Supplement;

Interest Payment Date means each date so specified in, or determined in accordance with, the Pricing Supplement;

Interest Period means each period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next Interest Payment Date. However:

- (a) the first Interest Period commences on (and includes) the Interest Commencement Date; and
- (b) the final Interest Period ends on (but excludes) the Maturity Date;

Interest Rate means, in respect of a Bond, the interest rate (expressed as a percentage per annum) payable in respect of that Bond specified in, or determined in accordance with, these Conditions and the Pricing Supplement;

Issue Date means the date on which a Bond is, or is to be, issued specified in, or determined in accordance with, the Pricing Supplement;

Issue Price means the price specified in, or determined in accordance with, the Pricing Supplement;

Issuer means South Australian Government Financing Authority (ABN 75 277 967 856);

Issuing and Paying Agent means, in respect of a Bond, any person appointed by the Issuer and specified in the Pricing Supplement to perform issuing and paying agency functions on the Issuer's behalf with respect to each Series or Tranche of Bonds as required under these Conditions;

Margin means the margin specified in, or determined in accordance with, the Pricing Supplement;

Maturity Date means, in respect of a Bond, the date so specified in, or determined in accordance with, the Pricing Supplement as the date on which the Bond is to be redeemed;

Meetings Provisions means the provisions relating to meetings of Holders and set out as a schedule to the Deed Poll;

Ordinary Resolution has the meaning given in the Meetings Provisions;

Pricing Supplement means, in respect of a Tranche, the supplement specifying the relevant issue details in relation to that Tranche and which may be substantially in the form set out in the Information Memorandum, duly completed and signed by the Issuer;

Programme means the Issuer's uncommitted programme for the issuance of Bonds described in the Information Memorandum;

RBA means the Reserve Bank of Australia;

Record Date means:

- (a) the close of business in the place where the Register is maintained on the date which is the eighth calendar day before the payment date; or
- (b) any other date so specified in the Pricing Supplement;

Redemption Amount means the outstanding principal amount as at the date of redemption, and also includes any other amount in the nature of a redemption amount specified in, or determined in accordance with, the Pricing Supplement or these Conditions;

Redemption Date means, in respect of a Bond, such date on which the Bond is redeemed prior to its Maturity Date in accordance with these Conditions;

Register means the register, including any branch register, of holders of Bonds established and maintained by the Issuer, or by a Registrar on its behalf under an Agency Agreement;

Registrar means:

- (a) Link Market Services Limited (ABN 54 083 214 537); and/or
- (b) any other person appointed by the Issuer under a relevant Agency Agreement to establish and maintain the Register in respect of a Tranche of Bonds on the Issuer's behalf from time to time;

Regular Period means:

- (a) in the case of Bonds where interest is scheduled to be paid only by means of regular payments, each Interest Period;
- (b) in the case of Bonds where, apart from the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where “**Regular Date**” means the day and month (but not the year) on which any Interest Payment Date falls; and
- (c) in the case of Bonds where, apart from one Interest Period other than the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where “**Regular Date**” means the day and month (but not the year) on which any Interest Payment Date falls other than the Interest Payment Date falling at the end of the irregular Interest Period;

Related Body Corporate has the meaning given in the Corporations Act;

Relevant Financial Centre means Sydney, Adelaide and/or any other centre specified in the Pricing Supplement;

Relevant Time has the meaning given in the Pricing Supplement;

Security Record has the meaning given to it in the Austraclear Regulations;

Series means an issue of Bonds made up of one or more Tranches all of which form a single Series and are issued on the same Conditions except that the Issue Price, Issue Date and Interest Commencement Date may be different in respect of a different Tranche of a Series;

Specified Office means, in respect of a person, the office specified in the Information Memorandum or any other address notified to Holders from time to time;

Subsidiary has the same meaning as provided in section 9 of the Corporations Act;

Taxes means taxes, withholdings, levies, imposts, charges and duties (including stamp and transaction duties) together with any related interest, penalties, fines and expenses payable in connection with them, and “**Tax**” has a corresponding meaning;

Tenor of a Bond means the number of days from and including its Issue Date, to but excluding, its Maturity Date; and

Tranche means an issue of Bonds specified as such in the Pricing Supplement issued on the same Issue Date and on the same Conditions.

For the avoidance of doubt, any of these terms can be varied in the Pricing Supplement.

1.2 References to certain general terms

Unless the contrary intention appears, a reference in these Conditions to:

- (a) a group of persons is a reference to any two or more of them jointly and to each of them individually;
- (b) an agreement, representation or warranty in favour of two or more persons is for the benefit of them jointly and each of them individually;
- (c) an agreement, representation or warranty by two or more persons binds them jointly and each of them individually;

- (d) anything (including an amount) is a reference to the whole and each part of it;
- (e) a document includes any variation or replacement of it;
- (f) “**law**” means common law, principles of equity and laws made by parliament (and laws made by parliament include federal or state laws and regulations and other instruments under them, and consolidations, amendments, re-enactments or replacements of any of them);
- (g) a “**directive**” includes a treaty, official directive, request, regulation, guideline or policy (whether or not having the force of law) with which responsible participants in the relevant market generally comply;
- (h) the “**Corporations Act**” is to the Corporations Act 2001 of Australia;
- (i) “**Australian dollars**” or “**A\$**” is a reference to the lawful currency of Australia;
- (j) a time of day is a reference to Sydney time;
- (k) if a notice must be given within a certain period of days, the day on which the notice is given, and the day on which the thing is to happen, are not to be counted in calculating that period;
- (l) the word “**person**” includes an individual, a firm, a body corporate, an unincorporated association and an authority;
- (m) a particular person includes a reference to the person’s executors, administrators, successors, substitutes (including persons taking by novation) and assigns; and
- (n) the words “**including**”, “**for example**” or “**such as**” when introducing an example, do not limit the meaning of the words to which the example relates to that example or examples of a similar kind.

1.3 Number

The singular includes the plural and vice versa.

1.4 Headings

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

1.5 References to particular terms

Unless the contrary intention appears, in these Conditions:

- (a) a reference to an Agency Agreement is a reference to each Agency Agreement applicable to the Bonds of the relevant Series;
- (b) a reference to an Agent is a reference to each Agent appointed to act in respect of Bonds of the relevant Series;
- (c) a reference to the Deed Poll is a reference to the Deed Poll applicable to the Bonds of the relevant Series;
- (d) a reference to a Bond is a reference to a Bond of a particular Series issued by the Issuer specified in the Pricing Supplement;
- (e) a reference to a Holder is a reference to the holder of Bonds of a particular Series;

- (f) a reference to a Pricing Supplement is a reference to the Pricing Supplement applicable to the Bonds of the particular Tranche specified in that Pricing Supplement; and
- (g) a reference to a particular date is a reference to that date adjusted in accordance with the applicable Business Day Convention.

1.6 References to principal and interest

Unless the contrary intention appears, in these Conditions:

- (a) any reference to “**principal**” is taken to include the Redemption Amount, any premium payable in respect of a Bond, and any other amount in the nature of principal payable in respect of the Bonds under these Conditions; and
- (b) any reference to “**interest**” is taken to include any amount in the nature of interest payable in respect of the Bonds under these Conditions.

1.7 Terms defined in Pricing Supplement

Terms which are defined in the Pricing Supplement as having a defined meaning have the same meaning when used in these Conditions but if the Pricing Supplement gives no meaning or specifies that the definition is "Not Applicable", then that definition is not applicable to the Bonds.

2 Introduction

2.1 Programme

Bonds are issued under the Programme, which has been established and authorised under the Issuer's constituent legislation, being the *Government Financing Authority Act 1982 (SA)*.

There is no maximum limit up to which the Issuer can issue Bonds under the Programme.

2.2 Guarantee

All payments to be made in respect of the Bonds and in accordance with these Conditions are unconditionally guaranteed by the Guarantor pursuant to Section 15(1) of the *Government Financing Authority Act 1982 (SA)*.

2.3 Pricing Supplement

The Issuer will issue the Bonds on the terms set out in these Conditions as supplemented, amended, modified or replaced by the Pricing Supplement applicable to those Bonds. If there is any inconsistency between these Conditions and such Pricing Supplement, the Pricing Supplement prevails.

Bonds are issued in Series. A Series may comprise one or more Tranches having one or more Issue Dates and on conditions otherwise identical (other than, to the extent relevant, in respect of the Issue Price, Issue Date and Interest Commencement Date). A Pricing Supplement will be prepared in respect of each Tranche of a Series. Each Tranche of a Series will be subject to the same terms, save for the issue price and issue date.

Copies of each Pricing Supplement are available for inspection or upon request by a Holder or prospective Holder during normal business hours at the Specified Office of the Issuer or the Registrar or are otherwise available on reasonable request from the Issuer or the Registrar.

