

# Smart Bill

## Supplementary Product Disclosure Statement 29 September 2009

This Supplementary Product Disclosure Statement ('SPDS') is dated 29 September 2009 and is issued by Westpac Banking Corporation (ABN 33 007 457 141 AFSL No. 233714). It supplements the Smart Bill Product Disclosure Statement dated 1 August 2006 ('Original PDS'). This SPDS should be read with the Original PDS – together they make up the Product Disclosure Statement ('PDS'). In particular, terms defined in the Original PDS have the same meaning in the SPDS, unless the context requires otherwise. For further information, please contact the relevant state dealing desk using the contact details listed in the Original PDS or visit [www.westpac.com.au](http://www.westpac.com.au)

### From 29 September 2009 we have made the changes set out below to the Original PDS.

This SPDS amends the Original PDS by replacing the text in certain sections of the Original PDS as set out in the table below:

Relevant page number of the Original PDS	Relevant section title of the Original PDS	Replacement text
9	<b>What to do if you have a problem or dispute</b>	<p>The following text replaces the text under the section titled "What to do if you have a problem or dispute":</p> <p><b>"Getting your complaint heard</b></p> <p>Sometimes you may want to talk about problems you are having with us. Fixing these problems is very important to us.</p> <p>We've put in place ways of dealing with your issues quickly and fairly.</p> <p><b>Please talk to us first</b></p> <p>We aim to resolve your complaint at your first point of contact with us in a timeframe agreed with you. This is our 'Ask Once' promise. So please raise your complaint with any of the people handling your banking. Alternatively, you can contact us by phone or in writing using the details listed at the back of this PDS.</p> <p><b>What to do if you are still unhappy</b></p> <p>If we 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:</p> <p>Financial Ombudsman Service GPO Box 3 Melbourne VIC 3001 Phone 1300 780 808 Fax: (03) 9613 6399 Internet: <a href="http://www.fos.org.au">www.fos.org.au</a> Email: <a href="mailto:info@fos.org.au">info@fos.org.au</a></p> <p>You can also contact the Australian Securities &amp; Investments Commission (ASIC) to make a complaint and to obtain further information about your rights. They have a freecall Infoline on 1300 300 630 and e-mail contact address at <a href="mailto:infoline@asic.gov.au">infoline@asic.gov.au</a>"</p>
9	<b>Financial Crimes Monitoring</b>	<p>The following text replaces the text under the section titled "Financial Crimes Monitoring":</p> <p>"Please be advised that in order for Westpac to meet its regulatory and compliance obligations relating to anti-money laundering and counter terrorism financing, we will be increasing the levels of control and monitoring we perform.</p> <p>You should be aware that:</p> <ul style="list-style-type: none"><li>• transactions may be delayed, blocked or refused where we have reasonable grounds to believe that they breach Australian law or the law of any other country;</li><li>• where legally obliged to do so, we may disclose the information gathered to regulatory and/or law enforcement agencies.</li></ul>

		<p>Upon entering into any Smart Bill with Westpac, you agree:</p> <ul style="list-style-type: none"><li>• you are not and will not enter into any agreement with Westpac under an assumed name;</li><li>• any funds used by you to enter into an agreement with Westpac have not been derived from or related to any criminal activities;</li><li>• any payments received from Westpac will not be used in relation to any criminal activities;</li><li>• if we ask, you will provide us with additional information we reasonably require from you; and</li><li>• we may obtain information about you or any beneficial owner of an interest in an agreement with Westpac from third parties if we believe this is necessary to comply."</li></ul>
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# Smart Bill

## Product Disclosure Statement

Issued by:  
Westpac Banking Corporation ABN 33 007 457 141  
Australian Financial Services Licence Number: 233714  
Dated 1 August 2006



# Contents

Important Information about this Product Disclosure Statement (PDS) . . . . .	3
Smart Bill Summary. . . . .	4
What is a Smart Bill? . . . . .	5
How does a Smart Bill work? . . . . .	5
Are there any Westpac credit requirements before dealing? . . . . .	5
What are the costs? . . . . .	5
What are the significant benefits of a Smart Bill? . . . . .	5
What are the significant disadvantages of a Smart Bill? . . . . .	6
What are the significant risks of a Smart Bill? . . . . .	6
What happens on a Reset Date? . . . . .	6
Can I terminate a Smart Bill before maturity? . . . . .	6
What will be the value of the Smart Bill on early termination? . . . . .	6
What happens if I accept? . . . . .	6
What documentation is required? . . . . .	6
What about confirmations? . . . . .	6
Example. . . . .	7
Other things you should know. . . . .	8
Taxation. . . . .	8
Telephone Conversations . . . . .	8
Factors that may influence our advice . . . . .	8
Communications with you . . . . .	8
Code of Banking Practice Compliance . . . . .	8
Privacy and confidentiality compliance . . . . .	8
What to do if you have a problem or dispute . . . . .	9
Financial Crimes Monitoring . . . . .	9
Example Confirmation . . . . .	10
Glossary. . . . .	12
Contact Details . . . . .	12

