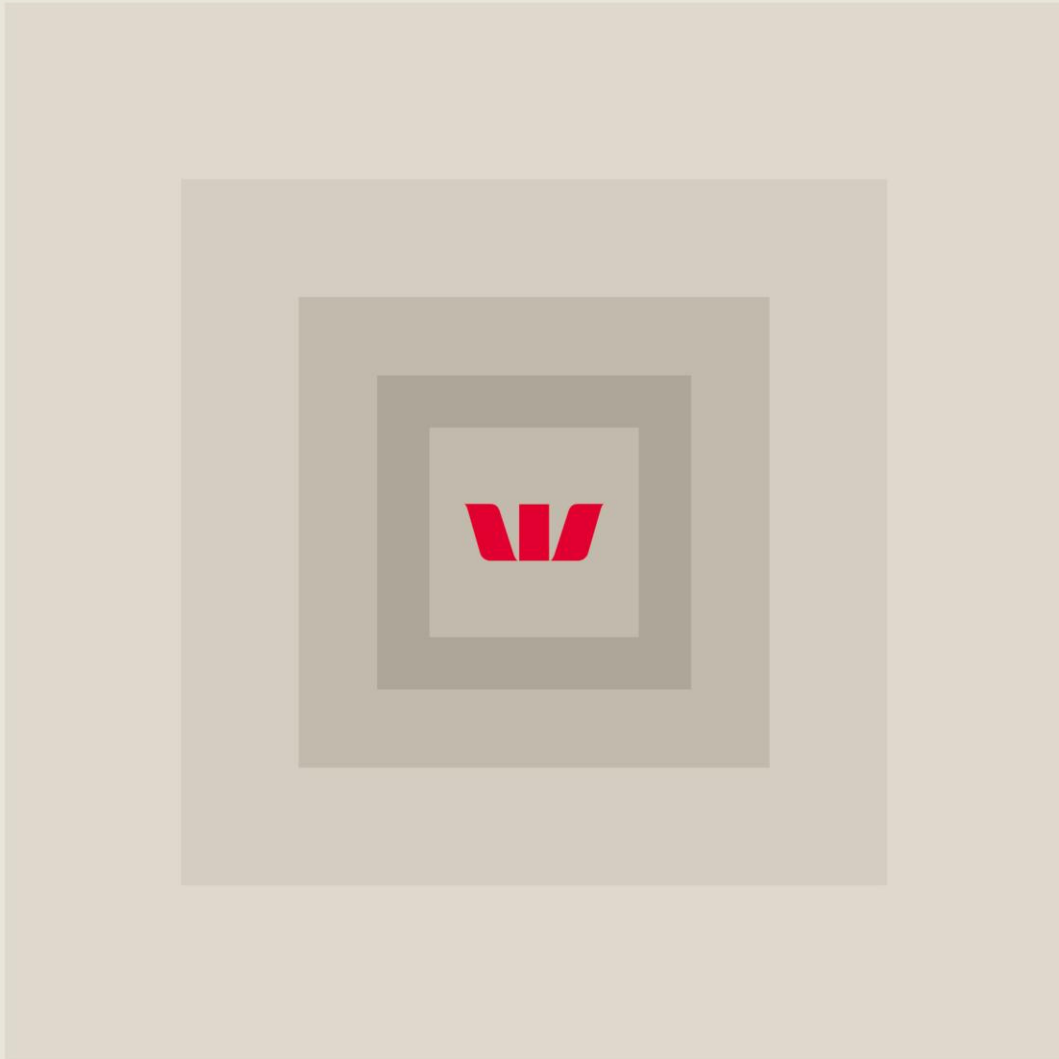


CPI Plus Deposit
with the
Institutional
Bank



Product Disclosure Statement

Important information

A Product Disclosure Statement ('PDS') is an information document. The purpose of a PDS is to provide you with enough information to allow you to make an informed decision about a product's suitability for your needs. A PDS is also a tool for comparing the features of other products you may be considering. If you have any questions about this product, please contact us on the number listed at the back of this PDS.

You should read and consider this PDS, in its entirety, carefully and seek independent expert advice before making a decision about whether or not this product is suitable for you.

If you decide to enter into a CPI Plus Deposit, you should keep a copy of this PDS and any associated documentation. You should also promptly tell us if at any time you experience financial difficulties.

This PDS is issued by Westpac Banking Corporation and is current as at 23 February 2012. The information in it is subject to change. Westpac will provide updated information by issuing a supplementary or replacement PDS (if this were required, such as if the change were materially adverse to investors) or by posting the

information on our website. You can get a paper copy of any updated information without charge by calling us.

Nothing in this PDS is, or may be relied upon as, a representation as to the future performance of CPI Plus Deposits.

The offer of CPI Plus Deposits is being made to residents of Australia only. No action has been or will be taken to register or qualify CPI Plus Deposits or otherwise permit a public offering of CPI Plus Deposits under the US Securities Act of 1933. Receipt of this PDS in jurisdictions outside of Australia may be restricted by local law and applications from outside Australia will not be accepted.

The information set out in this document is general in nature. It has been prepared without taking into account your objectives, financial situation or needs. Because of this you should, before acting on this information, consider its appropriateness, having regard to your objectives, financial situation and needs. By providing this PDS, Westpac does not intend to provide financial advice or any financial recommendations.