2.4 Types of Bonds

A Bond is either a Fixed Rate Bond, a Floating Rate Bond or of another type specified in the Pricing Supplement.

2.5 Issue and transfer restrictions

Unless otherwise specified in the Pricing Supplement, Bonds may only be offered (directly or indirectly) for issue or transfer, or applications invited for the issue or transfer of Bonds, and may only be issued or transferred if:

- (a) where the offer or invitation is made in, or into, Australia:
 - (i) the aggregate consideration payable to the Issuer or the transferor by the relevant subscriber or person acquiring the Bonds is at least A\$500,000 (or its equivalent in an alternative currency and, in either case, disregarding moneys lent by the Issuer or its associates) and the offer or invitation (including any resulting issue) or transfer does not otherwise require disclosure to investors under Parts 6D.2 or 7.9 of the Corporations Act; and
 - (ii) the offer or invitation (including any resulting issue) or transfer does not constitute an offer to a “retail client” as defined for the purposes of section 761G of the Corporations Act; and
- (b) at all times, the offer or invitation (including any resulting issue) complies with all applicable laws and directives in the jurisdiction in which the offer, invitation or issue takes place including that the offer or invitation (including any resulting issue) does not require disclosure under Part 6D.2 of the Corporations Act.

2.6 Issue Price Denomination

Bonds will be issued in the Denomination as specified in the Pricing Supplement.

However, Bonds have a minimum denomination of A\$1,000.

2.7 Clearing Systems

If the Bonds are held in a Clearing System, the rights of a person holding an interest in the Bonds lodged in the Clearing System are subject to the rules and regulations of the Clearing System. The Issuer is not responsible for anything the Clearing System does or omits to do.

3 Form

3.1 Constitution

- (a) Bonds are debt obligations of the Issuer constituted by, and owing under, the Deed Poll and the details of which are recorded in, and evidenced by entry in, the Register.
- (b) Holders of the Bonds are entitled to the benefit of, are bound by, and are deemed to have notice of all the provisions of the Deed Poll.

3.2 Form

Bonds are issued in registered uncertificated form by entry in the Register.

3.3 No certificates

No certificates in respect of any Bonds will be issued to Holders unless the Issuer determines that certificates should be available or are required by any applicable law or directive.

4 Status and ranking

4.1 Status

The Bonds constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer.

4.2 Ranking

As among themselves, the Bonds of each Series will rank *pari passu* and will be payable rateably without preference or priority with all other present and future direct, unconditional, unsubordinated and unsecured obligations of the Issuer, except any such obligations as are mandatorily preferred by law.

5 Title and transfer of Bonds

5.1 Title

Title to a Bond passes when details of the transfer are entered in the Register.

5.2 Effect of entries in Register

Each entry in the Register in respect of a Bond constitutes:

- (a) an irrevocable undertaking by the Issuer to the Holder to:
 - (i) pay principal, any interest and any other amounts in accordance with these Conditions; and
 - (ii) otherwise to comply with the Conditions; and
- (b) an entitlement to the other benefits given to Holders under these Conditions in respect of the Bond.

5.3 Ownership and non-recognition of interests

- (a) Entries in the Register in relation to a Bond constitute conclusive evidence that the person so entered is the absolute owner of such Bond subject to correction for fraud or proven error.
- (b) No notice of any trust or other interest in, or claim to, any Bond will be entered in a Register. Neither the Issuer nor the relevant Registrar need take notice of any trust or other interest in, or claim to, any Bond, except as ordered by a court of competent jurisdiction or required by any applicable law or directive. This Condition 5.3(b) applies whether or not a Bond is overdue.

5.4 Joint holders

Where two or more persons are entered in the Register as the joint holders of a Bond then they are taken to hold the Bond as joint tenants with rights of survivorship, but the Registrar is not bound to register more than four persons as joint holders of a Bond.

5.5 Transfers

- (a) Holders may only transfer Bonds in accordance with these Conditions.
- (b) Bonds may be transferred in whole but not in part.

5.6 Conditions of transfer

Bonds may only be transferred if, at all times, the transfer complies with all applicable laws and directives of the jurisdiction where the transfer takes place including that the offer or transfer does not require disclosure under Part 6D.2 of the Corporations Act.

5.7 Transfer procedures

- (a) Interests in Bonds held in a Clearing System will be transferable only in accordance with the rules and regulations of that Clearing System. If a Bond is lodged in the Austraclear System, neither the Issuer nor the relevant Registrar will recognise any such interest other than the interest of Austraclear as the Holder while that Bond is lodged in the Austraclear System.
- (b) Application for the transfer of Bonds not held in a Clearing System must be made by the lodgment of a transfer form with the Registrar at its Specified Office. Transfer forms must be in the form available from the Issuer (or such other person as may be specified in a Pricing Supplement) and:
 - (i) each transfer form must be:
 - (A) duly completed and stamped (if applicable);
 - (B) accompanied by any evidence the Registrar may require to establish that the transfer form has been duly executed; and
 - (C) signed by, or on behalf of, both the transferor and the transferee; and
 - (ii) transfers will be registered without charge provided all applicable Taxes have been paid.

5.8 Other provisions applicable to transfers

- (a) Transfers of Bonds which are not lodged in a Clearing System cannot be made between a Record Date and the relevant Interest Payment Date if a redemption of such Bond is to occur during that period in accordance with these Conditions.
- (b) Upon registration and entry of the transferee in the Register the transferor ceases to be entitled to future benefits under these Conditions in respect of the transferred Bond and the transferee becomes so entitled in accordance with Condition 5.2 ("Effect of entries in Register").
- (c) Bonds which are listed on the Australian Securities Exchange operated by ASX Limited (ABN 98 008 624 691) will not be transferred through, or registered on, the Clearing House Electronic Subregister System operated by ASX Settlement Pty Limited (ABN 49 008 504 532) and will not be "Approved Financial Products" for the purposes of that system.
- (d) A person becoming entitled to a Bond as a consequence of the death or bankruptcy of a Holder or of a vesting order or a person administering the estate of a Holder may, upon producing such evidence as to that entitlement or status as the Registrar considers sufficient, transfer the Bond or, if so entitled, become registered as the holder of the Bond.
- (e) A transfer of a Bond to an unincorporated association is not permitted.
- (f) If a Holder transfers some but not all of the Bonds it holds and the transfer form does not identify the specific Bonds transferred, the Registrar may choose which Bonds registered in the name of Holder have been transferred. However, the aggregate

principal amounts of the Bonds registered as transferred must equal the aggregate principal amount of the Bonds expressed to be transferred in the transfer form.

5.9 Austraclear as Holder

If Austraclear is recorded in the Register as the Holder, each person in whose Security Record a Bond is recorded is taken to acknowledge in favour of the Issuer, the Registrar and Austraclear that:

- (a) the Registrar's decision to act as the Registrar of that Bond is not a recommendation or endorsement by the Registrar or Austraclear in relation to that Bond, but only indicates that the Registrar considers that the holding of the Bond is compatible with the performance by it of its obligations as Registrar under the relevant Agency Agreement; and
- (b) the Holder does not rely on any fact, matter or circumstance contrary to paragraph (a).

6 Fixed Rate Bonds

This Condition 6 applies to the Bonds only if the Pricing Supplement states that it applies.

6.1 Interest on Fixed Rate Bonds

Each Fixed Rate Bond bears interest on its outstanding principal amount from (and including) its Interest Commencement Date to (but excluding) its Maturity Date at the Interest Rate. Interest is payable in arrear on each Interest Payment Date without adjustment.

6.2 Fixed Coupon Amount

Unless otherwise specified in the Pricing Supplement, the amount of interest payable on each Interest Payment Date in respect of the preceding Interest Period is the Fixed Coupon Amount specified in the Pricing Supplement and will not be adjusted for any reason including where a payment in respect of a Fixed Rate Bond is to be made on a non-Business Day.

6.3 Calculation of interest payable

The amount of interest payable in respect of a Fixed Rate Bond for any period for which a Fixed Coupon Amount is not specified in the Pricing Supplement is calculated by multiplying the Interest Rate for that period, the outstanding principal amount of the Fixed Rate Bond and the applicable Day Count Fraction.

7 Floating Rate Bonds

This Condition 7 applies to the Bonds only if the Pricing Supplement states that it applies.

7.1 Interest on Floating Rate Bonds

Each Floating Rate Bond bears interest on its outstanding principal amount from (and including) its Interest Commencement Date to (but excluding) its Maturity Date at the Interest Rate. Interest is payable in arrear:

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

7.2 Interest Rate determination

The Interest Rate payable in respect of a Floating Rate Bond must be determined by the Calculation Agent in accordance with these Conditions.

7.3 Fallback Interest Rate

Unless otherwise specified in the Pricing Supplement, if, in respect of an Interest Period, the Calculation Agent is unable to determine a rate in accordance with Condition 7.2 (“Interest Rate determination”), the Interest Rate for the Interest Period is the Interest Rate applicable to the Floating Rate Bonds during the immediately preceding Interest Period.