# Important Information about this Product Disclosure Statement (PDS)

A PDS is an information document. Its purpose is to provide you with enough information so that you can decide if the product will meet your needs. A PDS is also a tool for comparing the features of other products you may be considering. This PDS also sets out the terms applying to a Smart Bill. These terms form the contract between you and us and will be binding on you in your dealings with us.

You should read and consider all sections of this PDS carefully before making a decision about the suitability of this product for you. You may also wish to obtain independent expert advice about this. If you have any questions about this product, please contact us on any of the numbers listed at the back of this PDS.

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

The information set out in this PDS is general in nature. It has been prepared without taking into account your objectives, financial situation or needs. Because of this, you should 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.

The information in this PDS 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 you) or by posting the information on our web site. You can get a paper copy of any updated information without charge by calling us.

This PDS is intended for retail clients in Australia only. Distribution of it in jurisdictions outside Australia may be restricted by law and persons who come into possession of it, who are not in Australia, should seek advice. If you are in Australia and have received it electronically, we will give you a paper copy on request, without charge. To obtain a copy, refer to the contact details listed at the back of this PDS.

## Smart Bill Summary

Overview	A Smart Bill is an interest rate management tool for customers who have a variable rate bank bill facility with Westpac.
Costs	There are no up-front out of pocket costs with a Smart Bill. See “What are the costs?” on page 5.
Significant Benefits	A Smart Bill provides protection against unfavourable interest rate movements while giving you some ability to participate in any favourable movements as long as the trigger rate is not reached.  See “What are the significant benefits of a Smart Bill?” on page 5.
Significant Disadvantages	If the trigger rate is reached on a reset date, you become obliged to sell your bills at the higher than market contract rate.  See “What are the significant disadvantages of a Smart Bill?” on page 6.  See also “What are the significant risks of a Smart Bill?” on page 6.
Minimum Transaction Amount	Australian dollars 100,000.
Term	1 year to 10 years (other terms may be available on request).
Early Termination	You can terminate a Smart Bill early but there may be a cost to you if you do.  See “Can I terminate a Smart Bill before maturity?” on page 6.

## What is a Smart Bill?

A Smart Bill is an interest rate risk management tool for customers who have a variable rate bank bill facility with Westpac. A Smart Bill can help you to protect yourself against unfavourable movements in interest rates while giving you some ability to participate in any favourable movements provided that a predetermined level is not reached.

A Smart Bill is not a lending facility and can only be used in conjunction with a Westpac variable rate bank bill facility. It only affects the base interest rate applicable to your bank bill facility. It does not affect any acceptance or other fees and margins payable. Your bank bill facility will continue to be governed by the terms and conditions set out in your business finance agreement.

### How does a Smart Bill work?

Under a Smart Bill, you agree to sell to Westpac a specified amount of bills of exchange drawn under your Westpac bank bill facility (bills) on pre-determined dates (reset dates). You will sell the bills at either:

- a pre-determined yield to maturity interest rate (the contract rate) or
- the prevailing Westpac bank bill drawdown rate (WBBD).

At the time you enter into a Smart Bill, you nominate the amount of bills to be sold, and we agree a contract rate and a trigger rate. The contract rate represents the maximum base interest rate payable throughout the life of the Smart Bill. You also set a series of reset dates that match the scheduled roll over dates for your bills.

On each reset date, Westpac compares the contract rate and the trigger rate with the prevailing WBBD.

The possible outcomes are:

- if the WBBD is lower than the contract rate but is not at or below the trigger rate, you will sell your bills to Westpac at the prevailing WBBD. Here, the protection provided by the Smart Bills is not triggered and the base interest rate applying to your bill facility remains at the WBBD.
- if the WBBD is lower than the contract rate but is also at or below the trigger rate, you are obliged to sell your bills to Westpac at the higher than market contract rate. Here, not only are you unable to get the benefit of the prevailing lower interest rates but you are locked into paying the higher contract rate.
- if the WBBD is higher than the contract rate, you will sell your bills to Westpac at the contract rate. As the contract rate is lower than the WBBD, the Smart Bill caps the base interest rate applicable to your bills for this period.

