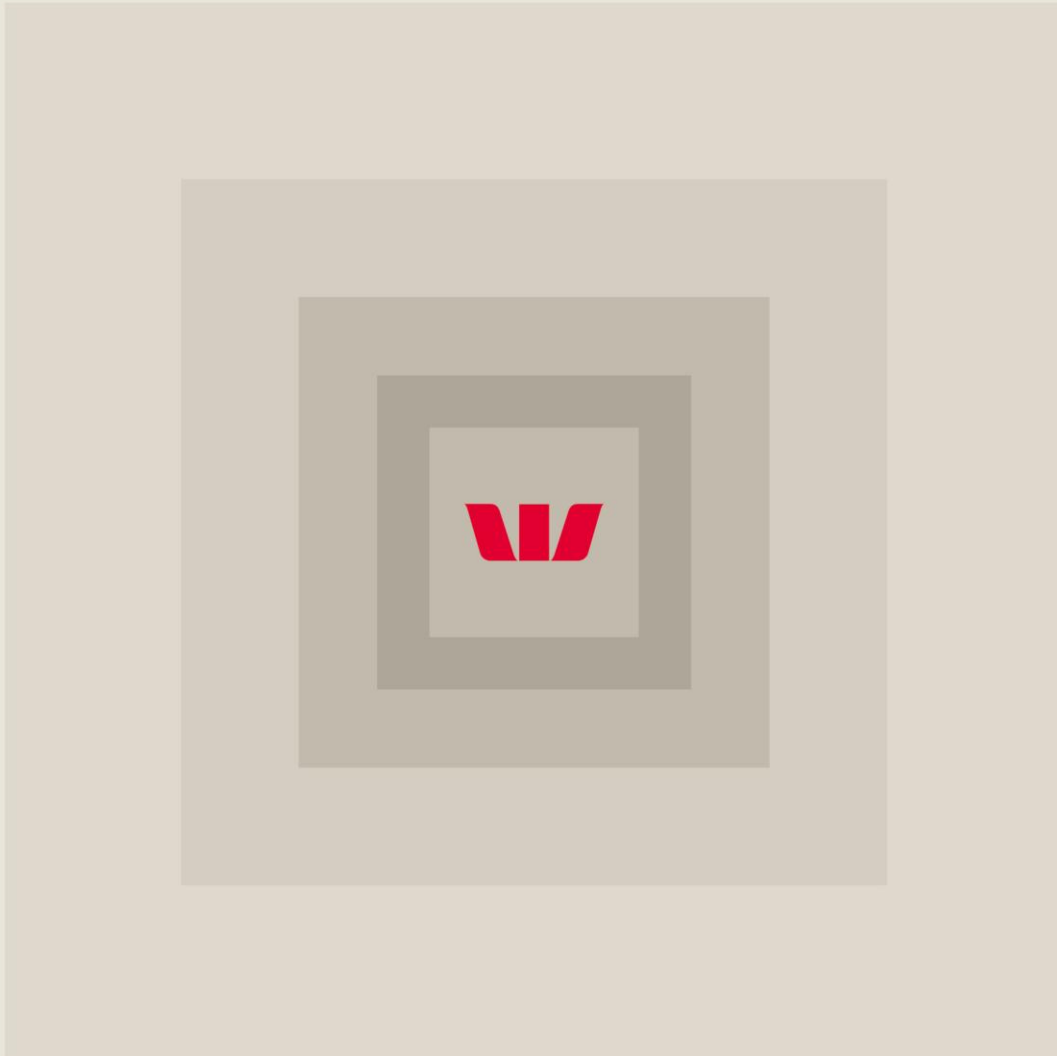


**Range Accrual Deposit  
with the  
Institutional  
Bank**



**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 Range Accrual 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 Range Accrual Deposits.

The offer of Range Accrual Deposits is being made to residents of Australia only. No action has been or will be taken to register or qualify Range Accrual Deposits or otherwise permit a public offering of Range Accrual 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.

## Table of Contents

Offer at a glance	3
Fees and Charges	4
Key benefits	4
Key risks	4
How do Range Accrual Deposits work?	6
Examples	11
General information	15
Glossary	18
Contact Details	18
Application Form	20

# Offer at a glance

<b>Issuer</b>	Westpac Banking Corporation ('Westpac', 'we' or 'us').
<b>Purpose</b>	<p>A Range Accrual Deposit is a tailored term deposit, designed to enable investors to enjoy an Enhanced Rate that accrues interest for each day the Reference Rate is within a specified Range. It provides a tailored return while giving you the flexibility to choose the Range in line with your interest rate view and risk appetite.</p> <p>Depending on your interest rate view, you can choose the Enhanced Rate you receive to be either a fixed rate or a floating rate.</p> <p>On each day the Reference Rate is situated (that is, 'sets') outside the Range, interest will accrue at a Reduced Rate, which is specified as a percentage of the Enhanced Rate. While you do have the flexibility to choose this percentage, it is common for the percentage (and therefore the Reduced Rate) to be zero.</p> <p>You can further tailor your Range Accrual Deposit by selecting from a variety of coupon payment frequencies and having the option to receive your Principal Payments over the Term in line with your cash-flow requirements.</p> <p>See the section titled 'How do Range Accrual Deposits work?' on page 6 for more information.</p>
<b>Fees and Charges</b>	<p>There are no establishment fees, transaction fees or monthly service fees payable on a Range Accrual Deposit.</p> <p>See the section titled 'Fees and Charges' on page 4 for more information.</p>
<b>Key benefits</b>	<ul style="list-style-type: none"> <li>• <b>Tailored returns</b> - By specifying a Range within which the Reference Rate must remain in order to accrue interest at the Enhanced Rate during the Term and by locking in the deposit for the entire Term, Westpac can offer you a tailored return, in the form of an Enhanced Rate. This Enhanced Rate can be either a fixed rate (which may be higher than the rates offered by Westpac on a standard term deposit for the same Term) or a floating rate incorporating a Spread above the Reference Rate on a Reset Date.</li> <li>• <b>Flexibility</b> – You can tailor your Range Accrual Deposit to your interest rate view and cash-flow</li> <li>• <b>Security</b> – You can enjoy the peace of mind of a capital risk equal to that of a standard term deposit.</li> </ul> <p>See the section titled 'Key benefits' on page 4 for more information.</p>
<b>Key risks</b>	<ul style="list-style-type: none"> <li>• <b>Interest rate risk</b> - It may be the case that interest rates do not move in line with your view. If the Reference Rate sets outside the Range, your interest will accrue at a Reduced Rate (which may be zero) for that particular day.</li> <li>• <b>Early termination / variation</b> - You can vary or terminate a Range Accrual Deposit early but there may be an early termination or variation payment if you do so.</li> <li>• <b>Counterparty and operational risk</b> - Westpac has performance obligations under a Range Accrual Deposit. You need to form a judgment on our ability to meet those obligations.</li> <li>• <b>No cooling off period</b> - There is no cooling-off period in respect of an investment in a Range Accrual Deposit. You cannot cancel or revoke your application for a Range Accrual Deposit. However, early termination is possible.</li> </ul> <p>See the section titled 'Key risks' on page 4 for more information.</p>
<b>Suitability</b>	<p>A Range Accrual Deposit may be suitable if you have a good understanding of interest rate markets, the characteristics of the product (in particular the possibility of accruing interest at a Reduced Rate, which may be zero, for each day the Reference Rate sets outside the Range) and would like to invest in a tailored term deposit based on your interest rate view and cash-flow 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.</p>
<b>Term</b>	One year to five years.
<b>Minimum transaction size</b>	The minimum deposit size is AUD50,000.
<b>How to apply</b>	See the section titled 'How to apply for a Range Accrual Deposit?' on page 9 for more information.