7.4 BBSW Rate Determination

If BBSW Rate Determination is specified in the Pricing Supplement as the manner in which the Interest Rate is to be determined, the Interest Rate applicable to the Floating Rate Bonds for each Interest Period is the sum of the Margin and the BBSW Rate. Each Holder shall be deemed to acknowledge, accept and agree to be bound by, and consents to, such determination of, substitution for and adjustments made to the BBSW Rate, as applicable, in each case as described below (in all cases without the need for any Holder consent). Any determination of, substitution for and adjustments made to the BBSW Rate, as applicable, in each case described below will be binding on the Issuer, the Holder and each Agent.

In this Condition 7.4, “**BBSW Rate**” means, for an Interest Period, the rate for prime bank eligible securities having a tenor closest to the Interest Period which is designated as the “AVG MID” on the Reuters Screen BBSW Page (or any designation which replaces that designation on that page or any replacement page) at approximately 10:30am (or such other time at which such rate customarily appears on that page, including, if corrected, as recalculated and republished by the relevant administrator) (“**Publication Time**”) on the first day of that Interest Period. However, if such rate does not appear on the Reuters Screen BBSW Page (or any replacement page) by 10:45am on that day (or such other time that is 15 minutes after the then prevailing Publication Time), or if it does appear but the Calculation Agent determines that there is an obvious error in that rate or the rate is permanently or indefinitely discontinued, “**BBSW Rate**” means such other successor rate or alternative rate for BBSW Rate-linked floating rate bonds at such time determined by the Calculation Agent or the Issuer (acting in good faith and in a commercially reasonable manner) or, an alternate financial institution appointed by the Issuer (in its sole discretion) to assist in determining the rate (in each case, a “**Determining Party**”), which rate is notified in writing to the Calculation Agent (with a copy to the Issuer) if determined by such Determining Party, together with such adjustment spread (which may be a positive or negative value or zero) that is customarily applied to the relevant successor rate or alternative rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for BBSW Rate-linked floating rate bonds at such time (together with such other adjustments to the Business Day Convention, interest determination dates and related provisions and definitions, in each case that are consistent with accepted market practice for the use of such successor rate or alternative rate for BBSW Rate-linked floating rate bonds at such time), or, if no such industry standard is recognised or acknowledged, the method for calculating or determining such adjustment spread determined by such Determining Party (in consultation with the Issuer) to be appropriate. The rate determined by such Determining Party will be expressed as a percentage rate per annum and will be rounded up, if necessary, to the next higher one ten-thousandth of a percentage point (0.0001 per cent.).

7.5 AONIA Determination

If AONIA Determination is specified in the Pricing Supplement as the manner in which the Interest Rate is to be determined, the Interest Rate applicable to the Floating Rate Bonds for each Interest Period is the sum of the Margin and the Compounded AONIA.

In this Condition 7.5:

- (a) **“AONIA Calculation Date”** means, in respect of an Observation Period, the Sydney Business Day immediately following the last day of that Observation Period (or such other date as may be specified in the Pricing Supplement);
- (b) **“AONIA Reference Rate”** means, in respect of any Sydney Business Day, a reference rate equal to the daily RBA Interbank Overnight Cash Rate for such Sydney Business Day as provided by the RBA and then published to the relevant screen page (Reuters RBA30; Bloomberg RBA07) on the Sydney Business Day immediately following such Sydney Business Day.

However if, in respect of any Sydney Business Day in the relevant Observation Period, the Calculation Agent determines that the RBA Interbank Overnight Cash Rate is not available on the relevant screen page and has not otherwise been published by any authorised distributor, the AONIA Reference Rate for that Sydney Business Day will be the RBA Interbank Overnight Cash Rate as determined in respect of the previous Sydney Business Day for which the RBA Interbank Overnight Cash Rate could be determined in accordance with the preceding paragraph;

- (c) **“Compounded AONIA”** means, for an Interest Period, the rate of return of a daily compounded investment for the Observation Period in respect of that Interest Period as calculated by the Calculation Agent on the relevant AONIA Calculation Date, as follows, and the rate will be expressed as a percentage rate and will be rounded up, if necessary, to the next higher one ten-thousandth of a percentage point (0.0001 per cent.):

$$\left[\prod_{i=1}^{d_0} \left(1 + \frac{AONIA_{i-3\text{SBD}} \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

where:

$AONIA_{i-3\text{SBD}}$, means, in respect of a Sydney Business Day “ i ”, the AONIA Reference Rate for the Sydney Business Day falling three Sydney Business Days prior to the relevant Sydney Business Day “ i ” (such Sydney Business Day also falling in the relevant Observation Period);

d is the number of calendar days in the relevant Interest Period;

d_0 is the number of Sydney Business Days in the relevant Interest Period;

i is a series of whole numbers from 1 to d_0 , each representing the relevant Sydney Business Day in chronological order from, and including, the first Sydney Business Day in the relevant Interest Period; and

n_i , for any day “ i ”, means the number of calendar days from (and including) such Sydney Business Day “ i ” up to (but excluding) the following Sydney Business Day.

However, in the event that Compounded AONIA cannot be determined in accordance with the preceding paragraphs by the Calculation Agent in respect of an Observation Period, **“Compounded AONIA”** means, in respect of that Observation Period, the Compounded AONIA as determined on the immediately preceding AONIA Calculation Date (or if there is no preceding AONIA Calculation Date, the Compounded AONIA that would have applied in accordance with the preceding paragraphs for a period equal in

duration to the first Interest Period but ending on (and including) the Issue Date of the Bonds);

- (d) **“Observation Period”** means, in respect of an Interest Period, the period from (and including) the date falling three Sydney Business Days prior to the first day of the relevant Interest Period and ending on (but excluding) the date falling three Sydney Business Days prior to the Interest Payment Date for such Interest Period (or the date falling three Sydney Business Days prior to such earlier date, if any, on which the Bonds become due and payable) (or such other period as may be specified in the Pricing Supplement); and
- (e) **“Sydney Business Day”** or **“SBD”** means a day (not being a Saturday, Sunday or public holiday) on which commercial banks are open for general business in Sydney.

7.6 Linear Interpolation

If the Pricing Supplement states that "Linear Interpolation" applies to an Interest Period, the Interest Rate for that Interest Period is determined through the use of straight line interpolation by reference to two BBSW Rates or other floating rates specified in the Pricing Supplement. The first rate must be determined as if the Interest Period were the period of time for which rates are available next shorter than the length of the Interest Period (or any alternative Interest Period specified in the Pricing Supplement). The second rate must be determined as if the Interest Period were the period of time for which rates are available next longer than the length of the Interest Period (or any alternative Interest Period specified in the Pricing Supplement).

8 General provisions applicable to interest

8.1 Maximum or Minimum Interest Rate

If the Pricing Supplement specifies a “Maximum Interest Rate” or “Minimum Interest Rate” for any Interest Period, the Interest Rate for the Interest Period must not be greater than the maximum, or be less than the minimum, so specified. If no “Minimum Interest Rate” is specified, the minimum shall be zero.

8.2 Calculation of Interest Rate and interest payable

- (a) The Calculation Agent must:
 - (i) in relation to each Interest Period for each Floating Rate Bond, as soon as practicable after determining the Interest Rate, calculate the amount of interest payable for the Interest Period in respect of the outstanding principal amount of such Bond; or
 - (ii) calculate the amount of interest payable for the Interest Period in respect of the outstanding principal amount of each other Bond.
- (b) Unless otherwise specified in the Pricing Supplement, the amount of interest payable is calculated by multiplying the product of the Interest Rate for the Interest Period and the outstanding principal amount of the Bond by the applicable Day Count Fraction.
- (c) The rate determined by the Calculation Agent must be expressed as a percentage rate per annum.

8.3 Calculation of other amounts

If the Pricing Supplement specifies that any other amount is to be calculated by the Calculation Agent, the Calculation Agent must, as soon as practicable after the time at which that amount is to be determined, calculate the amount in the manner specified in the Pricing Supplement.

8.4 Notification of Interest Rate, interest payable and other items

- (a) The Calculation Agent must notify the Issuer, the Registrar, the Holders, each other Agent and any stock or securities exchange or other relevant authority on which the Bonds are listed, quoted and/or traded of:
 - (i) each Interest Rate, the amount of interest payable and each other amount, item or date calculated or determined by it together with the Interest Payment Date; and
 - (ii) any amendment to any amount, item or date referred to in paragraph (i) arising from any extension or reduction in any Interest Period or calculation period.
- (b) The Calculation Agent must give notice under this Condition 8.4 as soon as practicable after it makes its determination. However, it must give notice of each Interest Rate, the amount of interest payable and each Interest Payment Date by the fourth day of the Interest Period.
- (c) The Calculation Agent may amend its determination of any amount, item or date (or make appropriate alternative arrangements by way of adjustment) as a result of the extension or reduction of the Interest Period or calculation period without prior notice but must notify the Issuer, the Registrar, the Holders, each other Agent and each stock or securities exchange or other relevant authority on which the Bonds are listed, quoted and/or traded after doing so.