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Offer at a glance

Issuer	Westpac Banking Corporation ('Westpac', 'we' or 'us').
Purpose	<p>CPI Plus Deposits are tailored term deposits from which investors receive interest payments (known as 'coupon payments') that vary with 'Inflation'. This may help protect the purchasing power of future coupon payments received from a CPI Plus Deposit.</p> <p>CPI Plus Deposits may be attractive to investors who want to receive regular coupon payments incorporating Inflation plus a fixed interest rate and to superannuation funds with CPI-linked investment mandates.</p> <p>See the section titled 'How do CPI Plus Deposits work?' on page 5 for more information.</p>
Fees and Charges	<p>There are no establishment fees, transaction fees or monthly service fees payable on a CPI Plus Deposit.</p> <p>See the section titled 'Fees and charges' on page 4 for more information.</p>
Key benefits	<ul style="list-style-type: none"> • Inflation linked coupon payments - You will receive coupon payments that are directly impacted by Inflation. The Total Rate you receive consists of a fixed interest rate ('Fixed Rate') plus a rate reflecting annual Inflation ('Inflation Rate'). The higher the Inflation Rate, the higher the Total Rate and your coupon payments. • Security - You can enjoy the peace of mind of a capital risk equal to that of a standard term deposit. • Flexibility - You can select the Principal Amount and Term of your CPI Plus Deposit in line with your view on interest rates and Inflation • Principal Payments - You can choose to receive Principal Payments during the Term to tailor the cash flows to your individual requirements. <p>See the sections titled 'Key benefits' on page 4, 'How is the Fixed Rate determined?' and 'How is the Inflation Rate determined?' on page 5 for more information.</p>
Key risks	<ul style="list-style-type: none"> • Market risk - In periods when the Inflation Rate decreases or is negative ('deflation'), your Total Rate and coupon payments will reduce but can never be less than zero. • Early termination / variation - You can vary or terminate a CPI Plus Deposit early but there may be an early termination or variation payment if you do so. • Counterparty and operational risk - Westpac has performance obligations under a CPI Plus Deposit. You need to form a judgment on our ability to meet those obligations. • No cooling off period - There is no cooling-off period in respect of an investment in a CPI Plus Deposit. You cannot cancel or revoke your application for a CPI Plus Deposit. However, early termination is possible. <p>See the sections titled 'Key risks' on page 4 and 'How to apply for a CPI Plus Deposit?' on page 7 for more information.</p>
Suitability	A CPI Plus Deposit may be suitable if you have a good understanding of interest rate markets and Inflation, and would like to invest in a tailored term deposit based on your interest rate view, Inflation expectations and income requirements. If you are not confident about your understanding of these things, this product may not be suitable for you and we strongly suggest you seek independent advice before making a decision about this product.
Term	One year to ten years.
Minimum transaction size	The minimum deposit size is AUD50,000.
How to apply	See the section titled 'How to apply for a CPI Plus Deposit?' on page 7 for more information.

Fees and Charges

There are no establishment fees, transaction fees or monthly service fees payable on a CPI Plus Deposit. Westpac derives a financial benefit from entering into a deposit by incorporating profit margins into the Fixed Rate.

See the section titled 'How is the Fixed Rate determined?' on page 5.

Where permitted by law, we may pay (at our discretion) commissions to financial advisors and other persons who distribute CPI Plus Deposits. Any commission paid does not affect the return on your CPI Plus Deposit.

Key benefits

Inflation linked coupon payments

By locking in the deposit for the full Term, Westpac can offer you a Total Rate consisting of a fixed interest rate ('Fixed Rate') plus a rate reflecting annual Inflation ('Inflation Rate'). The higher the Inflation Rate, the higher the Total Rate and your coupon payments.

See the sections titled 'How is the Fixed Rate determined?' and 'How is the Inflation Rate determined?' on page 5 for more information.

Security

You can enjoy the peace of mind of a capital risk equal to that of a standard term deposit.

Flexibility

You can tailor your CPI Plus Deposit to your situation and view on interest rates and Inflation by choosing:

- the Principal Amount of your deposit (subject to a minimum of AUD50,000); and
- the Term of your deposit.

This flexibility gives you the ability to align your deposit arrangements with your interest rate view and your cash-flow requirements.

Principal Payments

You can choose to receive the full Principal Amount at the end of the Term or to receive Principal Payments during the Term, with the remaining Principal Balance to be received on the Maturity Date.

Key risks

Market risk

It may be the case that interest rates and Inflation do not move in line with your view.

If the Inflation Rate decreases, your Total Rate and coupon payments will reduce. If the Inflation Rate is negative ('deflation'), the Total Rate may be lower than the Fixed Rate. However, your Total Rate and coupon payments can never be less than zero. See 'How much will your coupon payments be?' on page 6 for more information.

Early termination / Variation

The CPI Plus Deposit is a tailored term deposit which is designed to be held to maturity. You can vary or terminate your CPI Plus Deposit early but there will be a cost to you, resulting in a possible early termination or variation payment, if you do so. You may, however, realise a net benefit depending on the prevailing market conditions upon variation or early termination. See the sections titled 'Can I terminate before the Maturity Date?', 'Can I vary the terms of my CPI Plus Deposit?' and 'Will I lose money if I terminate or vary the terms before the Maturity Date?' on page 6 for more information. With these risks in mind, please consider your circumstances carefully when selecting the terms of your CPI Plus Deposit.

Counterparty and operational risk

As is the case with most financial markets products we enter into, Westpac has performance obligations under a CPI Plus Deposit.

Our ability to fulfil our obligations is linked to our financial wellbeing and to the effectiveness of our internal systems, processes and procedures. The first type of risk (our financial wellbeing) is commonly referred to as **credit or counterparty risk**. The second type of risk (the effectiveness of our internal systems, processes and procedures) is commonly referred to as **operational risk**.

You must make your own assessment of our ability to meet our obligations. However, as a regulated Australian bank we are subject to prudential regulation which is intended to reduce the risk of us failing to perform our obligations. Further information about Westpac, including copies of our recent financial statements, is available on our website at www.westpac.com.au.

Cooling-off period

There is no cooling-off period in respect of an investment in a CPI Plus Deposit. You cannot cancel or revoke your application for a CPI Plus Deposit. However, early termination is possible. See the section titled 'Early Termination / Variation' on page 4 for more information.

How do CPI Plus Deposits work?

Overview

A CPI Plus Deposit returns a Total Rate, consisting of a Fixed Rate plus an Inflation Rate, which determines the coupon payments on each Payment Date. You can further tailor your CPI Plus Deposit by structuring your Principal Payments over the Term in line with your cash flow requirements.

What is Inflation?