# Fees and Charges

There are no establishment fees, transaction fees or monthly service fees payable on a Range Accrual Deposit.

Westpac derives a financial benefit from entering into a deposit by incorporating profit margins into the Enhanced Rate used to determine your coupon payments. See the section titled 'How is the Enhanced Rate determined?' on page 6 for more information.

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

## Key benefits

### Tailored returns

By specifying a Range within which the Reference Rate must remain in order to accrue interest at the Enhanced Rate during the Term and by locking in the deposit for the full Term, Westpac can offer a tailored return, in the form of an Enhanced Rate, to investors with a Range Accrual Deposit. This Enhanced Rate can be either a fixed rate or a floating rate and may be higher than the rates offered by Westpac on a standard term deposit for the same Term.

If you have chosen the Enhanced Rate to be a fixed rate, it would be an advantage if market interest rates decrease below the Enhanced Rate (so long as the Reference Rate remains within the Range).

If you have chosen the Enhanced Rate to be a floating rate, you will benefit from potential increases in the Enhanced Rate (so long as the Reference Rate remains within the Range). If the Reference Rate sets within the specified Range, your interest will accrue at the Enhanced Rate for that particular day.

See the section titled 'How is the Enhanced Rate determined?' on page 6 for more information.

### Flexibility

You can tailor your Range Accrual Deposit to your view and situation by choosing:

- the precise amount of your Range Accrual Deposit (subject to a minimum of AUD50,000);
- the Term of your Range Accrual Deposit (one to five years);
- the coupon payment frequency (monthly, quarterly or semi-annually);
- the Range within which the Reference Rate must remain in order to accrue interest at the Enhanced Rate during the Term;

- whether the Enhanced Rate is to be either a fixed rate or a floating rate;
- the percentage (which may be zero) of the Enhanced Rate at which interest is to accrue if the Reference Rate sets outside the Range (that is, the Reduced Rate); and
- whether to receive the full Principal Amount at the end of the Term or to receive Principal Payments during the Term.

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

### Security

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

## Key risks

### Interest rate risk

It may be the case that interest rates do not move in line with your view. In this situation, you may receive a less advantageous interest rate than available otherwise. For example, it would be a disadvantage if you have chosen the Enhanced Rate to be a fixed rate and if market interest rates rise above the Enhanced Rate. Similarly, if you have chosen the Enhanced Rate to be a floating rate, you will be exposed to potential decreases in the Enhanced Rate. Likewise, if the Reference Rate sets outside the Range, your interest will accrue at the Reduced Rate (which may be zero) for that particular day.

### Early termination / Variation

The Range Accrual Deposit is a tailored deposit which is designed to be held to maturity. You can vary or terminate your Range Accrual 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 Range Accrual Deposit?' and 'Will I lose money if I terminate or vary the terms before the Maturity Date?' on page 9 for more information. With these risks in mind, please consider your circumstances carefully when selecting the terms of your Range Accrual Deposit.

### Counterparty and operational risk

As is the case with most financial markets products we enter into, Westpac has performance obligations under a Range Accrual 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](http://www.westpac.com.au).

**Cooling-off period**

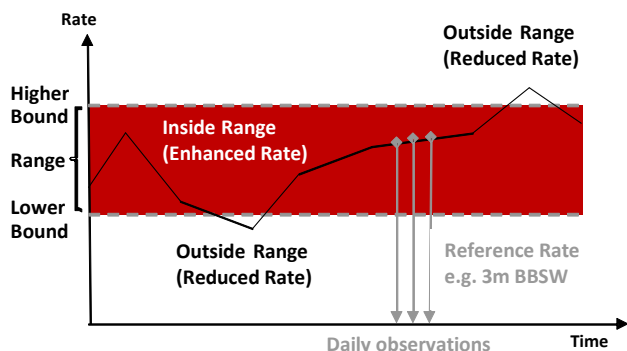
There is no cooling-off period in respect of an investment in a Range Accrual Deposit. You cannot cancel or revoke your application for a Range Accrual Deposit. However, early termination is possible. See the section titled 'Early Termination / Variation' on page 4 for more information.