8.5 Determination final

The determination by the Calculation Agent of all amounts, rates and dates falling to be determined by it under these Conditions is, in the absence of wilful default, bad faith or manifest or proven error, final and binding on the Issuer, the Registrar, each Holder and each other Agent.

8.6 Rounding

The determination or calculation of any percentage under Condition 7.4 ("BBSW Rate Determination") or Condition 7.5 ("AONIA Determination") must be rounded, if necessary, as set out in those Conditions (as applicable).

For the purposes of any other calculations required under these Conditions (unless otherwise specified in these Conditions or in the Pricing Supplement):

- (a) all percentages resulting from the calculations must be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 per cent. being rounded up to 0.00001 per cent.);
- (b) all figures resulting from the calculations must be rounded to five decimal places (with 0.000005 being rounded up to 0.00001); and
- (c) all amounts that are due and payable must be rounded (with halves being rounded up) to one Australian cent.

9 Redemption and purchase

9.1 Redemption on maturity

Each Bond must be redeemed by the Issuer on the Maturity Date at its Redemption Amount unless:

- (a) the Bond has been previously redeemed;

- (b) the Bond has been purchased and cancelled; or
- (c) the Pricing Supplement states that the Bond has no fixed Maturity Date.

9.2 Early redemption at the option of Holders (Holder put)

If the Pricing Supplement states that a Holder may require the Issuer to redeem all or some of the Bonds of a Series held by the Holder before their Maturity Date under this Condition 9.2, the Issuer must redeem the Bonds specified by the Holder at the Redemption Amount and any interest accrued on it to (but excluding) the Redemption Date if the following conditions are satisfied:

- (a) the amount of Bonds to be redeemed is a multiple of their Denomination;
- (b) the Holder has given at least 30 days' (and no more than 90 days') (or any other period specified in the Pricing Supplement) notice, to the Issuer and the Registrar by delivering to the Specified Office of the Registrar during normal business hours a completed and signed redemption notice in the form obtainable from the Registrar, together with any evidence the Registrar may require to establish title of the Holder to the Bond;
- (c) the notice referred to in paragraph (b) specifies an account in Australia to which the payment should be made or an address to where a cheque for payment should be sent;
- (d) the Redemption Date is an Early Redemption Date (Put) specified in the Pricing Supplement; and
- (e) any other relevant condition specified in the Pricing Supplement is satisfied.

A Holder may not require the Issuer to redeem any Bond under this Condition 9.2 if the Issuer has given notice that it will redeem the Bond under Condition 9.3 ("Early redemption at the option of the Issuer (Issuer call)").

9.3 Early redemption at the option of the Issuer (Issuer call)

If the Pricing Supplement states that the Issuer may redeem all or some of the Bonds of a Series before their Maturity Date under this Condition 9.3, the Issuer may redeem so many of the Bonds specified in the Pricing Supplement at the Redemption Amount and any interest accrued on it to (but excluding) the Redemption Date.

However, the Issuer may only do so if:

- (a) the amount of Bonds to be redeemed is, or is a multiple of, their Denomination;
- (b) the Issuer has given at least 30 days' (and no more than 90 days') (or any other period specified in the Pricing Supplement) notice to the Registrar, each Holder, each other Agent and any stock or securities exchange or other relevant authority on which the Bonds are listed, quoted and/or traded;
- (c) the proposed Redemption Date is an Early Redemption Date (Call) specified in the Pricing Supplement; and
- (d) any other relevant condition specified in the Pricing Supplement is satisfied.

9.4 Partial redemptions

If only some of the Bonds are to be redeemed under Condition 9.3 (“Early redemption at the option of the Issuer (Issuer call)”), the Bonds to be redeemed must be specified in the notice and selected by the Issuer:

- (a) in a fair and reasonable manner under the circumstances of the proposed redemption and having regard to prevailing market practice; and
- (b) in compliance with any applicable law, directive or requirement of any Clearing System and stock or securities exchange or other relevant authority on which the Bonds are listed, quoted and/or traded.

9.5 Effect of notice of redemption

Any notice of redemption given by the Issuer or a Holder under this Condition 9 (“Redemption and purchase”) is irrevocable.

9.6 Late payment

If an amount is not paid under this Condition 9 (“Redemption and purchase”) when due, then interest continues to accrue on the unpaid amount (both before and after any demand or judgment) at the default rate specified in the Pricing Supplement (or, if no default rate is specified, the last applicable Interest Rate) until the date on which payment is made to the Holder.

9.7 Purchase

The Issuer and any of its Related Bodies Corporate may at any time purchase Bonds in the open market or otherwise and at any price. Purchases may be made by tender offers or in any other manner at the discretion of the purchasers, in each case subject to applicable law in any relevant jurisdiction. Bonds purchased under this Condition 9.7 may be held, resold or cancelled at the discretion of the Issuer and (if the Bonds are to be cancelled, the Issuer), subject to compliance with any applicable law, directive or requirement of any stock or securities exchange or other relevant authority on which the Bonds are listed, quoted and/or traded.

10 General provisions

10.1 Summary of payment provisions

Payments in respect of Bonds will be made in accordance with Condition 10.3 (“Payments on Business Days”).

10.2 Payments subject to law

All payments are subject to applicable law, but without prejudice to the provisions of Condition 12.2 (“Withholding tax”), and any withholding or deduction required pursuant to FATCA.

10.3 Payments on Business Days

If a payment:

- (a) is due on a Bond on a day which is not a Business Day then the due date for payment will be adjusted in accordance with the applicable Business Day Convention; or
- (b) is to be made to an account on a Business Day on which banks are not open for general banking business in the place in which the account is located, then the due date for

payment will be the first following day on which banks are open for general banking business in that place,

and in either case, the Holder is not entitled to any additional payment in respect of that delay unless there is a subsequent failure to pay in accordance with these Conditions, in which event interest shall continue to accrue in accordance with these Conditions.

11 Payments on Bonds

11.1 Payment of principal

Payments of principal in respect of a Bond will be made to each person registered at 10.00 am on the payment date as the holder of a Bond (or to the first person registered in the case of joint holders).

11.2 Payment of interest

Payments of interest in respect of a Bond will be made to each person registered at the close of business on the Record Date as the holder of that Bond (or to the first person registered in the case of joint holders).

11.3 Payments to accounts

Payments in respect of the Bond will be made in Australia and:

- (a) if the Bond is held in the Austraclear System, by crediting on the payment date, the amount due to:
 - (i) the account of Austraclear (as the Holder) in Australia previously notified to the Issuer and the Registrar; or
 - (ii) if requested by Austraclear, the accounts of the persons in whose Security Record a Bond is recorded as previously notified by Austraclear to the Issuer and the Registrar in accordance with Austraclear Regulations; and
- (b) if the Bond is not held in the Austraclear System, by crediting on the payment date, the amount then due under each Bond to an account previously notified by the Holder to the Issuer and the Registrar.

11.4 Payments by cheque

If a Holder has not notified the Registrar of an account to which payments to it must be made by the close of business on the Record Date, payments in respect of the Bond will be made by cheque sent by prepaid registered post on the payment date, at the risk of the Holder, to the Holder (or to the first named joint holder of the Bond) at its address appearing in the Register at the close of business on the Record Date. Cheques sent to the nominated address of a Holder will be taken to have been received by the Holder on the Business Day immediately following the payment date and, no further amount will be payable by the Issuer in respect of the Bond as a result of the Holder not receiving payment on the due date.

12 Taxation

12.1 No set-off, counterclaim or deductions

All payments in respect of the Bonds must be made in full without set-off or counterclaim, and shall be made free and clear of, and without any withholding or deduction in respect of Taxes, unless such withholding or deduction is required by law or is made for or on account of FATCA.

12.2 Withholding tax

If a law or FATCA requires the Issuer to withhold or deduct an amount in respect of Taxes from a payment in respect of the Bonds such that the Holder would not actually receive on the due date the full amount provided for under the Bonds, then:

- (a) the Issuer agrees to withhold or deduct the amount for the Taxes (and any further withholding or deduction applicable to any further payment due under paragraph (b) below); and
- (b) no additional amount will be payable in respect of that withholding or deduction.

13 Time limit for claims

A claim against the Issuer for a payment under a Bond is void unless made within ten years (in the case of principal) or five years (in the case of interest and other amounts) from the date on which payment first became due.