### Are there any Westpac credit requirements before dealing?

Before entering into a Smart Bill, Westpac will assess your financial position to determine whether or not your situation satisfies our normal credit requirements. This assessment is to determine your creditworthiness: we do not consider the suitability of this product for you as part of this process. Westpac will advise you of the outcome of its review as soon as possible.

If your application is successful, you will need to sign Westpac's standard finance documentation. This documentation sets out the terms of the credit approval and other matters relevant to your application.

### What are the costs?

Westpac sets the trigger rate and the contract rate at particular levels in order to create a zero cost structure. This results in no up-front out of pocket costs payable by you.

When determining the contract rate and trigger rate, Westpac takes several factors into account including:

- the size and term of the Smart Bill
- market interest rates, and
- market volatility.

While the transaction is structured on a zero cost basis, Westpac still derives a financial benefit. Westpac obtains that benefit by incorporating a margin into the contract rate and trigger rate. In effect, you pay for the Smart Bill by accepting the contract rate and the trigger rate quoted by Westpac.

### What are the significant benefits of a Smart Bill?

- Smart Bills provide you with protection against unfavourable interest rate movements, while giving you some ability to participate in any favourable movements provided the trigger rate is not reached.
- Smart Bills are flexible. They can be tailored to meet your individual needs.

## What are the significant disadvantages of a Smart Bill?

- You are obliged to sell your bills at the higher than market contract rate if the WBBB reaches the trigger rate.
- The pre-determined contract rate may be less favourable than the standard fixed rate bill rate.
- While Smart Bills can be cancelled, there may be a cost to you in doing so – see “Can I terminate a Smart Bill before maturity?” below for further details.

## What are the significant risks of a Smart Bill?

As is the case with most financial markets products we enter into, we have performance obligations under a Smart Bill. If we are unable to perform our obligations under your Smart Bill, you would be exposed to market fluctuations as if you had not entered into a Smart Bill.

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.

## What happens on a Reset Date?

On a reset date, you must sell your bills to Westpac at:

- the contract rate, if the WBBB is higher than the contract rate;
- the WBBB, if the WBBB is lower than the contract rate but is not at or below the trigger rate; or
- the contract rate, if the WBBB is at or below the trigger rate.

## Can I terminate a Smart Bill before maturity?

You may ask us to terminate your Smart Bill at any time up to maturity. We will then provide you with a quote for cancelling the Smart Bill.

## What will be the value of the Smart Bill on early termination?

Our quote will incorporate the same variables (the contract rate, trigger rate, amount and term) used when pricing the original Smart Bill. These will be adjusted for the prevailing market rates over the remaining term of the Smart Bill. We will also need to consider the cost of reversing or offsetting your original transaction. When doing this we take into account the current market rates that apply to any offsetting transactions.

## What happens if I accept?

If you accept the quote, we will cancel the Smart Bill. You should appreciate that there may be a cost to you if you terminate early.

## What documentation is required?

The commercial terms of a particular Smart Bill are agreed verbally over the phone. Once we reach an agreement, both you and Westpac are bound by those terms. You will also be bound by the terms set out in this PDS and in the confirmation that will be sent to you shortly after entering into the Smart Bill. That confirmation will include the commercial terms as well as other general terms and conditions, and will be in substantially the same form as the one attached to this document. We strongly suggest you fully consider the attached confirmation before entering into any transaction.

## What about confirmations?

Shortly after entering into a Smart Bill, Westpac will send you a confirmation outlining the commercial terms of the transaction. You will need to sign this confirmation and return it to Westpac.

It is extremely important that you check the confirmation to make sure it accurately records the terms of the transaction. If there is a discrepancy between your understanding and the confirmation, you will need to raise it with your Westpac representative as a matter of urgency.

## Example

The example below is indicative only and uses rates and figures selected to demonstrate how the product works. To assess the merits of any particular Smart Bill, you need to use the actual rates and figures quoted to you at that time. The interest rates used below are percentage per annum rates.

### Scenario

You are a borrower with a \$1,000,000 Westpac bank bill facility with a term of three years, with quarterly drawdowns referencing the 90-day WBBB. If you did nothing, the interest rate of your bank bill for each quarter will be the prevailing WBBB.

You are unsure about the future direction of interest rates. You wish to protect yourself against interest rate rises but you would still like to be able to benefit from lower rates.