# How do Range Accrual Deposits work?

## Overview

A Range Accrual Deposit is a tailored term deposit, designed to enable you to enjoy an Enhanced Rate that accrues on each day the Reference Rate remains within a specified Range. The Range is determined by a Lower Bound at the bottom of the Range and a Higher Bound at the top of the Range. If the Reference Rate is equal to the Higher Bound or Lower Bound it will be taken to be within the Range.

Depending on your interest rate view, you can choose the Enhanced Rate you receive to be either a fixed rate or a floating rate.



Source: Westpac Banking Corporation

On each day the Reference Rate sets outside the specified Range, interest will accrue at the Reduced Rate. While you do have the flexibility to specify this Reduced Rate as a percentage of the Enhanced Rate, it is common for the Reduced Rate to be zero.

You can further tailor your Range Accrual Deposit by selecting from a range of coupon payment frequencies and having the option to structure your Principal Payments over the Term in line with your cash-flow requirements.

## How are Range Accrual Deposits designed?

After considering your circumstances carefully, you decide:

- the precise amount of your Range Accrual Deposit (subject to a minimum of AUD50,000);
- the Term of your Range Accrual Deposit (one to five years);
- the coupon payment frequency (monthly, quarterly or semi-annual);
- the Range (that is, the Lower Bound and Higher Bound) within which the Reference Rate must remain in order to accrue interest at the Enhanced Rate during the Term;
- if you want the Enhanced Rate to be a fixed rate or a floating rate;

- the Reduced Rate, which is a percentage (which may be zero) of the Enhanced Rate at which interest is to accrue if the Reference Rate sets outside the Range;
- if you want to receive the full Principal Amount at the end of the Term or receive Principal Payments during the Term; and
- if you elect to receive Principal Payments during the Term, the amount and frequency of the Principal Payments.

Westpac then determines the Enhanced Rate.

## How is the Reference Rate determined?

The Reference Rate used to determine the coupon payments will be the Australian Bank Bill Swap Reference Rate ('BBSW'). Reference Indices available are for one month (1m BBSW), three month (3m BBSW) or six month (6m BBSW) tenors. The tenor of the Reference Rate will be the same as the coupon payment frequency you have chosen. For example, if you choose a quarterly coupon payment frequency, the Reference Rate will be 3m BBSW.

BBSW is widely used as an interest rate reference index by investment banks, fund managers and retail banks in Australia. It refers to a daily calculation of the yields on bank bills of various maturities, and is based on the average mid-price of a select number of Australian bank bill market makers.

**It is important to understand that BBSW is NOT the Reserve Bank of Australia ('RBA') Cash Rate. BBSW does not necessarily reflect nor follow movements in the RBA Cash Rate but generally trends in a consistent manner.**

## How is the Enhanced Rate determined?

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

- the length of the Term;
- prevailing market interest rates;
- market and implied volatility;
- the coupon payment frequency;
- the Range;
- the Reduced Rate
- Westpac's profit margins; and
- Principal Payments (if any) during the Term.

The Enhanced Rate you receive can be either a fixed rate or a floating rate. If it is a fixed rate it will be

determined when you first enter into the Range Accrual Deposit and may be higher than the rates offered by Westpac on a standard term deposit for the same Term.

If the Enhanced Rate is a floating rate it will consist of the Reference Rate published for the relevant Reset Date plus a Spread. The Reset Date is the first day of each Coupon Period. The Enhanced Rate will then be set for the duration of that Coupon Period.

Interest will only accrue on your Range Accrual Deposit at the Enhanced Rate if the Reference Rate sets within the Range on that day. When the Reference Rate sets outside of the Range, interest will accrue at the Reduced Rate (which may be zero).

In respect of the Enhanced Rate, you will receive a coupon payment on each Payment Date during the Term.

See the section titled 'When do you receive coupon payments?' on this page for more information.

### How is the Reduced Rate determined?

The Reduced Rate will be a pre-determined percentage of the Enhanced Rate for each Coupon Period. While you do have the flexibility to specify this percentage, it is common for the Reduced Rate to be zero.

Westpac will generally be able to offer you a higher Enhanced Rate if the Reduced Rate is zero.

Interest will accrue at the Reduced Rate on each day that the Reference Rate sets outside the Range.

### What happens on the Commencement Date?

Westpac will debit the Principal Amount of your Range Accrual 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 pay the Principal Amount to your nominated bank account on the Maturity Date, together with your coupon payment for that Coupon Period (if any). However, if you choose to receive Principal Payments during the Term, Westpac will pay the remaining Principal Balance to your nominated bank account on the Maturity Date, together with your coupon payment for that Coupon Period (if any).

### 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 Range Accrual Deposit.

You can choose the coupon payment frequency (monthly, quarterly or semi-annual) to best suit your cash-flow requirements. The particular Payment Dates for your Range Accrual Deposit will be set out in your Confirmation and will apply for the Term.

It is important to note that the tenor of the Reference Rate will be the same as the coupon payment frequency you have chosen. See the section titled 'How is the Reference Rate determined' on page 6 for more information.

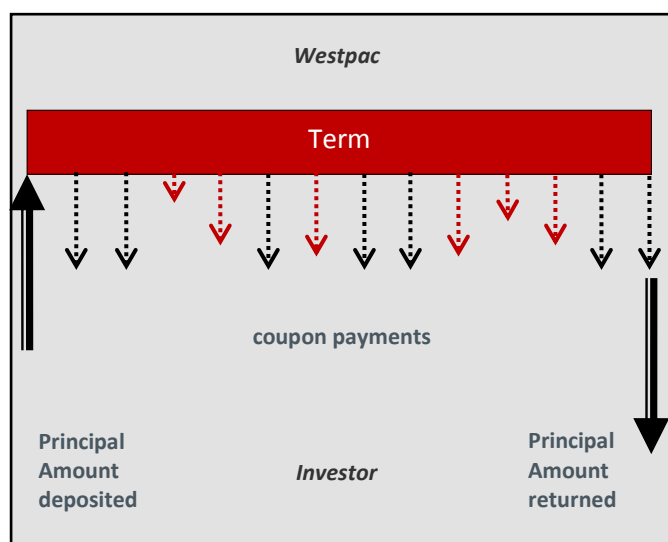
### When do you receive Principal Payments?