14 Events of Default

14.1 Events of Default

Unless otherwise specified in the Conditions, if any of the following events occurs and is continuing with respect to the Bonds of a Series (each an “**Event of Default**”), such Event of Default shall be an acceleration event in relation to the Bonds of that Series, namely:

- (a) **(non-payment)** if default by the Issuer is made in the payment of any interest or principal due in respect of the Bonds of a Series or any of them and such default continues for a period of 5 Business Days (in the case of interest) or 2 Business Days (in the case of principal) (or such other period as may be specified in the Pricing Supplement);
- (b) **(breach of other obligations)** if the Issuer fails to perform or observe any of its other obligations under or in respect of the Bonds of a Series and (except in any case where such failure is incapable of remedy when no such continuation as is hereinafter mentioned will be required) the failure continues for a period of 45 days next following the service on the Issuer of a notice by a Holder requiring the same to be remedied;
- (c) **(ceasing to exist)** if the Issuer ceases to be an entity validly constituted and existing under the *Government Financing Authority Act 1982 (SA)* or any statutory modification or re-enactment thereof unless the obligations of the Issuer under the Bonds are assumed by a body responsible to a Minister of the Crown in right of the State of South Australia or any other body corporate which succeeds to the whole or substantially the whole of the assets or business of the Issuer and those obligations are validly guaranteed *mutatis mutandis* on the terms of the guarantee contained in Section 15 of the *Government Financing Authority Act 1982 (SA)* (as in force on the Issue Date) by the Treasurer or in such other manner as may be approved by an Extraordinary Resolution of the Holders; and
- (d) **(guarantee)** if the guarantee of the Bonds by the Treasurer ceases to be in full force and effect or is rendered nugatory for any cause or by any means whatsoever or any legislation is introduced the result of which would be to remove the benefit of such guarantee or terminate or amend the same in a manner materially adverse to the interests of the Holders or the Treasurer shall be unable to perform its obligations thereunder for any reason.

14.2 Consequences of an Event of Default

If any Event of Default occurs and continues unremedied in relation to the Bonds of a Series, then a Holder of any of those Bonds may give written notice to the Issuer (with a copy to the Registrar) requiring repayment on the fifth Business Day following receipt of such notice and each Bond of that Series held by that Holder shall accordingly become due and payable at its Redemption Amount on that date, together with any interest accrued to the date of repayment.

14.3 Notification

If an Event of Default occurs with respect to the Bonds of a Series (or, under Condition 14.1(b) ("Events of Default") would occur with the elapse of time following a notification), the Issuer must promptly after becoming aware of it notify the Registrar, the Holders, each other Agent and any stock or securities exchange or other relevant authority on which the Bonds of that Series are listed, quoted and/or traded of the occurrence of the Event of Default with respect to those Bonds.

15 Agents

15.1 Role of Agents

In acting under an Agency Agreement, each Agent acts solely as agent of the Issuer and does not assume any obligations towards or relationship of agency or trust for or with any Holder except that, any funds received by an applicable Agent may, pending their application in accordance with the relevant Agency Agreement, be held by such Agent on trust for the benefit of the persons entitled to them.

15.2 Appointment and replacement of Agents

Each initial Agent for a Series of Bonds is specified in the Pricing Supplement. Subject to Condition 15.4 ("Required Agents"), the Issuer reserves the right at any time to vary or terminate the appointment of any Agent and to appoint a successor.

15.3 Change of Agent

Notice of any change of an Agent or its Specified Offices must promptly be given to the Holders by the Issuer or the Agent on its behalf.

15.4 Required Agents

The Issuer must, in respect of each Series of Bonds:

- (a) at all times maintain a Registrar with a specified office in Australia; and
- (b) if a Calculation Agent is specified in the Pricing Supplement, at all times maintain a Calculation Agent.

16 Meetings of Holders

The Meetings Provisions contain provisions (which have effect as if incorporated in these Conditions) for convening meetings of the Holders of any Series to consider any matter affecting their interests, including any variation of these Conditions.

17 Variation**17.1 Variation with consent**

Unless Condition 17.2 (“Variation without consent”) applies, any Condition may be varied by the Holders of the Series by Extraordinary Resolution in accordance with the Meetings Provisions.

17.2 Variation without consent

Any Condition may be amended by the Issuer without the consent of the Holders if the amendment:

- (a) is of a formal, minor or technical nature;
- (b) is made to correct a proven error;
- (c) is made to cure any ambiguity or correct or supplement any defective or inconsistent provision and, in the reasonable opinion of the Issuer, is not materially prejudicial to the interests of the Holders;
- (d) is made to give effect to any successor rate or alternative rate for the BBSW Rate as provided in Condition 7.4 (“BBSW Rate Determination”);
- (e) is to comply with mandatory provisions of the law of the jurisdiction in which the Issuer is incorporated; or
- (f) only applies to Bonds issued after the date of amendment.

18 Further issues

The Issuer may from time to time, without the consent of the Holders, issue further Bonds having the same Conditions as the Bonds of any Series in all respects (or in all respects except for the Issue Price, Issue Date and the first Interest Payment Date) so as to form a single series with the Bonds of that Series.

19 Notices**19.1 Notices to Holders**

All notices and other communications to the Holders must be in writing and any such notice or other communication may be given by any of the following means:

- (a) by prepaid post (airmail if appropriate) to or left at the address of the Holder (as shown in the Register at the close of business on the day which is three Business Days before the date of the notice or communication); or
- (b) by an advertisement published in *The Australian Financial Review* or *The Australian* or, if the Pricing Supplement specifies an additional or alternate newspaper, be given by an advertisement published in that newspaper.

19.2 Notices to the Issuer and the Agents

All notices and other communications to the Issuer or an Agent must be in writing and may be sent by prepaid post (airmail if appropriate) to or left at the Specified Office of the Issuer or the Agent.

19.3 When effective

Notices and other communications take effect from the time they are taken to be received unless a later time is specified in them.

19.4 Receipt - publication in newspaper

If published in a newspaper, a notice or other communication is taken to be received on the first date that publication has been made in all the required newspapers.

19.5 Receipt - postal

A notice or other communication sent by post is taken to be received five days after posting.

20 Privacy

The Issuer and the Registrar collect and hold personal information about Holders for the purposes of administering the Bonds. Holders may request access to and correction of any personal information held about them by contacting the Registrar.

The South Australian Government Information Privacy Principles as they relate to the collection, storage, access to, correction, use and disclosure, of personal information, apply to the Issuer. Copies of the Information Privacy Principles are available from the Issuer on request.

21 Governing law

21.1 Governing law

Bonds are governed by, and construed in accordance with, the law in force in South Australia.

21.2 Jurisdiction

The Issuer irrevocably and unconditionally submits, and each Holder is taken to have submitted, to the non-exclusive jurisdiction of the courts of South Australia and the courts of appeal from them. The Issuer waives, and each Holder is taken to have waived, any right it has to object to a suit, action or proceedings ("**Proceedings**") being brought in those courts including by claiming that the Proceedings have been brought in an inconvenient forum or that those courts do not have jurisdiction.

21.3 Serving documents

Without preventing any other method of service, any document in any Proceedings may be served on the Issuer or a Holder by being delivered or left at their registered office or principal place of business.

Form of Pricing Supplement

The Pricing Supplement to be issued in respect of each Tranche of Bonds will be substantially in the form set out below.



South Australian Government Financing Authority

(a statutory authority constituted by the Government Financing Authority Act 1982 of South Australia)
(ABN 75 277 967 856)

Domestic Wholesale A\$ Bond Programme

Issue of

[A\$ [●]] [*Aggregate Principal Amount of Bonds*]
[*Title of Bonds*] due [●] (“Bonds”)

[MIFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Bonds has led to the conclusion that: (i) the target market for the Bonds is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, “**MiFID II**”); and (ii) all channels for distribution of the Bonds to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Bonds (a “**distributor**”) should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.]

The date of this Pricing Supplement is [●].

Series No.: [●]

Tranche No.: [●]

This Pricing Supplement (as referred to in the Information Memorandum dated [●] (“**Information Memorandum**”) in relation to the above Programme) relates to the Tranche of Bonds referred to above. It is supplementary to, and should be read in conjunction with the terms and conditions of the Bonds contained in the Information Memorandum (“**Conditions**”), the Information Memorandum and the Bond Deed Poll dated [●] made by the Issuer. Unless otherwise indicated, terms defined in the Conditions have the same meaning in this Pricing Supplement.

This Pricing Supplement does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation, and no action is being taken to permit an offering of the Bonds or the distribution of this Pricing Supplement in any jurisdiction where such action is required.