Inflation is a positive change (increase) in the price of a basket of goods and services that is representative of the general level of prices of goods and services in the economy as a whole. When Inflation is negative, it is referred to as 'deflation'.

For the purpose of the CPI Plus Deposit, Inflation is measured by the changes in the Consumer Price Index ('CPI'), which is published by the Australian Bureau of Statistics ('ABS').

The CPI measures quarterly changes in the price of a 'basket' of 11 groups of goods and services.

The CPI is measured quarterly every March, June, September and December, and published in the following month.

The CPI commenced at a base of 100 in 1989-1990.

For more information visit the Australian Bureau of Statistics on <http://www.abs.gov.au/> (under 'National Statistics/Consumer Price Index').

How are CPI Plus Deposits designed?

You decide:

- how much you want to deposit (subject to a minimum of AUD50,000);
- the Term of your CPI Plus Deposit; and
- if you want to receive the full Principal Amount at the end of the Term or receive Principal Payments during the Term.

Westpac then determines the Fixed Rate.

How is the Fixed Rate (if any) determined?

The Fixed Rate takes into account a variety of factors, including:

- the length of the Term;
- prevailing market interest rates;
- prevailing market Inflation expectations;
- market volatility; and
- Principal Payments (if any) during the Term.

The Fixed Rate is set when you accept the firm quote from Westpac.

See the section titled 'How to apply for a CPI Plus Deposit?' on page 7 for more information.

How is the Inflation Rate determined?

The Inflation Rate reflects the annual change in the CPI. On each Payment Date:

- the most recently published CPI is set as the 'Current CPI';
- the CPI published 4 quarters prior to the Current CPI is set as the 'Previous CPI'; and
- the Inflation Rate (expressed as a percentage) is calculated as follows:

$$[(\text{Current CPI} / \text{Previous CPI}) - 1] * 100$$

Is your Principal Amount adjusted for Inflation?

No. Furthermore, your coupon payment will not be compounded and cannot be reinvested in your CPI Plus Deposit.

What happens on the Commencement Date?

Westpac will debit the Principal Amount of your CPI Plus Deposit from your nominated bank account on the Commencement Date.

What happens on the Maturity Date?

If you choose not to receive Principal Payments during the Term, Westpac will return the Principal Amount to your nominated bank account on the Maturity Date, together with your coupon payment for that coupon period. However, if you choose to receive Principal Payments during the Term, Westpac will return the remaining Principal Balance to your nominated bank account on the Maturity Date, together with your coupon payment for that coupon period.

When do you receive coupon payments?

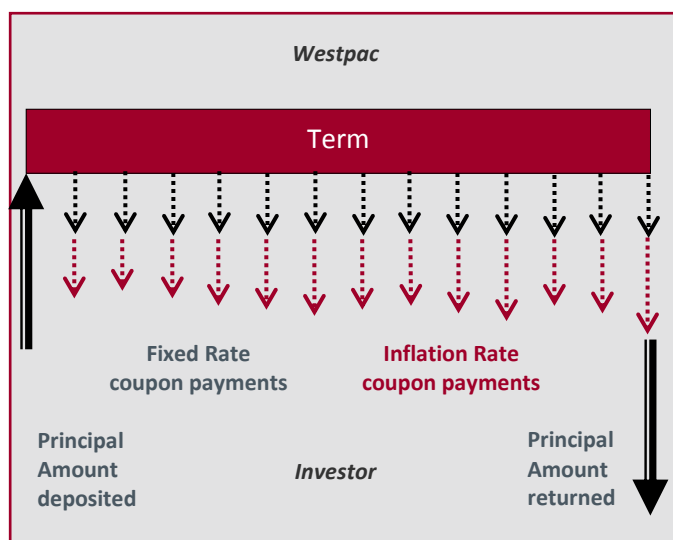
You will receive a coupon payment (also known as an interest payment) on each Payment Date during the Term of your CPI Plus Deposit. You will receive annual coupon payments unless we agree otherwise. The particular Payment Dates for your CPI Plus Deposit will be set out in your Confirmation and will apply for the Term.

When do you receive Principal Payments?

If you choose not to receive Principal Payments during the Term, Westpac will return the Principal Amount to your nominated bank account on the Maturity Date, along with your coupon payment for that coupon period. If you choose to receive Principal Payments during the Term of your CPI Plus Deposit, you will receive these payments on each Payment Date together with your coupon payments (unless agreed otherwise). At maturity, Westpac will return the remaining Principal Balance to your nominated bank account, along with your coupon payment for that coupon period.

Payment flow diagram

This diagram shows an example of the payment flows that occur during the Term of your CPI Plus Deposit.



The diagram above is for illustrative purposes only and represents the timing and nature of the payments relating to a hypothetical CPI Plus Deposit (assuming no Principal Payments during the Term). The diagram is not intended to represent the amount of, or variation in, the payment flows.

How much will your coupon payments be?

During the Term, your coupon payments will be paid in arrears for the period since the previous Payment Date (or the Commencement Date, as the case may be).

Your coupon payments are likely to change each Payment Date. This is because the Inflation Rate is a variable rate and the number of days in each coupon period may vary.

In each case, your coupon payment is calculated using the following formula:

A = the greater of:

- $B \times [C + ((D/E) - 1) \times 100\%] \times (F/365)$; and
- zero

where

- A** = your coupon payment;
- B** = the Principal Balance at the beginning of that coupon period;
- C** = the Fixed Rate expressed as a percentage;
- D** = the Current CPI expressed as a number;
- E** = the Previous CPI expressed as a number;
- F** = the number of days since (but not including) the previous Payment Date, or in the case of the first Payment Date, the number of days since (but not including) the Commencement Date.

The formula above ensures that your coupon payments (A) can never be less than zero.

Confirmations

Shortly after entering into a CPI Plus Deposit, Westpac will send you a Confirmation outlining the commercial terms of the transaction, including:

- the Principal Amount of your CPI Plus Deposit;
- the Commencement Date and Maturity Date (i.e. the Term) of your CPI Plus Deposit;
- the Fixed Rate;
- the Payment Dates; and
- the amount and frequency of Principal Payments (if any).