If you choose to receive Principal Payments during the Term of your Range Accrual Deposit, you will receive these payments on each Payment Date together with your coupon payments (unless agreed otherwise). At maturity, Westpac will pay the remaining Principal Balance to your nominated bank account, along with your coupon payment for that Coupon Period.

If you choose not to receive Principal Payments during the Term, Westpac will pay the Principal Amount to your nominated bank account on the Maturity Date, along with your coupon payment for that Coupon Period.

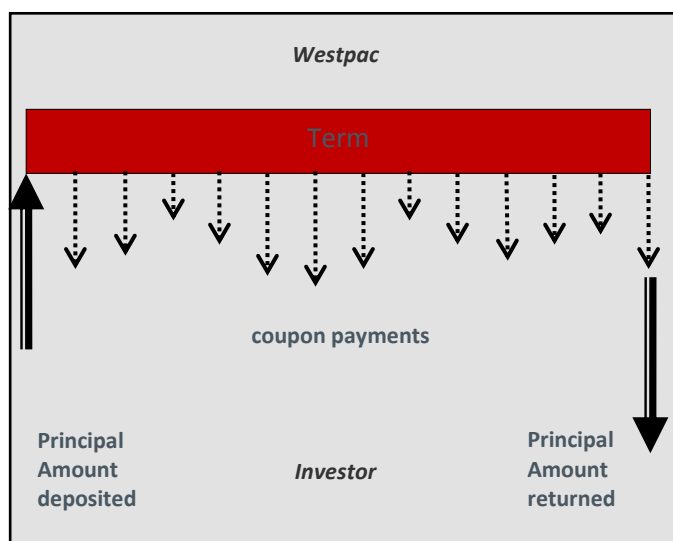
### Payment flow diagrams

This diagram shows an example of the payment flows that can occur during the Term of your Range Accrual Deposit, assuming the Enhanced Rate is a fixed rate. The black dotted arrows show coupon payments for which the Reference Rate has remained within the Range for each day of the Coupon Period. The red dotted arrows show coupon payments for which the Reference Rate has set outside the Range for a varying number of days of the Coupon Period. The more days the Reference Rate has set outside the Range, the smaller the arrow (and therefore the smaller the coupon payment).



The diagram below shows an example of the payment flows that can occur during the Term of your Range Accrual Deposit assuming the Enhanced Rate is a floating rate. In this case the coupon payments (black dotted arrows) are likely to be more varied over the Term, reflecting not only the number of days for which

the Reference Rate has remained within the Range during the Coupon Period but also the periodic setting of the Enhanced Rate on each Reset Date. The higher the Enhanced Rate and the more days the Reference Rate has set within the Range, the larger the arrow (and therefore the larger the coupon payment).



The diagrams above are for illustrative purposes only and represent the timing and nature of the payments relating to hypothetical Range Accrual Deposits (assuming no Principal Payments during the Term). The diagrams are not to scale and are not to be relied upon as any indication of the outcomes of investment.

### How much will your coupon payments be?

On each Payment Date, your coupon payments will be calculated using:

- the Principal Balance;
- the Enhanced Rate;
- the number of days the Reference Rate has set within the Range;
- the number of days the Reference Rate has set outside the Range; and
- the Reduced Rate.

If you choose for the Reduced Rate to be zero per cent of the Enhanced Rate, interest will only accrue on each day of the Coupon Period that the Reference Rate sets within the Range.

If you choose for the Reduced Rate to be greater than zero per cent of the Enhanced Rate, you will receive a total return consisting of the Enhanced Rate accruing on each day of the Coupon Period that the Reference Rate sets within the Range plus a percentage of the Enhanced Rate (being the Reduced Rate) accruing on each day of the Coupon Period that the Reference Rate sets outside the Range.

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).

During the Term, your coupon payments may change each Payment Date. This is because your Range Accrual Deposit will accrue interest at a different rate depending on the number of days within that Coupon Period that the Reference Rate sets within or outside the Range. Furthermore, the Enhanced Rate can be a floating rate and the number of days in each Coupon Period may vary.

If you choose to receive Principal Payments during the Term of your Range Accrual Deposit, your coupon payments for a Coupon Period will be calculated on the Principal Balance for that Coupon Period.

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

$$A = B \times [C \times (D/365) + (E \times C) \times (F/365)]$$

where

- A** = your coupon payment;
- B** = your Principal Balance for that Coupon Period;
- C** = the Enhanced Rate, expressed as a percentage;
- D** = the number of days in the Coupon Period the Reference Rate has set within the Range;
- E** = the percentage (which may be zero) of the Enhanced Rate at which interest is to accrue if the Reference Rate sets outside the Range (Note:  $(E \times C) =$  Reduced Rate); and
- F** = the number of days in the Coupon Period the Reference Rate has set outside the Range.

Please note that your coupon payments will not be compounded and cannot be reinvested in your Range Accrual Deposit.

### Confirmations

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

- the Principal Amount of your Range Accrual Deposit;
- the Commencement Date and Maturity Date (that is, the Term) of your Range Accrual Deposit;
- the Lower Bound and Higher Bound (that is, the Range);

- the Enhanced Rate, expressed either as a fixed rate or as the Reference Rate plus a Spread (where you have chosen to have a floating rate);
- the Reference Rate that will apply to your Range Accrual Deposit;
- the Payment Dates;
- the Reduced Rate; 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 Range Accrual 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 Range Accrual Deposit is designed to be held to maturity. If you need to terminate your Range Accrual 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 Range Accrual 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 Range Accrual Deposit?**

You may ask us to vary the terms your Range Accrual 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 Range Accrual 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 Range Accrual 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, market interest rates and market volatility;
- the remaining time left to the Maturity Date;
- the coupon payment frequency;
- the Enhanced Rate, the Reduced Rate and the Range;
- any costs or charges incurred by us in terminating early or varying the terms of your Range Accrual 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.