#### How will a Smart Bill work?

Assume you enter into a 3 year quarterly Smart Bill with a contract rate of 6.95%, a trigger rate of 5% and quarterly reset dates. The amount of bills covered by the Smart Bill is \$1,000,000.

If, on any reset date, the WBBB is at or above the 6.95% contract rate, you would sell your bills to Westpac at the contract rate. This means the base interest rate payable under your bank bill facility effectively becomes the contract rate. Where the WBBB is higher than the contract rate, you would be better off as the contract rate is less than the prevailing WBBB.

If, on any reset date, the WBBB is below the 6.95% contract rate but above the trigger rate of 5%, you would sell your bills to Westpac at the WBBB. As you would be selling bills at WBBB, your position will be the same as if you had not entered into the Smart Bill. Your effective base interest rate remains at the WBBB.

If, on any reset date, the WBBB is at or below the 5% trigger rate, you would have to sell your bills to Westpac at the higher than market contract rate of 6.95%. Here, you would be worse off as the contract rate is much higher than the prevailing WBBB. This also highlights the fact that for the life of the Smart Bill, your base interest rate will always be more than the trigger rate.

## Other things you should know

### Taxation

Taxation law is complex and its application to this product will depend on your particular circumstances. We make no claim that this product will provide a beneficial or appropriate tax outcome for you. When determining whether this product is suitable for you, you should consider the impact it will have on your own taxation position and seek professional advice if needed. We note that the Australian government is currently in the process of reforming the taxation treatment of certain financial arrangements and the taxation implications of this product may change for you in the future.

### Telephone conversations

The terms of a Smart Bill are agreed verbally over the telephone. Once we have reached an agreement, both you and Westpac are bound by the terms of the Smart Bill.

Conversations with our dealing room and settlement departments are taped. This is standard market practice. We do this to make sure that we have complete records of the details of all transactions. Taped conversations are retained for a limited period and are usually used where there is a dispute and for staff training and monitoring purposes.

You will need to advise our dealer if you do not wish to be recorded. However, we will not enter into any transaction over the telephone unless the conversation is recorded.

### 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.

### Communications with you

From time to time, members of the Westpac Group may contact you with or send you information about other Westpac products and services that we feel might be of relevance or benefit. (Westpac Group refers to Westpac Banking Corporation and its related bodies corporate).

Although we encourage you to receive this information, it is not compulsory. If you do not wish to receive it, please advise us in one of these three ways:

- call Telephone Banking on 132 032;
- write to us at GPO Box 3433, Sydney NSW 2001; or
- visit any of our branches.

You don't need to do this if you have already told us you do not want to receive this sort of information.

### Code of Banking Practice Compliance

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 persons who are, or who may become, 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 product described in this PDS. The general descriptive information referred to in the Code (other than information in relation to bank cheques and account opening procedures) is set out in this PDS. This includes information about:

- 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 Smart Bill.

If you would like to discuss whether or not the Code will apply to you, please contact us on the numbers set out at the back of this document.

### Privacy and confidentiality compliance

Westpac's Privacy Policy explains our commitment to the protection of your personal information. You may obtain a copy of our Privacy Policy by:

- calling Telephone Banking on 132 032
- contacting any of our branches
- visiting our web site at [www.westpac.com.au](http://www.westpac.com.au)

In addition to Westpac's duties under legislation, it has a general duty of confidentiality towards you, except:

- where disclosure is compelled by law
- where there is a duty to the public to disclose
- where the interests of Westpac require disclosure
- where disclosure is made with your express or implied consent.

## What to do if you have a problem or dispute

### Getting your complaint heard

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 in a timeframe agreed with you. This is our 'Ask Once' promise. So please raise your complaint with any of the people handling your banking.

You can contact us 24 hours a day, 7 days a week from anywhere in Australia, by:

**Phone:** 1300 130 467

**Email:** Go to our website – [www.westpac.com.au](http://www.westpac.com.au) and click on 'Contact Us'

**Fax:** 02 9220 4177

**Mail:** GPO Box 5265, Sydney NSW 2001

### Contact our National Customer Relations Unit

If we can't resolve your complaint at your first point of contact with us, we will escalate it to our National Customer Relations Unit. They will aim to resolve your complaint in a timeframe agreed with you.