It is important you check the Confirmation to make sure that it matches your expectations. In the case of a discrepancy, you will need to raise the matter with your Westpac contact as a matter of urgency.

As the Confirmation sets out the commercial terms of your CPI Plus Deposit, Westpac will not provide you with regular statements of account. You can request a statement of account at any time by contacting us at the number listed at the back of this PDS.

Can I terminate before the Maturity Date?

Your CPI Plus Deposit is designed to be held to maturity. If you need to terminate your CPI Plus Deposit before the Maturity Date, we will consider your request. If, in our discretion, we agree to your request, then we will provide you with an indicative termination quote. If you accept the indicative termination quote, the CPI Plus Deposit will be cancelled and the (remaining) Principal Balance will be returned to you (subject to the costs / benefits of early termination – see the section titled 'Will I lose money if I terminate or vary the terms before the Maturity Date?' on this page for more information).

Can I vary the terms of my CPI Plus Deposit?

You may ask us to vary the terms your CPI Plus Deposit at any time before the Maturity Date. Westpac will then provide you with an indicative variation quote. This quote will incorporate the same factors as if you had requested an early termination. If you accept the variation quote, Westpac will send you a revised confirmation. Please note, you may lose money if you elect to vary the terms of your CPI Plus Deposit during its Term.

Will I lose money if I terminate or vary the terms before the Maturity Date?

You may. Our indicative termination or variation quote will incorporate a market bid-offer spread. The total cost – or benefit – of terminating or varying the terms of your CPI Plus Deposit before the Maturity Date depends on a

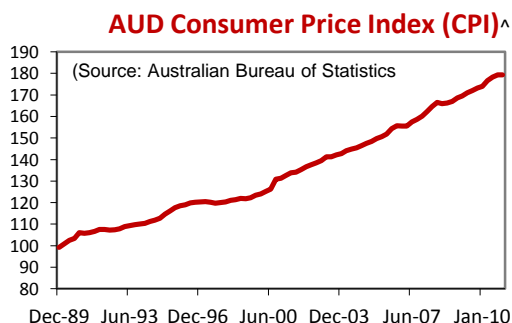
number of factors as at the termination or variation date, including:

- the actual market bid-offer spread and market interest rates and market Inflation expectations;
- the remaining time left to the Maturity Date;
- the level of the Fixed Rate;
- any costs or charges incurred by us in terminating early or varying the terms of your CPI Plus Deposit; and
- the Principal Balance on the date of termination or variation.

These factors may result in an early termination or variation payment being required from you. This payment could be significant. However, depending on the prevailing market conditions upon variation or early termination, you may realise a net benefit.

Historical Inflation

The CPI has historically shown a progressive increase over time and since its publication in 1948 there has only been one calendar year when Inflation was negative ('deflation'). That year was 1997 (-0.2%). The CPI has grown 69.5% since 1989-1990 - or an annual rate of 2.7% - when the index was set at 100 and 35% over the 10 years prior to 2010; an historical graph is shown below.



[^]please note: past performance is not necessarily an indication of future performance

What happens if the CPI ceases to exist or is changed?

The CPI is calculated and published by the Australian Bureau of Statistics. It is possible that:

- CPI may be rebased;
- CPI may become unavailable or temporarily or permanently discontinued; or
- there may be a material change in the method of calculating the CPI.

If Westpac decides in its sole discretion that any of these things has occurred then Westpac will, acting in good faith and a commercially reasonable manner:

- make any adjustments to the CPI that it considers appropriate in the circumstances;
- if necessary, determine an alternative index to use instead of the existing CPI; or
- if necessary, determine its own method for calculating the CPI.

This adjusted or successor index determined by Westpac ('Successor Index') will then be used for your CPI Plus Deposit.

If Westpac determines that there is no appropriate Successor Index, then Westpac may terminate your CPI Plus Deposit before its maturity. If we do this, we will calculate the total cost – or benefit – to you in terminating your CPI Plus Deposit before the Maturity Date. You will be liable for this cost, which may be significant. See the section 'Will I lose money if I terminate or vary the terms before the Maturity Date?' on page 6 which explains how we will determine the cost to you.

How to apply for a CPI Plus Deposit?

Please follow the steps below to apply for your CPI Plus Deposit:

- ensure you have read and understood this PDS;
- talk to your Westpac representative to confirm your eligibility for a CPI Plus Deposit;
- determine the Principal Amount, the Commencement Date and the Term of your CPI Plus Deposit, and if you want to receive Principal Payments during the Term;
- request an indicative quote from your Westpac representative;
- request a firm quote from your Westpac representative and, if you are satisfied with the firm quote, immediately accept the offer. You will be bound by the terms of your CPI Plus Deposit when you accept the firm quote. If the firm quote is not accepted immediately, the offer will automatically lapse;
- following acceptance of the firm quote you must, as soon as possible, return a properly completed Application Form (located at the back of this PDS) which is acceptable to Westpac. As Westpac will enter into hedging arrangements in respect of your CPI Plus Deposit immediately following your verbal acceptance of the firm quote; if you fail to provide an acceptable Application Form, if the Principal Amount is not deposited with us on the Commencement Date or if you otherwise breach the terms of your

CPI Plus Deposit, Westpac may terminate your CPI Plus Deposit before its maturity and you will be liable for any costs related to the termination. See the section titled 'Will I lose money if I terminate or vary the terms before the Maturity Date?' on page 6, which explains how we will determine the cost to you;

- Application Forms should be sent to your Westpac representative by email or fax, with a signed original

posted to the address shown on the Application Form; and

- shortly after entering into a CPI Plus Deposit, Westpac will send you a Confirmation outlining the commercial terms of the transaction. In the case of a discrepancy, you will need to raise the matter with your Westpac contact as a matter of urgency. See the section titled 'Confirmations' on page 6 for more information.