### **How to apply for a Range Accrual Deposit?**

Please follow the steps below to apply for your Range Accrual Deposit:

- ensure you have read and understood this PDS;
- talk to your Westpac representative to confirm your eligibility for a Range Accrual Deposit;
- determine:
  - the precise amount of your Range Accrual Deposit;
  - the Commencement Date;
  - the Term;
  - the payment frequency of your coupon payments;
  - the Range (that is, the Upper Bound and Lower Bound);
  - whether you want the Enhanced Rate to be a fixed rate or floating rate;
  - the percentage (which may be zero) of the Enhanced Rate at which interest is to accrue if the Reference Rate sets outside the Range (that is, the Reduced Rate); 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 Range Accrual 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 Range Accrual 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 Range Accrual Deposit, Westpac may terminate your Range Accrual 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 9, 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 Range Accrual Deposit, Westpac will send you a Confirmation outlining the commercial terms of the transaction. See the section titled 'Confirmations' on page 8 for more information.

# Examples

The examples below are indicative only and use rates and figures that we have selected to demonstrate how the product works. In order to assess the merits of any particular Range Accrual Deposit, you would need to use the actual rates and figures quoted to you at the time. Note that the calculations include rounding of 2 decimal places.

## 1-Year investment, Enhanced Rate is a fixed rate, Reduced Rate is 0% of the Enhanced Rate, no Principal Payments

You are an investor with AUD100,000 to invest for a period of one year. You would like to invest in a product with an attractive return and a capital risk equal to a standard Westpac term deposit. You do not need to receive Principal Payments during the Term.

After undertaking some interest rate and economic research and, where appropriate, receiving independent advice, you expect that market volatility will be subdued and strongly believe that short-term interest rates will remain within a Range for the year ahead. You would like to take advantage of the attractive return offered on a Range Accrual Deposit.

So, whilst you are aware that a Reference Rate setting outside the Range may mean that you receive a lower than expected coupon payments for the Term, you decide to enter into a 1-year Range Accrual Deposit with a Range of 3.50% to 4.50%. You elect for the Enhanced Rate to be a fixed rate and choose not to accrue interest on each day the Reference Rate sets outside the Range.

Your Westpac representative provides the following indicative quote for a Range Accrual Deposit on these terms:

1-year Range Accrual Deposit	
Principal Amount	AUD100,000
Term	1 year
Range	3.50% - 4.50%
Enhanced Rate	6.25% per annum
Reduced Rate	0% of the Enhanced Rate
Coupon payment frequency	Quarterly
Reference Rate	3m BBSW
Principal Payments	None

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 90 days in each quarterly Coupon Period.

- Using the formula set out on page 8 and assuming the Reference Rate has remained within the Range for each day of the first Coupon Period, you calculate that the coupon payment for that Coupon Period will equal **AUD1,541.10** ( $AUD100,000 \times [0.0625 \times (90/365) + 0 \times 0.0625 \times (0/365)]$ ).

- Using the formula set out on page 8 and assuming the Reference Rate has remained within the Range for 65 days of the third Coupon Period (that is, the Reference Rate has set outside the Range for 25 days of the period), you calculate that the coupon payment for that Coupon Period will equal **AUD1,113.01** ( $AUD100,000 \times [0.0625 \times (65/365) + 0 \times 0.0625 \times (25/365)]$ ).
- On the Maturity Date, using the formula set out on page 8 and assuming the Reference Rate has remained within the Range for 88 days of the final Coupon Period (that is, the Reference Rate has set outside the Range for 2 days of the period), you calculate that the coupon payment for that final Coupon Period will equal **AUD1,506.85** ( $AUD100,000 \times [0.0625 \times (88/365) + 0 \times 0.0625 \times (2/365)]$ ). You will also receive the Principal Amount of **AUD100,000** back.

## 1-Year investment, Enhanced Rate is a floating rate, Reduced Rate is 0% of the Enhanced Rate, no Principal Payments

Assume the same example as above, however, you want the Enhanced Rate to be a floating rate rather than a fixed rate.

Your Westpac representative provides the following indicative quote for a Range Accrual Deposit on these terms:

1-year Range Accrual Deposit	
Principal Amount	AUD100,000
Term	1 year
Range	3.50% - 4.50%
Enhanced Rate	3m BBSW + 2.50% Spread
Reduced Rate	0% of the Enhanced Rate
Coupon payment frequency	Quarterly
Reference Rate	3m BBSW
Principal Payments	None

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 90 days in each quarterly Coupon Period.

- Using the formula set out on page 8 and assuming the 3m BBSW rate is 4.35% on the Commencement Date (being the Reset Date for the first Coupon Period) and that the Reference Rate has remained within the Range for each day of the first Coupon

Period, you calculate that the coupon payment for that Coupon Period will equal **AUD1,689.04** ( $AUD100,000 \times [(0.0435 + 0.0250) \times (90/365) + 0 \times (0.0435 + 0.0250) \times (0/365)]$ ).

- Using the formula set out on page 8 and assuming the 3m BBSW rate is 4.20% on the Reset Date of the third Coupon Period and the Reference Rate has remained within the Range for 0 days of that Coupon Period (that is, the Reference Rate has set outside the Range for 90 days of the period), you calculate that the coupon payment for that final Coupon Period will equal **AUD1,652.05** ( $AUD100,000 \times [(0.0420 + 0.0250) \times (0/365) + 0 \times (0.0420 + 0.0250) \times (90/365)]$ ).
- On the Maturity Date, using the formula set out on page 8 and assuming the 3m BBSW rate is 4.45% on the Reset Date of the final Coupon Period and the Reference Rate has remained within the Range for 80 days of that Coupon Period (that is, the Reference Rate has set outside the Range for 10 days of the period), you calculate that the coupon payment for that final Coupon Period will equal **AUD1,523.29** ( $AUD100,000 \times [(0.0445 + 0.0250) \times (80/365) + 0 \times (0.0445 + 0.0250) \times (10/365)]$ ). You will also receive the Principal Amount of **AUD100,000** back.