The particulars to be specified in relation to the Tranche of Bonds referred to above are as follows:

- 1 Issuer : South Australian Government Financing Authority
- 2 Guarantor : The Treasurer of the State of South Australia
- 3 Type of Bonds : [Fixed Rate Bonds / Floating Rate Bonds / *specify other*]
- 4 Status : The Bonds will constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer. As among themselves, the Bonds of each Series will rank *pari passu* and will be payable rateably without preference or priority with all other present and future direct, unconditional, unsubordinated and unsecured obligations of the Issuer, except as such obligations as are mandatorily preferred by law.
- 5 Method of Distribution : [Private / Syndicated] Issue
- 6 [Joint] Lead Manager[s] : [*Specify*]
- 7 Dealer[s] : [*Specify*]
- 8 Registrar : Link Market Services Limited (ABN 54 083 214 537)
- 9 Issuing and Paying Agent : Link Market Services Limited (ABN 54 083 214 537)
- 10 Calculation Agent : [[●] (ABN [●]) / *specify other*]
- 11 Details of Series (Fungibility with other Tranches) : [Not applicable / *specify if Tranche is to form a single Series with an existing Tranche or Series, specify date on which all Bonds of the Series become fungible (if no specific future date, specify the Issue Date)*]
- 12 Principal amount of Tranche : [*Specify*]
Aggregate principal amount of Series : [*Specify*]
- 13 Issue Date : [*Specify*]
- 14 Issue Price : [*Specify*]
- 15 Denomination[(s)] : [A\$ / *specify other*]
- 16 Maturity Date : [*Specify*]
- 17 Record Date : [As per the Conditions / *specify other*]

18	Condition 6 (Fixed Rate Bonds) applies	:	[Yes / No] <i>[If "No", delete following Fixed Rate provisions]</i>
	Fixed Coupon Amount	:	[Specify]
	Interest Rate	:	[Specify]
	Interest Commencement Date	:	[Issue Date / specify other]
	Interest Payment Dates	:	[Specify]
	Business Day Convention	:	[Following Business Day Convention / Preceding Business Day Convention / No Adjustment / specify other]
	Day Count Fraction	:	[Actual/Actual (ICMA) / Actual/365 (Fixed) / RBA Bond Basis / specify other]
19	Condition 7 (Floating Rate Bonds) applies	:	[Yes / No] <i>[If "No", delete following Floating Rate provisions]</i>
	Interest Commencement Date	:	[Issue Date / specify other]
	Interest Rate	:	[Specify method of calculation]
	Interest Payment Dates	:	[Specify dates or the Specified Period]
	Business Day Convention	:	[Floating Rate Convention / Following Business Day Convention / Modified Following Business Day Convention / specify other]
	Margin	:	[Specify (state if positive or negative)]
	Day Count Fraction	:	[Specify]
	Fallback Interest Rate	:	[Specify / Not applicable]
	Interest Rate Determination	:	[BBSW Rate Determination / AONIA Determination]
	Maximum and Minimum Interest Rate	:	[Specify / Not applicable]
	Default Rate	:	[Specify (In the case of interest-bearing Bonds, specify rate of interest applying to overdue amounts (if different to usual Interest Rate)]
	Rounding	:	[As per Condition 8.6 / specify other]
	Relevant Financial Centre	:	[Specify]

[If BBSW Rate Determination applies, specify the following (otherwise delete provision)]

BBSW Rate : [As per Condition 7.4 / *specify any variation to the Conditions*]

Linear Interpolation : [Applicable / Not applicable] *[If applicable, provide details]*

[If AONIA Determination applies, specify the following (otherwise delete provision)]

Compounded AONIA : [As per Condition 7.5 / *specify any variation to the Conditions*]

AONIA Calculation Date : [As per Condition 7.5 / *specify any variation to the Conditions*]

Observation Period : [As per Condition 7.5 / *specify any variation to the Conditions*]

20 Condition 9.2 (Holder put) applies : [Yes, the Bonds are redeemable before their Maturity Date at the option of the Holder / No]

[If “No”, delete following Holder put provisions]

Early Redemption Date(s) (Put) : [Specify]

Minimum / maximum notice period for exercise of Holder put : [Specify]

Relevant conditions to exercise of Holder put : [Specify]

21 Condition 9.3 (Issuer call) applies : [Yes, the Bonds are redeemable before their Maturity Date at the option of the Issuer / No]

[If “No”, delete following Issuer call provisions]

Early Redemption Date(s) (Call) : [Specify]

Minimum / maximum notice period for exercise of Issuer call : [Specify]

Relevant conditions to exercise of Issuer call : [Specify]

22 Public Offer Test [It is [intended/not intended] that the Bonds will be offered in a manner that complies with the “public offer” test set out in section 128F of the Income Tax Assessment Act 1936 of Australia.]

23 Additional Conditions : *[Specify any Conditions to be altered, varied, deleted otherwise than as provided above and also any additional Conditions to be included]*

24 Clearing System[(s)] : [Austraclear / *specify others*]

25 ISIN : [Specify]

- 26 [Common Code] : [Specify]
- 27 [Selling Restrictions] : [Specify any variation to the selling restrictions set out in the Information Memorandum]
- 28 Listing : [Not applicable / An application has been made for the Bonds to be quoted on the Australian Securities Exchange / specify details of other relevant stock or securities exchange]
- 29 [Credit ratings] : [The Bonds to be issued are expected to be rated [Specify]

A credit rating is not a recommendation to buy, sell or hold Bonds and may be subject to revision, suspension or withdrawal at any time by the assigning rating agency.

Credit ratings are for distribution only to a person (a) who is not a "retail client" within the meaning of section 761G of the Corporations Act and is also a person in respect of whom disclosure is not required under Parts 6D.2 or 7.9 of the Corporations Act, and (b) who is otherwise permitted to receive credit ratings in accordance with applicable law in any jurisdiction in which the person may be located. Anyone who is not such a person is not entitled to receive this Pricing Supplement and anyone who receives this Pricing Supplement must not distribute it to any person who is not entitled to receive it.]

- 30 [Additional Information] : [Specify]

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

CONFIRMED

For and on behalf of
South Australian Government Financing Authority

By:

Name:

Title:

Date:

Selling Restrictions

*Under a Subscription Agreement to be entered into between the Issuer and the Dealers in connection with each issue of Bonds (each a “**Subscription Agreement**”) and subject to the Conditions contained in the Information Memorandum and that Subscription Agreement, the Bonds will be offered by the Issuer through the Dealers. The Issuer has the sole right to accept any offer to purchase Bonds and may reject that offer in whole or (subject to the terms of the offer) in part. Each Dealer has the right to reject any offer to purchase Bonds made to it in whole or (subject to the terms of such offer) in part.*

The Issuer may appoint one or more financial institutions as a Dealer for a particular Tranche of Bonds or to the Programme generally. At the time of any appointment in respect of a Tranche of Bonds, each such financial institution will be required to represent and agree to the selling restrictions applicable at that time.

Each Dealer will be required to agree to comply with any applicable law or directive in any jurisdiction in which it subscribes for, offers, sells or transfers Bonds and that it will not, directly or indirectly, subscribe for, offer, sell or transfer Bonds or distribute any Information Memorandum or other offering material in relation to the Bonds, in any jurisdiction, except in accordance with these selling restrictions, any additional restrictions which are set out in the applicable Pricing Supplement and any applicable law or directive of that jurisdiction.

Neither the Issuer nor any Dealer has represented that any Bonds may at any time lawfully be offered or sold, or that this Information Memorandum or any other offering material in relation to the Bonds may be distributed, in compliance with any applicable registration or other requirements in any jurisdiction, or in accordance with any available exemption, or assumes any responsibility for facilitating that sale or distribution.

In addition to the above, the following selling restrictions apply:

1 General

No action has been taken in any jurisdiction that would permit a public offering of any of the Bonds, or possession or distribution of the Information Memorandum or any other offering material, in any country or jurisdiction where action for that purpose is required.

Persons into whose hands this Information Memorandum comes are required by the Issuer, the Dealers to comply with all applicable laws and directives in each country or jurisdiction in which they purchase, offer, sell, resell, reoffer or deliver Bonds or have in their possession or distribute or publish the Information Memorandum or other offering material and to obtain any authorisation, consent, approval or permission required by them for the purchase, offer, sale, reoffer, resale or delivery by them of any Bonds under any applicable law or directive in force in any jurisdiction to which they are subject or in which they make such purchases, offers, sales, reoffers, resales or deliveries, in all cases at their own expense, and neither the Issuer nor any Dealer has responsibility for such matters. In accordance with the above, any Bonds purchased by any person which it wishes to offer for sale or resale may not be offered in any jurisdiction in circumstances which would result in the Issuer being obliged to register any further prospectus or corresponding document relating to the Bonds in such jurisdiction.

In particular, there are restrictions on the distribution of this Information Memorandum and the offer or sale of Bonds in Australia, the United States of America, the United Kingdom, Japan, Hong Kong, Singapore and New Zealand and a prohibition on sales to European Economic Area and United Kingdom retail investors as set out below.

For the purposes of these selling restrictions, references to:

- “**directive**” includes a treaty, official directive, request, regulation, guideline or policy (whether or not having the force of law) with which responsible participants in the relevant market generally comply; and
- “**Bonds**” include interests or rights in those Bonds held in the Austraclear System or any other Clearing System.