You can also contact our National Customer Relations Unit:

**Phone:** 1300 130 206

**Email:** Go to our website – [www.westpac.com.au](http://www.westpac.com.au) and click on 'Contact Us' and then click on 'Complaints and Compliments'

**Fax:** 02 9220 4177

**Mail:** NCRU, GPO Box 5265, Sydney NSW 2001

### Contact our Customer Advocate

If you feel we did not act fairly in the way we handled your complaint or in the way we resolved your complaint, you can ask our Customer Advocate to review the matter for you.

The Customer Advocate's role is to act as independently as possible to make sure that Westpac has treated you fairly.

You can contact our Customer Advocate on:

**Phone:** 1300 301 977

**Mail:** Customer Advocate,  
GPO Box 5265  
Sydney NSW 2001

### What to do if you are still unhappy

If we haven't been able to deal with your issues to your satisfaction, there are a number of other bodies you can go to. You may be able to refer your complaint to either of the external organisations listed below:

#### Financial Industry Complaints Service Limited

PO Box 579, Collins Street West, Melbourne VIC 8007

**Phone:** 1300 780 808

**Fax:** (03) 9621 2291

**Internet:** [www.fics.asn.au](http://www.fics.asn.au)

#### Banking and Financial Services Ombudsman Limited

GPO Box 3, Melbourne VIC 3001

**Phone:** 1300 780 808

**Fax:** (03) 9613 7345

**Internet:** [www.bfso.org.au](http://www.bfso.org.au)

You can also contact the Australian Securities & Investments Commission (ASIC) to make a complaint and to obtain further information about your rights. They also have a freecall Infoline – **1300 300 630** and e-mail contact address – [infoline@asic.gov.au](mailto:infoline@asic.gov.au)

## Financial Crimes Monitoring

Please be advised that in order for Westpac to meet its regulatory and compliance obligations relating to anti-money laundering and counter financing of terrorism, we will be increasing the levels of control and monitoring we perform.

You should be aware that:

- transactions may be delayed, blocked or refused where we have reasonable grounds to believe that they breach Australian law or the law of any other country;
- we may from time to time require additional information from you to assist us in the above compliance process;
- where legally obliged to do so, we may disclose the information gathered to regulatory and/or law enforcement agencies.

You must not initiate or conduct a transaction that may be in breach of Australian law or the law of any other country.

# Example Confirmation

L3, 255 Elizabeth St, Sydney, NSW 2000 Australia  
P.O. Box A990, Sydney South, NSW 1235 Australia  
Tel: 1800 221 815 Fax (02) 9284 8259 9284 8522  
Telex: AA24251 SWIFT: WPACAU2F

**Westpac Institutional Bank**

[Customer]  
[Address]

[Date]

ATTENTION: [Contact name]

## Smart Bill Confirmation

The purpose of this letter is to confirm the terms and conditions of the Smart Bill transaction entered into between Westpac Banking Corporation (Westpac) and [customer] (Customer) on the Trade Date specified below.

The Customer will, on the terms set out below, sell Bank Accepted Bills of Exchange drawn under your Westpac bank bill facility (Bills) to Westpac on specified dates (Reset Dates) at either a pre-determined yield to maturity interest rate (Contract Rate) or at the prevailing Westpac Bank Bill Drawdown Rate (WBBB).

1. The details of the Smart Bill transaction to which this Confirmation relates are as follows:

Trade Date:	[*]
Face Value of Bills:	[*]
Term:	[insert details]
Reset Dates:	See attached Schedule
Contract Rate:	[*]
Trigger Rate	[*]

2. The terms on which the Customer will sell Bills to Westpac under this Smart Bill transaction are as follows:

- (a) If, on a Reset Date, the WBBB is lower than the Contract Rate but is not at or below the Trigger Rate, the Customer will sell the Bills to Westpac at the prevailing WBBB.
- (b) If, on a Reset Date, the WBBB is lower than the Contract Rate and is also at or below the Trigger Rate, the Customer will sell the Bills to Westpac at the Contract Rate.
- (c) If, on a Reset Date, the WBBB is higher than the Contract Rate, then the Customer will sell the Bills to Westpac at the Contract Rate.

The prevailing WBBB will be determined by Westpac in good faith in its sole discretion.

3. The obligation of Westpac to purchase the Bills from the customer is subject to the terms and conditions of any other agreement or arrangement between Westpac and the Customer regarding the acceptance and/or discount of bills of exchange (a Facility Agreement) including without limitation, any restrictions in the Facility Agreement as to maturity date or amount. Westpac's agreement to purchase Bills under this transaction is not an agreement on its part to extend the termination date of any Facility Agreement.
4. The Customer may at any time ask Westpac to provide details of the conditions on which it would be prepared to terminate this transaction prior to maturity. If those conditions are accepted by the Customer and early termination occurs, Westpac and the Customer will be released from any further obligation under the terms of this transaction.
5. The Customer represents and warrants to Westpac:
  - (a) that it has full power and authority to enter into this Smart Bill transaction and to exercise its rights and perform its obligations under this Confirmation, and has obtained all necessary authorisations and consents for it to do so.
  - (b) that the obligations expressed to be assumed by it under this Confirmation are legal and valid obligations binding on it in accordance with their terms.