### **2-Year investment, Enhanced Rate is a fixed rate, Reduced Rate is 50% of the Enhanced Rate, no Principal Payments**

You are an investor with AUD200,000 to invest for a period of two years. You would like to invest in a product with an attractive return and a capital risk equal to a standard Westpac term deposit. You do not need to receive Principal Payments during the Term.

After undertaking some interest rate and economic research and, where appropriate, receiving independent advice, you expect that market volatility will be subdued and strongly believe that short-term interest rates will remain within a Range for the following two years. You would like to take advantage of the attractive return offered on a Range Accrual Deposit.

So, whilst you are aware that a Reference Rate setting outside the Range may mean that you receive lower than expected coupon payments for the Term, you decide to enter into a 2-year Range Accrual Deposit with a Range of 3.50% to 5.50%. You want interest to accrue each day the Reference Rate sets outside the Range and you want the Enhanced Rate to be a fixed rate. In this respect you would like to accrue interest at 50% of the Enhanced Rate for each day the underlying Reference Rate sets outside the Range.

Your Westpac representative provides the following indicative quote for a Range Accrual Deposit on these terms:

<b>2-year Range Accrual Deposit</b>	
<b>Principal Amount</b>	AUD200,000
<b>Term</b>	2 years
<b>Range</b>	3.50% - 5.50%
<b>Enhanced Rate</b>	<b>5.00% per annum</b>
<b>Reduced Rate</b>	50% of the Enhanced Rate
<b>Coupon payment frequency</b>	Quarterly
<b>Reference Rate</b>	3m BBSW
<b>Principal Payments</b>	None

*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 90 days in each quarterly Coupon Period.

- Using the formula set out on page 8 and assuming the Reference Rate has remained within the Range for each day of the first Coupon Period, you calculate that the coupon payment for that Coupon Period will equal **AUD2,465.75** ( $AUD200,000 \times [0.0500 \times (90/365) + 0.5 \times 0.0500 \times (0/365)]$ ).
- Using the formula set out on page 8 and assuming the Reference Rate has remained within the Range for 0 days of the relevant Coupon Period (that is, the Reference Rate has set outside the Range for 90 days of the period), you calculate that the coupon payment for that Coupon Period will equal **AUD1,232.88** ( $AUD200,000 \times [0.0500 \times (0/365) + 0.5 \times 0.0500 \times (90/365)]$ ).
- On the Maturity Date, using the formula set out on page 8 and assuming the Reference Rate has remained within the Range for 60 days of the final Coupon Period (that is, the Reference Rate has set outside the Range for 30 days of the period), you calculate that the coupon payment for that Coupon Period will equal **AUD2,054.79** ( $AUD200,000 \times [0.0500 \times (60/365) + 0.5 \times 0.0500 \times (30/365)]$ ). You will also receive the Principal Amount of **AUD200,000** back.

### **2-Year investment, Enhanced Rate is a floating rate, Reduced Rate is 50% of the Enhanced Rate, no Principal Payments**

Assume the same example as above, however, you want the Enhanced Rate to be a floating rate rather than a fixed rate.

Your Westpac representative provides the following indicative quote for a Range Accrual Deposit on these terms:

2-year Range Accrual Deposit	
Principal Amount	AUD200,000
Term	2 years
Range	3.50% - 5.50%
Enhanced Rate	3m BBSW + 1.25% Spread
Reduced Rate	50% of the Enhanced Rate
Coupon payment frequency	Quarterly
Reference Rate	3m BBSW
Principal Payments	None

*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 90 days in each quarterly Coupon Period.

- Using the formula set out on page 8 and assuming the 3m BBSW rate is 4.35% on the Commencement Date (being the Reset Date for the first Coupon Period) and the Reference Rate has remained within the Range for each day of that first Coupon Period, you calculate that the coupon payment for that Coupon Period will equal **AUD2,761.64** ( $AUD200,000 \times [(0.0435 + 0.0125) \times (90/365) + 0.5 \times (0.0435 + 0.0125) \times (0/365)]$ ).
- Using the formula set out on page 8 and assuming the 3m BBSW rate is 4.45% on the Reset Date at the start of the fourth Coupon Period and the Reference Rate has remained within the Range for 75 days of that Coupon Period (that is, the Reference Rate has set outside the Range for 15 days of the period), you calculate that the coupon payment for that Coupon Period will equal **AUD2,576.71** ( $AUD200,000 \times [(0.0445 + 0.0125) \times (75/365) + 0.5 \times (0.0445 + 0.0125) \times (15/365)]$ ).
- Using the formula set out on page 8 and assuming the 3m BBSW rate is 5.00% on the Reset Date at the start of the final Coupon Period and the Reference Rate has remained within the Range for 50 days of that Coupon Period (that is, the Reference Rate has set outside the Range for 40 days of the period), you calculate that the coupon payment for that Coupon Period will equal **AUD2,397.26** ( $AUD200,000 \times [(0.0500 + 0.0125) \times (50/365) + 0.5 \times (0.0500 + 0.0125) \times (40/365)]$ ). You will also receive the Principal Amount of **AUD200,000** back.

### **1-Year investment, Enhanced Rate is a fixed rate, Reduced Rate is 0% of the Enhanced Rate, Principal Payments on each Payment Date during the Term**

You are an investor with AUD400,000 to invest for a period of one year. You would like to invest in a product with an attractive return and a capital risk equal to a standard Westpac term deposit. You want to receive

equal Principal Payments of AUD100,000 on each Payment Date during the Term.

After undertaking some interest rate and economic research and, where appropriate, receiving independent advice, you expect that market volatility will be subdued and strongly believe that short-term interest rates will remain within a Range for the year ahead. You would like to take advantage of the attractive return offered on Range Accrual Deposits.