Example

The example below is indicative only and uses rates and figures that we have selected to demonstrate how the product works. In order to assess the merits of any particular CPI Plus Deposit, you would need to use the actual rates and figures quoted to you at the time. Note that the calculations below include rounding of decimal places.

You are an investor with AUD100,000 to invest for a period of five years. You would like to invest in a product that provides you with a regular income stream and a capital risk equal to a standard Westpac term deposit. You do not need to receive Principal Payments during the Term.

You are concerned about rising Inflation possibly eroding the purchasing power of your future coupon payments, so you would like to protect your investment and lock in a fixed interest rate for the Term while benefiting from rising Inflation.

As an investor, you are therefore interested in receiving a deposit rate that is linked to Inflation. This ensures that you receive progressively higher coupons when the rate of Inflation increases. You accept the risk that deflation will reduce the coupon you receive but recognise that in that scenario your cost of living is also likely to be falling.

In these circumstances, you consider a five-year investment in a CPI Plus Deposit. Your Westpac representative provides the following indicative quote for a deposit on these terms:

5-year CPI Plus Deposit	
Principal Amount	AUD100,000
Term	5 years
Coupon payment frequency	Annual
Fixed Rate	2.85%
Inflation Rate	Annual Inflation

The rates in this example are for illustrative purposes only and have been rounded to two decimal places.

In addition, for the purposes of this example, assume that there are 365 days in each annual coupon period.

- Using the formula set out on page 6 and assuming a Current CPI level of 184.8 and a Previous CPI level of 179.4 for the first coupon period starting at the Commencement Date, the Total Rate (the Fixed Rate plus the Inflation Rate) for this particular coupon period will equal 5.86%, being $[2.85\% + ((184.8/179.4) - 1) * 100\%]$. The interest payment for this particular coupon period will equal \$5,860.03 (being $\$100,000 \times [2.85\% + ((184.8/179.4) - 1) * 100\%] \times 365/365$).
- Using the formula set out on page 6 and assuming a Current CPI level of 191.2 and a Previous CPI level of 184.8 for the second coupon period starting 1 year after the Commencement Date, the Total Rate (the Fixed Rate plus the Inflation Rate) for this particular coupon period will equal 6.31%, being $[2.85\% + ((191.2/184.8) - 1) * 100\%]$. The interest payment for this particular coupon period will equal \$6,313.20 (being $\$100,000 \times [2.85\% + ((191.2/184.8) - 1) * 100\%] \times 365/365$).
- Using the formula set out on page 6 and assuming a Current CPI level of 193.5 and a Previous CPI level of 191.2 for the second coupon period starting 2 years after the Commencement Date, the Total Rate (the Fixed Rate plus the Inflation Rate) for this particular coupon period will equal 4.05%, being $[2.85\% + ((193.5/191.2) - 1) * 100\%]$. The interest payment for this particular coupon period will equal \$4,052.93 (being $\$100,000 \times [2.85\% + ((193.5/191.2) - 1) * 100\%] \times 365/365$).
- On the Maturity Date, using the formula set out on page 6 and assuming a Current CPI level of 213.5 and a Previous CPI level of 206.5 for the final coupon period, the Total Rate (the Fixed Rate plus the Inflation Rate) for this particular coupon period will equal 6.24%, being $[2.85\% + ((213.5/206.5) - 1) * 100\%]$. The interest payment for this particular coupon period will equal \$6,239.83 (being $\$100,000 \times [2.85\% + ((213.5/206.5) - 1) * 100\%] \times 365/365$). You will also receive your original Principal Amount of AUD100,000 back.

General information

Code of Banking Practice

The Code of Banking Practice is a self regulatory Code adopted by us and other banks. Its purpose is to set standards of good banking practice for banks to follow when dealing with individual and small business customers and their guarantors. If you are an individual or small business customer, each relevant provision of the Code applies to the CPI Plus Deposit described in this PDS.

The general descriptive information referred to in the Code (other than information in relation to bank cheques) is set out in this PDS. This includes information about:

- account opening procedures;
- our obligations regarding the confidentiality of your information;
- complaint handling procedures;
- the advisability of you informing us promptly when you are in financial difficulty; and
- the advisability of you reading the terms and conditions applying to a CPI Plus Deposit as set out in this PDS.

Anti-Money Laundering

Westpac is bound by laws about the prevention of money laundering and the financing of terrorism, including the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (“**AML/CTF Laws**”). By completing the Application Form, you agree that:

- you do not subscribe for a CPI Plus Deposit under an assumed name;
- any money used by you to invest is not derived from or related to criminal activities;
- any proceeds of your investment will not be used in relation to any criminal activities;
- if we ask, you will provide us with additional information we reasonably require for the purposes of AML/CTF Laws (including information about a CPI Plus Deposit holder, any beneficial interest in a CPI Plus Deposit, or the source of funds used to invest);
- we may obtain information about you or any beneficial owner of an interest in a CPI Plus Deposit from third parties if we believe this is necessary to comply with AML/CTF Laws; and
- in order to comply with AML/CTF Laws we may be required to take action, including:
 - delaying or refusing the processing of any application or withdrawal, or

- disclosing information that we hold about you or any beneficial owner of an interest in a CPI Plus Deposit to our related bodies corporate or service providers, or relevant regulators of AML/CTF Laws (whether in or outside of Australia).

Telephone conversations

Although you are required to complete an Application Form, the terms of a CPI Plus Deposit are usually discussed over the telephone. Conversations with our dealing room and settlement departments are recorded. This is standard market practice. Recorded conversations are retained for a limited period and are usually used where there is a dispute and for staff monitoring purposes. You will need to advise our dealer if you do not wish to be recorded.

Labour standards or environmental, social and ethical considerations

Westpac does not take into account labour standards or environmental, social or ethical considerations in providing this investment. To learn more about Westpac’s commitment to sustainability (including our latest Stakeholder Impact Report) go to www.westpac.com.au.

Dispute resolution

Sometimes you may want to talk about problems you are having with us. Fixing these problems is very important to us. We’ve put in place ways of dealing with your issues quickly and fairly.