2 **Australia**

No prospectus or other disclosure document (as defined in the Corporations Act) in relation to the Programme or any Bonds has been, or will be, lodged with ASIC. Each Dealer will be required to represent and agree that unless the applicable Pricing Supplement (or another supplement to the Information Memorandum) otherwise provides it:

- (a) has not made or invited, and will not make or invite, an offer of the Bonds for issue or sale in Australia (including an offer or invitation which is received by a person in Australia); and
- (b) has not distributed or published, and will not distribute or publish, this Information Memorandum or any other offering material or advertisement relating to any Bonds in Australia,

unless:

- (i) the aggregate consideration payable by each offeree is at least A\$500,000 (or its equivalent in an alternate currency, in either case, disregarding moneys lent by the offeror or its associates) and the offer or invitation does not otherwise require disclosure to investors under Parts 6D.2 or 7.9 of the Corporations Act;
- (ii) the offer or invitation does not constitute an offer to a “retail client” as defined for the purposes of section 761G of the Corporations Act;
- (iii) such action complies with any applicable laws and directives in Australia; and
- (iv) such action does not require any document to be lodged with ASIC.

3 **United States of America**

The Bonds have not been and will not be registered under the United States Securities Act of 1933 (as amended) (“**Securities Act**”).

Terms used in the following paragraphs have the meanings given to them by Regulation S under the Securities Act (“**Regulation S**”).

The Bonds may not be offered, sold, delivered or transferred within the United States of America, its territories or possessions or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S or in transactions exempt from the registration requirements of the Securities Act.

Each Dealer will be required to represent and agree that, except as permitted under a Subscription Agreement, it will not offer, sell or deliver the Bonds:

- (a) as part of their distribution at any time; and

- (b) otherwise until 40 days after completion of the distribution, as determined and certified by the relevant Dealer or, in the case of an issue of Bonds on a syndicated basis, the Lead Manager,

within the United States of America or to, or for the account or benefit of, U.S. persons.

Each Dealer will be required to represent and agree that it will have sent to each distributor to which it sells Bonds during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Bonds within the United States of America or to, or for the account or benefit of, U.S. persons.

Until 40 days after the completion of the distribution of all Bonds of the Tranche of which those Bonds are a part, an offer or sale of Bonds within the United States of America by any Dealer or other distributor (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an applicable exemption from registration under the Securities Act.

4 United Kingdom

Each Dealer will be required to represent and agree that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000 (“**FSMA**”)) received by it in connection with the issue or sale of such Bonds in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Bonds in, from or otherwise involving the United Kingdom;
- (c) in relation to Bonds with a maturity of less than one year:
 - (i) it is a person whose ordinary activities involve 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 Bonds other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as 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 Bonds would otherwise constitute a contravention of section 19 of the FSMA by the Issuer.

5 European Economic Area

Prohibition of sales to EEA and UK retail investors

Each Dealer will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Bonds which are the subject of the offering contemplated by this Information Memorandum as completed by the

Pricing Supplement in relation thereto to any retail investor in the European Economic Area or in the United Kingdom. For the purposes of this provision:

- (a) the expression “retail investor” means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); or
 - (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
 - (iii) not a qualified investor as defined in Regulation (EU) 2017/1129; and
- (b) the expression “**offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Bonds to be offered so as to enable an investor to decide to purchase or subscribe for the Bonds.

6 Japan

The Bonds have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the “**Financial Instruments and Exchange Act**”). Accordingly, each Dealer will be required to represent and agree that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Bonds in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act 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, any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and any other applicable laws, directives and ministerial guidelines of Japan.

7 Hong Kong

The Bonds have not been authorised by the Hong Kong Securities and Futures Commission.

Each Dealer will be required to represent and agree that unless an applicable Pricing Supplement (or another supplement to this Information Memorandum) otherwise provides, it:

- (a) has not offered or sold, and will not offer or sell, in Hong Kong, by means of any document, any Bonds other than:
 - (ii) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) (as amended) of Hong Kong (“**SFO**”) and any rules made under the SFO; or
 - (iii) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) (as amended) of Hong Kong (“**CO**”) or which do not constitute an offer to the public within the meaning of the CO; and
- (b) unless it is a person permitted to do so under the applicable securities laws of Hong Kong, 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, (in each case whether in Hong Kong or elsewhere) any advertisement, invitation, other offering material or other document relating to the Bonds, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Bonds which are or are

intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the SFO and any rules made under the SFO.

8 Singapore

This Information Memorandum has not been registered as a prospectus with the Monetary Authority of Singapore.

Accordingly, each Dealer will be required to represent, warrant and agree that it has not offered or sold any Bonds or caused any Bonds to be made the subject of an invitation for subscription or purchase and will not offer or sell any Bonds or cause any Bonds to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Information Memorandum or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Bonds, whether directly or indirectly, to any person in Singapore other than:

- (a) to an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289 of Singapore), as modified or amended from time to time (the "SFA")) pursuant to Section 274 of the SFA;
- (b) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or to any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA; or
- (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Bonds are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (1) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) 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
- (2) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Bonds pursuant to an offer made under Section 275 of the SFA except:

- (i) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (ii) where no consideration is or will be given for the transfer;
- (iii) where the transfer is by operation of law;
- (iv) as specified in Section 276(7) of the SFA; or
- (v) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

9 New Zealand

The Programme is a wholesale programme. No action has been taken to permit the Bonds to be offered or sold to any retail investor, or otherwise under any regulated offer, in terms of the Financial Markets Conduct Act 2013 of New Zealand (“**FMC Act**”). In particular, no product disclosure statement under the FMC Act has been prepared or lodged in New Zealand in relation to the Bonds.

Each Dealer will be required to represent and agree that:

- (a) it has not offered or sold, and will not offer or sell, directly or indirectly, any Bonds; and
- (b) it has not distributed and will not distribute, directly or indirectly, this Information Memorandum, any Pricing Supplement or any offering materials or advertisement (as defined in the NZ FMCA) in relation to any offer of Bonds,

in each case in New Zealand other than:

- (i) to persons who are “wholesale investors” as that term is defined in clauses 3(2)(a), (c) and (d) of Schedule 1 of the FMC Act, which includes a person who is an “investment business”, “large”, or a “government agency”, in each case as defined in Schedule 1 to the FMC Act; or
- (ii) in other circumstances where there is no contravention of the FMC Act, provided that (without limiting paragraph (i) above) Bonds may not be offered or transferred to any “eligible investors” (as defined in the FMC Act) or any person that meets the investment activity criteria specified in clause 38 of Schedule 1 to the FMC Act.

10 Variation

These selling restrictions may be amended, varied, replaced or otherwise updated from time to time. Any change may be set out in a Subscription Agreement, a Pricing Supplement or in another supplement to this Information Memorandum.

Australian Taxation

Introduction

The following is a summary of the Australian withholding tax treatment under the Income Tax Assessment Acts of 1936 and 1997 of Australia (together, “**Australian Tax Act**”) and the Taxation Administration Act 1953 of Australia, at the date of this Information Memorandum, of payments of interest (as defined in the Australian Tax Act) by the Issuer on the Bonds and certain other Australian tax matters.

A term used below but not otherwise defined has the meaning given to it in the Conditions.

This summary applies to Holders that are:

- residents of Australia for tax purposes that do not hold their Bonds, and do not derive any payments under the Bonds, in carrying on a business at or through a permanent establishment outside of Australia, and non-residents of Australia for tax purposes that hold their Bonds, and derive all payments under the Bonds, in carrying on a business at or through a permanent establishment in Australia (“**Australian Holders**”); and
- non-residents of Australia for tax purposes that do not hold their Bonds, and do not derive any payments under the Bonds, in carrying on a business at or through a permanent establishment in Australia, and residents of Australia for tax purposes that hold their Bonds, and derive all payments under the Bonds, in carrying on a business at or through a permanent establishment outside of Australia (“**Non-Australian Holders**”).

The summary is not exhaustive and, in particular, does not deal with the position of certain classes of Holders (including, without limitation, dealers in securities, custodians or other third parties who hold Bonds on behalf of any person). In addition, unless expressly stated, this summary does not consider the Australian tax consequences for persons who hold interests in the Bonds through Euroclear, Clearstream, Luxembourg or another Clearing System.

Prospective Holders of the Bonds should also be aware that particular terms of issue of any Series of Bonds may affect the tax treatment of that Series of Bonds. Information regarding taxes in respect of Bonds may also be set out in the relevant Pricing Supplement.

This summary is not intended to be, nor should it be construed as, legal or tax advice to any particular holder of the Bond. Each holder should consult their professional advisers on the tax implications of an investment in the Bonds for their particular circumstances.