So, whilst you are aware that a Reference Rate setting outside the Range may mean that you receive lower than expected coupon payments for the Term, you decide to enter into a 1-year Range Accrual Deposit with a Range of 3.50% to 4.50%. You do not want to accrue interest on each day the underlying Reference Rate sets outside the Range and you want the Enhanced Rate to be a fixed rate.

Your Westpac representative provides the following indicative quote for a Range Accrual Deposit on these terms:

1-year Range Accrual Deposit	
Principal Amount	AUD400,000
Term	1 year
Range	3.50% - 4.50%
Enhanced Rate	5.00% per annum
Reduced Rate	0% of the Enhanced Rate
Coupon payment frequency	Quarterly
Reference Rate	3m BBSW
Principal Payments	AUD100,000 per quarter

*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 90 days in each quarterly Coupon Period.

- After the first Coupon Period, one Principal Payment has occurred and the remaining Principal Balance at the start of the second Coupon Period is AUD300,000. Using the formula set out on page 8 and assuming the Reference Rate has remained within the Range for each day of the second Coupon Period, you calculate that the coupon payment for that Coupon Period will equal **AUD3,698.63** ( $AUD300,000 \times [0.0500 \times (90/365) + 0 \times 0.0500 \times (0/365)]$ ).
- After the second Coupon Period, two Principal Payments have occurred and the remaining Principal Balance at the start of the third Coupon Period is AUD200,000. Using the formula set out on page 8 and assuming the Reference Rate has remained within the Range for 85 days of the Coupon Period (that is, the Reference Rate has set outside the Range for 5 days of the period), you

calculate that the coupon payment for that Coupon Period will equal **AUD2,328.77** ( $AUD200,000 \times [0.0500 \times (85/365) + 0 \times 0.0500 \times (5/365)]$ ).

- After three Coupon Periods, three Principal Payments have occurred and the remaining Principal Balance at the start of the final Coupon Period is AUD100,000. Using the formula set out on page 8 and assuming the Reference Rate has remained within the Range for 77 days of the final Coupon Period (that is, the Reference Rate has set outside the Range for 13 days of the period), you calculate that the coupon payment for that final Coupon Period will equal **AUD1,054.79** ( $AUD100,000 \times [0.0500 \times (77/365) + 0 \times 0.0500 \times (13/365)]$ ). You will also receive the remaining Principal Balance of **AUD100,000** back.

### **1-Year investment, Enhanced Rate is a floating rate, Reduced Rate is 0% of the Enhanced Rate, Principal Payments on each Payment Date during the Term**

Assume the same example as above, however, you want the Enhanced Rate to be a floating rate rather than a fixed rate.

Your Westpac representative provides the following indicative quote for a Range Accrual Deposit on these terms:

<b>1-year Range Accrual Deposit</b>	
<b>Principal Amount</b>	AUD400,000
<b>Term</b>	1 year
<b>Range</b>	3.50% - 4.50%
<b>Enhanced Rate</b>	<b>3m BBSW + 1.00% Spread</b>
<b>Reduced Rate</b>	0% of the Enhanced Rate
<b>Coupon payment frequency</b>	Quarterly
<b>Reference Rate</b>	3m BBSW
<b>Principal Payments</b>	AUD100,000 per quarter

*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 90 days in each quarterly Coupon Period.

- After the first Coupon Period, one Principal Payment has occurred and the remaining Principal Balance at the start of the second Coupon Period is AUD300,000. Using the formula set out on page 8 and assuming the 3m BBSW rate is 4.25% on the Reset Date at the start of the second Coupon Period and that the Reference Rate has remained within the Range for each day of that Coupon Period, you calculate that the coupon payment for that Coupon Period will equal **AUD3,322.60** ( $AUD300,000 \times [(0.0425 + 0.0100) \times (90/365) + 0 \times (0.0425 + 0.0100) \times (0/365)]$ ).
- After the second Coupon Period, two Principal Payments have occurred and the remaining Principal Balance at the start of the third Coupon Period is AUD200,000. Using the formula set out on page 8 and assuming the 3m BBSW rate is 4.10% on the Reset Date at the start of the Coupon Period and that the Reference Rate has remained within the Range for 67 days of that Coupon Period (that is, the Reference Rate has set outside the Range for 23 days of the period), you calculate that the coupon payment for that final Coupon Period will equal **AUD1,872.33** ( $AUD200,000 \times [(0.0410 + 0.0100) \times (67/365) + 0 \times (0.0410 + 0.0100) \times (23/365)]$ ).
- After three Coupon Periods, three Principal Payments have occurred and the remaining Principal Balance at the start of the final Coupon Period is AUD100,000. Using the formula set out on page 8 and assuming the 3m BBSW rate is 5.80% on the Reset Date at the start of the final Coupon Period and that the Reference Rate has remained within the Range for 86 days of that Coupon Period (that is, the Reference Rate has set outside the Range for 4 days of the period), you calculate that the coupon payment for that final Coupon Period will equal **AUD1,295.89** ( $AUD100,000 \times [(0.0450 + 0.0100) \times (86/365) + 0 \times (0.0450 + 0.0100) \times (4/365)]$ ). You will also receive the remaining Principal Balance 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 Range Accrual 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 Range Accrual 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 Range Accrual 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 Range Accrual Deposit holder, any beneficial interest in a Range Accrual Deposit, or the source of funds used to invest);
- we may obtain information about you or any beneficial owner of an interest in a Range Accrual 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 Range Accrual 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 Range Accrual 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](http://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](http://www.fos.org.au)  
Email: [info@fos.org.au](mailto: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](http://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 Range Accrual 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](http://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 Range Accrual 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 Range Accrual 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

**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.

**BBSW** means the Australian Bank Bill Swap Reference Rate, being the average mid rate for Australian Dollar bills of exchange having various tenors which appear on the Reuters Screen BBSW Page at approximately 10.10am Sydney time on the relevant Payment Date. If such a rate does not appear, then a rate will be determined by Westpac, acting in good faith and in a commercially reasonable manner. Investors can see the current BBSW in the Market Data section of the website of the Australian Financial Markets Association located at [www.afma.com.au](http://www.afma.com.au).