Please talk to us first

We aim to resolve your complaint at your first point of contact with us. You can contact us by phone on (02) 8204 2790, by email or in writing to the address listed at the back of this PDS.

What to do if you are still unhappy

If we still haven’t been able to deal with your issues to your satisfaction, there are a number of other bodies you can go to. Our external dispute resolution provider is the Financial Ombudsman Service, our membership number is 10999 and the contact details are:

Financial Ombudsman Service
GPO Box 3, Melbourne, VIC 3001
Phone 1300 780 808
Fax: (03) 9613 6399
Internet: www.fos.org.au
Email: info@fos.org.au

ASIC also has a free call Infoline on 1300 300 630, which you may use to make a complaint and obtain further information about your rights.

Factors that may influence our advice

This document has been designed to help you choose the right product for your needs. When you ask for a recommendation, please be assured that our staff members will always explain your choices and suggest a suitable product. Sometimes our staff may be eligible for incentives, including cash incentives, for achieving or exceeding sales targets. For more information, please consider Westpac's Financial Services Guide, which is available:

- at www.westpac.com.au
- by writing to us at GPO Box 3433, Sydney NSW 2001; or
- from any of our branches.

Australian residents

Only Australian residents can invest in CPI Plus Deposits.

Privacy and confidentiality

By completing the Application Form, you consent to Westpac and any other person who is at any time a member of the Westpac Group ('**Westpac Company**') collecting, using, disclosing and handling your personal information in the manner set out in this section.

Westpac and Westpac Companies may use your information:

- to establish and administer the financial products and services any Westpac Company provides to you;
- for product development, research and analysis; and
- to provide additional services to you, such as market updates and information on products and services.

The Westpac Companies may collect your information from many places including your Application Form, correspondence with you or your legal, financial or tax adviser, the Westpac Company telephone calls with you or you using a Westpac Company's website or emailing a Westpac Company. The Westpac Companies may also collect your information from each other or from a service provider engaged to do something for any Westpac Company. Service providers typically engaged by Westpac Companies include registries, custodians, investment administrators, information technology advisers, mailhouses, auditors, legal advisers and consultants.

Sometimes, a Westpac Company, a service provider or your adviser may be located outside Australia. By signing the Application Form, you consent to your information being transferred to a person such as this who is outside Australia.

Each Westpac Company may disclose your personal information:

- to each other, our service provider, or a person who acts on your behalf in relation to your investment (such as your adviser);
- as required or permitted by law; or
- with your consent.

You can request access to your personal information, or ask for any corrections to be made, by visiting any of our branches or contacting us by phone on 132 032. Westpac tries to give each customer access to their information on request, but we will tell you if this is not possible. You can contact Westpac if you do not want to receive any marketing information from Westpac or any other Westpac Company. A copy of our privacy policy is available at www.westpac.com.au.

Providing Westpac with your Tax File Number ('TFN')

Westpac is required to report details of income earned, withholding tax deducted and TFNs quoted on an account, to the Australian Taxation Office annually. The collection of TFNs and their use and disclosure are strictly regulated by the Privacy Act (1988).

When you invest in a CPI Plus Deposit, you are required to provide your TFN or your Australian Business Number ('**ABN**'). This is because accounts that earn interest are subject to the Pay-As-You-Go ('**PAYG**') withholding rules.

- If the investment is made in the course of an enterprise (that is, business activities), you may provide an ABN as an alternative to your TFN.
- For joint accounts, the Australian Taxation Office (ATO) requires a minimum of two TFNs or ABNs (one each) from the account holders.
- If a formal trust is established and a trustee makes the investment, the trustee may quote the TFN of the trust.

Provision of a TFN or ABN is not compulsory. However, if you choose not to provide a TFN or ABN, you cannot invest in a CPI Plus Deposit unless you are eligible to claim an exemption from quoting your TFN so that withholding tax will not be deducted. You will need to tell us the type of exemption you are claiming. Those eligible include:

- most pensioners;
- companies or unincorporated associations that are exempt from lodging tax returns and do not have TFNs (for example, charitable, social and non-profit organisations); and

- children under 18 where the investment income is less than \$416 per annum.

Taxation

Taxation law is complex and its application will depend on a person's individual circumstances. When determining whether or not this product is suitable for you, you should consider the impact it will have on your own taxation position and seek professional advice on the tax implications it may have for you.

Financial Claims Scheme

You may be entitled to payment under the Australian Government's Financial Claims Scheme. Payments under the scheme are subject to a limit for each depositor. Information about the scheme can be obtained from the APRA website at <http://www.apra.gov.au> and the APRA hotline on 1300 131 060.

Glossary

ABS means the Australian Bureau of Statistics.

Application Form means the form at the end of this PDS, or such other form of application as Westpac determines in its absolute discretion from time to time is acceptable.

Commencement Date means the date on which the Principal Amount of your CPI Plus Deposit is to be deposited with Westpac (usually by drawing from your nominated account), as indicated in your Confirmation.

Confirmation means the document issued to you by Westpac following receipt (and subject to acceptance) of your Application Form.

Consumer Price Index (CPI) means the non-revised Index of consumer prices for the weighted average of eight capital cities: 'All-Groups Index before Seasonal Adjustment' or relevant Successor Index selected by Westpac acting in a commercially reasonable manner, measuring the rate of Inflation in Australia, expressed as an index and published by the ABS. The first publication or announcement of a level of the CPI for a coupon period shall be final and later revisions of the CPI for such coupon period will not be used in any calculations.

Current CPI means the most recently published CPI at each Payment Date.

Fixed Rate means the fixed interest rate applying to your Principal Amount during the Term. The Fixed Rate is set when you accept the firm quote from Westpac.

Inflation is a positive change (increase) in the price of a basket of goods and services that is representative of the general level of prices of goods and services in the economy as a whole. When Inflation is negative, it is referred to as 'deflation'. Inflation is measured by the changes in the Consumer Price Index (CPI), which is published by the Australian Bureau of Statistics (ABS).