The above representations and warranties are made on the date of acceptance of this letter and shall be repeated on each Reset Date.

6. The occurrence of any one or more of the following in respect of the Customer shall be an Event of Default:
- (a) The Customer fails to provide sufficient funds for the payment of Bills at maturity;
  - (b) The Customer is unable to pay its debts as they fall due;
  - (c) An order is made, or a resolution is passed or proposed in a notice of meeting for the winding up or administration of the Customer (or any analogous process) or for an arrangement or composition with its creditors or a class of them, or any applicable bankruptcy proceedings are commenced against the Customer, or a receiver, receiver and manager, administrator or similar officer is appointed over any assets of the Customer;
  - (d) Any representation or warranty given by the Customer under clause 5 of this Confirmation is or is proved to have been materially false or misleading;
  - (e) The Customer fails to comply with any obligation in any Facility Agreement or in any mortgage, pledge, lien, charge or other security arrangement provided in connection with any Facility Agreement.

7. On the occurrence of an Event of Default:

- (a) Westpac may, at its discretion, terminate and/or complete any and all transactions between Westpac and the Customer;
- (b) the Customer will indemnify Westpac against any liability, loss, cost, damage or expense (including legal costs on a full indemnity basis) it incurs in or as a result of an Event of Default, including without limitation, any expenses, losses and/or costs to Westpac in making alternative arrangements in regards to any transactions which Westpac may have entered into in respect of the purchase of Bills from the Customer. The certificate of Westpac as to the amount of any such expenses, losses and/or costs shall be conclusive in the absence of manifest error.

8. This letter is governed by New South Wales law. The Customer accepts the non-exclusive jurisdiction of the courts having jurisdiction there.

Please acknowledge your acceptance of the above terms and conditions by signing and returning the attached duplicate of this letter.

For and on behalf of WESTPAC BANKING CORPORATION

.....  
 Name: Name:  
 Title: Title:

We accept the terms and conditions set out in this letter.  
 Signed for and on behalf of: [Insert Customer name]

.....  
 Name: Name:  
 Title: Title:

## Glossary

To help you to understand this PDS, the meanings of some words used in this PDS are set out below.

**AUD** means Australian dollars.

**bills** means bills of exchange drawn under your Westpac bank bill facility.

**Code** means the Code of Banking Practice adopted by us and other banks.

**confirmation** means a letter confirming the terms of a particular Smart Bill.

**contract rate** means the pre-agreed yield to maturity interest rate applicable to your Smart Bill.

**Smart Bill** means the product the subject of this PDS.

**reset date** means each pre-determined reset date on which the outcome of the Smart Bill will be determined. It is also the date on which you will sell bills to Westpac under the Smart Bill. The reset dates will match the scheduled roll over dates for your bills.

**trigger rate** means the agreed interest rate which triggers your obligation to sell bills at the contract rate.

**WBBB** or **Westpac bank bill drawdown rate** means the rate determined by Westpac based on the bank bill swap rate published on Reuters Information Service. This rate includes a margin added by Westpac.

**Westpac, we or us** means Westpac Banking Corporation.

**you, your** means the customer entering into a Smart Bill.

**zero cost structure** means a structure where the relevant interest rates are set so that there are no up-front out of pocket costs payable by you. The cost is effectively embedded in the contract rate and trigger rate applicable to the Smart Bill.

## Contact Details

**QUEENSLAND AND  
NORTHERN TERRITORY**  
Level 14, 260 Queen Street  
Brisbane QLD 4000  
Telephone (07) 3227 2086

**WESTERN AUSTRALIA**  
Level 16, 109 St Georges Terrace  
Perth WA 6000  
Telephone (08) 9426 2522

**NEW SOUTH WALES AND ACT**  
Level 2, 275 Kent Street  
Sydney NSW 2000  
Telephone (02) 8204 2821

**VICTORIA, SOUTH AUSTRALIA AND TASMANIA**  
Level 9, 360 Collins Street  
Melbourne VIC 3000  
Telephone (03) 9608 3950