**Commencement Date** means the date on which the Principal Amount of your Range Accrual Deposit is to be deposited with us (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.

**Coupon Period** means 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.

**Enhanced Rate** means:

if you have chosen a fixed rate, the fixed interest rate applying to your Principal Balance for each day the Reference Rate sets within the Range; or

If you have chosen a floating rate, the floating or variable interest rate applying to your Principal Balance for each day the Reference Rate sets within the Range, expressed as a Spread over the Reference Rate published on the relevant Reset Date. This rate will be set for the duration of the Coupon Period on each Reset Date.

**Higher Bound** means the boundary at the top of the Range.

**Lower Bound** means the boundary at the bottom of the Range.

**Maturity Date** means the date on which your Range Accrual Deposit expires, as indicated in your Confirmation.

**Payment Date** refers to each date on which a coupon payment will be made by Westpac in respect of your Principal Balance. 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.

**Principal Amount** means the amount to be invested by you on the Commencement Date.

**Principal Balance** means the notional amount left at the beginning of each Coupon Period during the Term. If you choose not to receive Principal Payments during the Term, Principal Balance is equal to the Principal Amount. If you choose to receive Principal Payments during the Term, Principal Balance is equal to the Principal Amount less the sum of Principal Payments already 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.

**Range** means the range within which you accrue interest at the Enhanced Rate on each day the Reference Index sets within it. The Range includes the Higher Bound and Lower Bound (that is, If the Reference Rate is equal to the Higher Bound or Lower Bound it will be taken to be within the Range).

**Reduced Rate** means the percentage (which may be zero) of the Enhanced Rate at which interest is to accrue if the Reference Index sets outside the Range.

**Reference Rate** means the Australian Bank Bill Swap Reference Rate for a one month (1m BBSW), three months (3m BBSW) or six months (6m BBSW) period. The tenor of the Reference Index will be the same as the coupon payment frequency that you have chosen.

**Reset Date** means, when the Enhanced Rate is a floating rate, the first day of each Coupon Period. The Enhanced Rate will be set for the duration of the Coupon Period on each Reset Date.

**Spread** means the margin over the Reference Rate, expressed as a percentage.

**Term** means the period between the Commencement Date and the Maturity Date.

**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



**This page has been intentionally left blank**

# Application Form

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

## Range Accrual 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 Range Accrual 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 will enter into hedging arrangements in respect of your Range Accrual 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 Range Accrual Deposit, Westpac may terminate your Range Accrual 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 of your Range Accrual Deposit; the Commencement Date and Maturity Date (the Term) of your Range Accrual Deposit; the Lower Bound and Higher Bound (the Range); the Enhanced Rate and Reference Rate that will apply to your Range Accrual Deposit; the Payment Dates; the Reduced Rate and the amount and frequency of Principal Payments (if any). These commercial terms will match should match exactly 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	Range Accrual Deposit	Principal Amount to be invested (Minimum of AUD50,000)
Commencement Date	<input type="text"/> / <input type="text"/> / <input type="text"/>	AUD <input type="text"/> , <input type="text"/> , <input type="text"/> . <input type="text"/>
Term	<input type="text"/> <input type="text"/> <input type="checkbox"/> Months <input type="checkbox"/> Years	Range <input type="text"/> . <input type="text"/> % to <input type="text"/> . <input type="text"/> %
Coupon payment frequency	<input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Semi-Annual	fixed rate: _____% or floating rate: Reference Rate + _____% Spread (as per the firm quote received from Westpac)
Principal Payments during Term	<input type="checkbox"/> Yes <input type="checkbox"/> No	Reduced Rate: _____% of the Enhanced Rate

### B Your details

Company name (if any)	<input type="text"/>		ABN (if any)	<input type="text"/>
Date of registration (if any)	Place of registration (if any)	Listed parent company (if any)		<input type="text"/>
<input type="text"/> / <input type="text"/> / <input type="text"/>	<input type="text"/>			<input type="text"/>
Trust name (if any)	<input type="text"/>			
<b>Primary Account Holder / Individual Trustee / Director</b>	<b>Secondary Director (if any) / Company Secretary</b>			
Title	Surname	Title	Surname	
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	
Given name (s)	Given name (s)			
<input type="text"/>	<input type="text"/>			
Date of birth	Occupation	Date of birth	Occupation	
<input type="text"/> / <input type="text"/> / <input type="text"/>	<input type="text"/>	<input type="text"/> / <input type="text"/> / <input type="text"/>	<input type="text"/>	



3. Westpac will keep all information relating to your nominated financial institution account confidential, except where required for the purposes of conducting direct debits with your financial institution or in connection with a claim relating to an alleged incorrect or wrongful debit.
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 Range Accrual 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 Range Accrual 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;
6. 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 us on the Commencement Date or otherwise if they breach the terms of their Range Accrual Deposit, Westpac may terminate their Range Accrual 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
7. 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

## Certified Copy Certificate – Customer Identification Documents

This form may be used where an individual customer is a new client to Westpac, and is not able to present Westpac with their original identification documents in person.

### A Customer Details

Full name

Date of birth

 /  / 

Residential address

Suburb

State

Postcode

Country (if not Australia)

Applicant's signature (to be signed in the presence of the certifier)

**X**

### B Certifier Details

Full name

Occupation

Place of employment

Category of certifier (see over)

Employment address

Business phone number

State

Postcode

Country (if not Australia)

Where the name of the identification documents differs from the name used by the customer, provide an explanation given by the customer or sight and record documentation which identifies the customer in the former name e.g. marriage certificate or deed poll.

#### Signature of Certifier

I have examined the originals of all the documents which are set out in **Part C** of this form.

The copy documents attached are true and correct copies of the original documents examined by me

The customer signed this form in my presence.

**Privacy Statement:** The Bank is collecting your personal information in order to assist in the identification of the Customer Named in Part A.

Certifier's signature

**X**

Date

 /  /

**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



**This page has been intentionally left blank**