Inflation Rate means the rate reflecting annual Inflation, expressed as a percentage. The Inflation Rate is calculated according to the following formula:
$$[\text{Current CPI} / \text{Previous CPI} - 1] * 100.$$

Maturity Date means the date on which your CPI Plus Deposit expires, as indicated in your Confirmation.

Payment Date refers to each date on which a coupon payment will be made by us in respect of your Principal Amount. Payment Dates will be on an annual basis, unless we agree otherwise. The specific Payment Dates applying to your investment will be specified in your Confirmation. If a Payment Date does not fall on a business day, the payment will be processed on the following business day.

PDS means Product Disclosure Statement.

Previous CPI means the CPI published four quarters prior to the Current CPI.

Principal Amount means the cash amount invested by you on the Commencement Date.

Principal Balance means, on any day during the Term, the Principal Amount less the sum of Principal Payments (if any) made prior to that date.

Principal Payments means, where applicable, the payments representing a portion of the Principal Amount that you receive on each Payment Date during the Term. These payments are not required to be equal for each coupon period.

Term means the period between the Commencement Date and the Maturity Date (one year to ten years).

Total Rate means the Fixed Rate plus the Inflation Rate.

Westpac means Westpac Banking Corporation ABN 33 007 457 141 Australian Financial Services Licence No. 233714, and includes references to 'we', 'our' and 'us'.

Contact Details

For more information, please contact Premium Market Sales of our Global Capital Markets team.

Premium Markets Sales

Level 2
275 Kent Street
Sydney NSW 2000
Phone (02) 8204 2790
Fax +61 2 8254 6930

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Application Form

OFFICE USE ONLY
 Adviser / Banker name
 Adviser email
 Primary Account Holder's CIS key

CPI Plus Deposit

Please fax or email the completed application form to your Westpac representative and post the original to WIB Interest Rates & Treasury, Level 9, 55 Market Street, Sydney 2000.

- You will be bound by the terms of your CPI Plus Deposit ('Conditions') when you accept a firm quote from Westpac.
- Following acceptance of the firm quote you must, as soon as possible, return a properly completed Application Form which is acceptable to Westpac. As Westpac enter into hedging arrangements in respect of your CPI Plus Deposit immediately following your verbal acceptance of the firm quote; if you fail to provide an acceptable Application Form, if the Principal Amount is not deposited with us on the Commencement Date or otherwise if you breach the terms of your CPI Plus Deposit, Westpac may terminate your CPI Plus Deposit before its maturity and you will be liable for any costs related to the termination.
- Applications will only be accepted in Australian dollars. Any payments made by Westpac will only be paid in Australian dollars.
- Following receipt of an acceptable Application Form, Westpac will send you a Confirmation outlining the commercial terms of the transaction, including the Principal Amount, the Commencement Date and Maturity Date (i.e. the Term), the Fixed Rate, the Payment Dates and the amount of Principal Payments (if any). These commercial terms will match (as closely as reasonably possible) the preferences set out in Section A below. In the case of a discrepancy, you will need to raise the matter with your Westpac contact as a matter of urgency.

Which sections do you need to complete?	Individuals	Individual trustees	Companies	Corporate trustees
A Your investment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
B Your details	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
C Direct Debit Request	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
D Payment Instructions Request	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
E Declarations & acknowledgments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Attachment – Certified Copy Certificate	<input type="checkbox"/> (New customers)	<input type="checkbox"/> (New customers)		

A Your investment (must match the firm quote exactly)

Investment: CPI Plus Deposit Principal Amount to be invested (Minimum of AUD50,000)

Commencement Date / / AUD , , .

Total Term Months Years Principal Payments during Term Yes No

Fixed Rate: _____ % (as per the firm quote received from Westpac)

B Your details

Company name (if any) ABN (if any)

Date of registration (if any) / / Place of registration (if any) Listed parent company (if any)

Trust name (if any)

<p>Primary Account Holder / Individual Trustee / Director</p> <p>Title <input type="text"/> Surname <input type="text"/></p> <p>Given name (s) <input type="text"/></p> <p>Date of birth <input type="text"/>/ <input type="text"/>/ <input type="text"/> Occupation <input type="text"/></p>	<p>Secondary Account Holder (if any) / Director / Company Secretary</p> <p>Title <input type="text"/> Surname <input type="text"/></p> <p>Given name (s) <input type="text"/></p> <p>Date of birth <input type="text"/>/ <input type="text"/>/ <input type="text"/> Occupation <input type="text"/></p>
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Residential address (for individuals) or registered address (for companies) – post office boxes not acceptable.

4. Direct Debiting through the Bulk Electronic Clearing system is not available on all accounts. Please ensure that your nominated account can accept direct debits and that there are sufficient funds available in the nominated account, on the due date, to cover the direct debit. We suggest that you check your account details against a recent statement from the financial institution to confirm the account details.
5. You agree to advise Westpac as soon as possible, if the nominated account is transferred or closed, or your account details change.
6. If your direct debit arrangements are cancelled for any reason, you agree to arrange an alternative method of making the payment.
7. Requests for stops or cancellations may be made to the financial institution where your account is held. If you are uncertain as to when a debit will be processed, you should enquire directly with the financial institution where the account is held.
8. All account holders nominated on the financial institution account to be debited must sign the Direct Debit Request.
9. If your due date for a payment falls on a weekend or National Public Holiday, Westpac will automatically direct debit the payment on the next business day after the weekend or National Public Holiday.
10. If your financial institution cannot withdraw the nominated amount from your account (for example, if there are insufficient funds available) they may dishonour the withdrawal. Your financial institution may charge you a dishonour fee in accordance with the conditions for that account.
11. If you consider that a direct debit has been initiated incorrectly, or if you don't understand any aspect of the direct debit procedure, you should contact Westpac using the Contact Details provided in the PDS.