Australian Interest Withholding Tax

The Australian Tax Act characterises securities as either “debt interests” (for all entities) or “equity interests” (for companies), including for the purposes of Australian interest withholding tax imposed under Division 11A of Part III of the Australian Tax Act (“**Australian IWT**”) and dividend withholding tax. For Australian IWT purposes, “interest” is defined to include amounts in the nature of, or in substitution for, interest and certain other amounts. The Issuer intends to issue Bonds which are to be characterised as “debt interests” for the purposes of the tests contained in Division 974 and the returns paid on the Bonds are to be “interest” for the purpose of section 128F of the Australian Tax Act.

Australian Holders

Payments of interest in respect of the Bonds to Australian Holders will not be subject to Australian IWT.

Non-Australian Holders

Australian IWT is payable at a rate of 10% of the gross amount of interest paid by the Issuer to a Non-Australian Holder, unless an exemption is available.

(a) Section 128F exemption from Australian IWT

An exemption from Australian IWT is available in respect of interest paid on the Bonds if the requirements of section 128F of the Australian Tax Act are satisfied.

Unless otherwise specified in any relevant Pricing Supplement (or another relevant supplement to this Information Memorandum), the Issuer intends to issue the Bonds in a manner which will satisfy the requirements of section 128F of the Australian Tax Act.

In broad terms, the requirements are as follows:

- (i) the Issuer is a resident of Australia and a company (as defined in section 128F(9) of the Australian Tax Act) when it issues the Bonds and when interest is paid. For these purposes, section 128F(7) treats an Australian State or an authority of a State as a company and resident of Australia;
- (ii) the Bonds are issued in a manner which satisfies the “public offer” test in section 128F of the Australian Tax Act.

In relation to the Bonds, 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 the Issuer is offering the Bonds for issue. In summary, the five methods are:

- offers to 10 or more persons carrying on a business of providing finance, or investing or dealing in securities, in the course of operating in financial markets;
 - offers to 100 or more investors of a certain type;
 - offers of listed Bonds;
 - offers via publicly available information sources; or
 - offers to a dealer, manager or underwriter who offers to sell the Bonds within 30 days by one of the preceding methods;
- (iii) the Issuer does not know, or have reasonable grounds to suspect, at the time of issue, that the Bonds (or interests in the Bonds) 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
 - (iv) 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.

However, for the purposes of section 128F(5) and (6) of the Australian Tax Act (see paragraphs (iii) and (iv) above), an “associate” of the Issuer does not include:

- (A) an Australian Holder; or
- (B) a Non-Australian Holder that is acting in the capacity of:
 - (I) in the case of section 128F(5), a dealer, manager or underwriter in relation to the placement of the relevant Bonds, or a clearing house, custodian, funds

manager or responsible entity of a registered scheme (for the purposes of the Corporations Act); or

- (II) in the case of section 128F(6), a clearing house, paying agent, custodian, funds manager or responsible entity of a registered scheme (for the purposes of the Corporations Act).

(b) *Exemptions under certain double tax conventions*

The Australian Federal Government has signed double tax conventions (“**Specified Tax Treaties**”) with particular countries (each a “**Specified Country**”) that contain certain exemptions from Australian IWT. The Specified Tax Treaties apply to interest derived by a resident of a Specified Country.

Broadly, the Specified Tax Treaties effectively prevent Australian IWT applying to interest derived by:

- governments of the Specified Countries and certain governmental authorities and agencies in a Specified Country; and
- a “financial institution” resident in a Specified Country which is unrelated to and dealing wholly independently with the payer. The term “financial institution” refers to either a bank or any other enterprise which substantially derives its profits by carrying on a business of raising and providing finance. However, interest paid under a back to back loan or an economically equivalent arrangement will not qualify for this exemption.

(c) *Payments under the Guarantee*

It is unclear whether or not any payment by the Guarantor under the Guarantee on account of interest owing by the Issuer in respect of the Bonds would be subject to Australian IWT. There are good arguments that such payments (other than interest paid on an overdue amount) do not constitute “interest” for Australian withholding tax purposes, and, if so, would not be subject to Australian IWT.

The Australian Taxation Office (“**ATO**”) has, however, published a Taxation Determination stating that payments by a guarantor in respect of debentures (which would include the Bonds) are entitled to the benefit of the exemption contained in section 128F if payments of interest in respect of those debentures (including the Bonds) by the Issuer are exempt from Australian IWT. However, there is some doubt as to whether the reasoning adopted in the Taxation Determination is strictly correct.

If such payments are characterised as “interest” for Australian withholding tax purposes, Australian IWT at the rate of 10% will be payable on payments of interest (as defined in section 128A(1AB) of the Australian Tax Act) by the Guarantor to a Non-Australian Holder, unless an exemption is available.

Other Tax Matters

Under Australian laws as presently in effect:

- *death duties* – no Bonds 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;
- *stamp duty and other taxes* - no *ad valorem* stamp duty, issue, registration or similar taxes are payable in Australia on the issue, transfer or redemption of any Bonds;
- *TFN/ABN withholding* - withholding tax is imposed (currently at the rate of 47%) 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 exception (as appropriate).

Assuming the requirements of section 128F of the Australian Tax Act are satisfied with respect to the Bonds, then such withholding should not apply to payments to a Non-Australian Holder that is a non-resident of Australia for Australian tax purposes;

- *additional withholdings from certain payments to non-residents* - the Governor-General may make regulations requiring withholding from certain payments to non-residents of Australia (other than payments of interest and other amounts which are already subject to the current Australian IWT rules or specifically exempt from those rules). 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 possible application of any future regulations to the proceeds of any sale of the Bonds will need to be monitored;
- *garnishee directions by the Commissioner of Taxation* – the Commissioner of Taxation may give a direction requiring the Issuer to deduct from any payment to a holder of the Bonds any amount in respect of Australian tax payable by the holder. If the Issuer is served with such a direction, then the Issuer will comply with that direction and make any deduction required by that direction;
- *supply withholding tax* - payments in respect of the Bonds can be made free and clear of any “supply withholding tax”; and
- *goods and services tax (GST)* - neither the issue nor receipt of the Bonds will give rise to a liability for GST in Australia on the basis that the supply of Bonds will comprise either an input taxed financial supply or (in the case of an offshore subscriber that is a non-resident) a GST-free supply. Furthermore, neither the payment of principal or interest by the Issuer, nor the disposal of the Bonds, would give rise to any GST liability in Australia.

U.S. Foreign Account Tax Compliance Act and OECD Common Reporting Standard

FATCA

Under sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986 (“**FATCA**”), a 30% withholding (“**FATCA withholding**”) may be required if (i)(A) an investor does not provide information sufficient for any non-U.S. financial institution (“**FFI**”) through which payments on the Bonds are made to determine a Holder’s status under FATCA, or (B) an FFI to or through which payments on the Bonds are made is a “non-participating FFI”; and (ii) the Bonds are treated as debt for U.S. federal income tax purposes and the payment is made in respect of Bonds issued or modified after the date that is six months after the date on which final regulations defining the term “foreign passthru payment” are filed with the U.S. Federal Register, or the Bonds are treated as equity for U.S. federal income tax purposes, whenever issued.

FATCA withholding is not expected to apply on payments made before the date that is two years after the date on which final regulations defining the term “foreign passthru payment” are filed with the U.S. Federal Register.

Reporting Australian Financial Institutions (“**RAFI**s”) under the Australia–U.S. FATCA Intergovernmental Agreement dated 28 April 2014 (“**Australian IGA**”) must comply with specific due diligence procedures. In general, these procedures seek to identify their account holders and provide the ATO with information on financial accounts held by U.S. persons and recalcitrant account holders. The ATO is required to provide such information to the U.S. Internal Revenue Service. Consequently, Holders may be requested to provide certain information and certifications to any financial institutions through which payments on the Bonds are made. A RAFI that complies with its obligations under the Australian IGA will not be subject to FATCA withholding on amounts it receives, and will not be required to deduct FATCA withholding from payments it makes, other than in certain prescribed circumstances.

In the event that any amount is required to be withheld or deducted from a payment on the Bonds as a result of FATCA, pursuant to the terms and conditions of the Bonds, no additional amounts will be paid by the Issuer as a result of the deduction or withholding.

Common Reporting Standard

The OECD Common Reporting Standard for Automatic Exchange of Financial Account Information (“**CRS**”) requires certain financial institutions to report information regarding certain accounts (which may include the Bonds) to their local tax authority and follow related due diligence procedures. Holders may be requested to provide certain information and certifications to ensure compliance with the CRS. A jurisdiction that has signed a CRS Competent Authority Agreement may provide this information to other jurisdictions that have signed the CRS Competent Authority Agreement. The Australian Government has enacted legislation amending, among other things, the Taxation Administration Act 1953 of Australia to give effect to the CRS.

Directory

Issuer

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Dealers

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Deutsche Bank AG, Sydney Branch

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Westpac Banking Corporation

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