D Payment Instructions Request (if different from above)

BSB	Account Number	Account Name
<input type="text"/>	<input type="text"/>	<input type="text"/>
Name of Financial Institution		Branch
<input type="text"/>		<input type="text"/>

I/We request and authorise Westpac (User ID number 427920), to arrange for any amounts which become payable in respect of this investment to be credited through the Bulk Electronic Clearing system. We understand and acknowledge that:

- my/our financial institution has absolute discretion to decide the order in which it will pay monies under this request, or any other request, authority or mandate, and including the discretion to refuse to honour this request at anytime;
- this request operates on the same terms (where applicable) of the Direct Debit Services Agreement as set out in Section C on the previous page (as varied by Westpac) which I/we have read and, by signing below, agreed to.

Applicant's / Director's signature

X

Applicant #2's / Director's / Secretary's signature

X

Applicant's / Director's name

Applicant #2's / Director's / Secretary's name

E Declarations and acknowledgments

By submitting the Application Form, each Applicant:

1. confirms that they have validly accepted and are bound by the firm quote offered by Westpac relating to the investment described in Section A of this Application Form;
2. acknowledges that they have read the PDS;
3. has agreed to accept a CPI Plus Deposit on the basis of the terms and conditions set out in the PDS;
4. acknowledges that they have read the key risks set out in the PDS, including that a CPI Plus Deposit is designed to be held to maturity and that an early termination or variation will have a cost to them;
5. represents and warrants each Applicant submitting this Application Form has provided complete, accurate and truthful information in it and:
 - (where applicants are individuals) is aged at least 18 years;
 - (where applicants are applying in their capacity as trustee of a trust) has properly exercised all trust powers and has full, complete and valid authority to enter into the investment in question;
4. acknowledges:
 - they cannot withdraw this Application without Westpac's consent, subject of course to their statutory rights otherwise;
 - that if the Application Form is unacceptable, if the Principal Amount is not deposited with Westpac on the Commencement Date or otherwise if they breach the terms of their CPI Plus Deposit, Westpac may terminate their CPI Plus Deposit before its maturity and that the Applicant will be liable for any costs related to the termination. These costs may be significant;
 - this Application Form does not constitute financial advice, and has been prepared without taking the Applicant's financial objectives, circumstances and needs into account. Each Applicant therefore acknowledges the need to consider its appropriateness; and
5. consents for personal information being collected, maintained, used and disclosed in the manner set out in this Application Form.

Applicant's / Director's signature

X

Applicant #2's / Director's / Secretary's signature

X

Applicant's / Director's name

Applicant #2's / Director's / Secretary's name

C Details of documents certified

- At least **two identification documents** must be certified with at least one being a **primary identification document**.
- The combination of identification documents certified must contain the customer’s **full name, residential address and date of birth**.
- Certify the first page of the document(s) with “This is a true copy of the original document” followed by the Certifier’s signature and the date. Initial any subsequent pages.
- All documents **must be current unless specified otherwise**.
- If any document is written in a language other than English it must be accompanied by an English translation prepared by an accredited translator.

Primary identification documents – please tick (v) which documents(s) are certified.

Document	Certified
Birth certificate – Australian (full birth certificate or extract birth certificate)	<input type="checkbox"/>
Birth certificate – Foreign (issued by a foreign government, the United Nations or an agency of the United Nations, must be a full birth certificate) ...	<input type="checkbox"/>
NSW birth card*	<input type="checkbox"/>
Citizenship certificate – Australian *	<input type="checkbox"/>
Citizenship certificate – Foreign (issued by a foreign government) *	<input type="checkbox"/>
Driver’s licence – Australian	<input type="checkbox"/>
Learner driver’s licence – Australian	<input type="checkbox"/>
Passport – Australian (can either be current or expired within the last 2 years; must not be cancelled, defaced or mutilated)*	<input type="checkbox"/>
Passport – Foreign (issued by a foreign government, the United Nations or an agency of the United Nations; must not be cancelled, defaced or mutilated)*	<input type="checkbox"/>
Travel document – Foreign (issued by a foreign government, the United Nations or an agency of the United Nations)*	<input type="checkbox"/>
Boat licence – Australian*	<input type="checkbox"/>
Taxi licence – Australian *	<input type="checkbox"/>
Pension card - Centrelink	<input type="checkbox"/>
Pension card – Department of Veterans’ Affairs	<input type="checkbox"/>
KEYPASS photo ID card *	<input type="checkbox"/>
18+ Proof of age card	<input type="checkbox"/>
National identity card (issued by a foreign government, the United Nations or an agency of the United Nations)*	<input type="checkbox"/>
NSW RTA photo card or Proof of age card *	<input type="checkbox"/>

*must contain a photograph and signature

Secondary identification documents – please tick (v) which documents(s) are certified.

Document	Certified
Driver’s licence – Foreign *	<input type="checkbox"/>
Security guard’s licence	<input type="checkbox"/>
Shooter’s/firearms licence *	<input type="checkbox"/>
Blind Citizens Australian ID card *	<input type="checkbox"/>
Multiple Sclerosis Society photo ID card *	<input type="checkbox"/>
Public Service employee ID card – Australian *	<input type="checkbox"/>
Student ID card – Australian higher education (TAFE or University) *	<input type="checkbox"/>
Working with Children check card (Blue card) Queensland, VIC, WA *	<input type="checkbox"/>
Australian Taxation Office (ATO) notice issued within the last 12 months and includes the customer’s name and residential address	<input type="checkbox"/>
Financial benefits notice issued by a Commonwealth, State or Territory government issued within the last 12 months and includes the customer’s name and residential address (e.g. a notice from Centrelink)	<input type="checkbox"/>
Financial institution passbook (Australian) which must be current and have a black light signature	<input type="checkbox"/>
Utilities notice issued by a local government or utilities provider within the last 3 months and includes the customer’s name and residential address	<input type="checkbox"/>
Health care card – Centrelink	<input type="checkbox"/>
Health care card – Department of Veterans’ Affairs	<input type="checkbox"/>
Marriage certificate – Australian	<input type="checkbox"/>
Medicare card	<input type="checkbox"/>
Commonwealth seniors health card or State seniors card	<input type="checkbox"/>

*must contain a photograph and signature

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