



U.S. Investor Disclosure Update July 6, 2012

ANZ Residential Covered Bond Trust Amending Deed No. 1

On June 27, 2012 (the "**Effective Date**"), ANZ and other relevant transaction parties executed a deed called "ANZ Residential Covered Bond Trust Amending Deed No. 1" (the "**Amending Deed**") in connection with ANZ's US\$20 Billion Global Covered Bond Program (the "**Program**").

The Amending Deed makes certain amendments to the Supplemental Deed and Definitions Schedule for the Program. Such amendments are described in the Schedule to this update and consist of:

- amending the Amortisation Test to use indexed property valuations, rather than latest property valuations, when determining whether the Covered Bond Guarantor maintains sufficient collateral in the cover pool;
- amending the definition of Asset Percentage to add an additional requirement for ANZ to satisfy before changing the Asset Percentage;
- deleting the current definition of Trust Payment Date and defining it as the 22nd of each calendar month (or, if such day is not a Local Business Day, the following Local Business Day); and
- deleting the current definition of Determination Date and defining it as each day which is 2 Business Days prior to a Trust Payment Date.

The amendments took effect from the Effective Date.

Capitalized terms used herein have the same meanings provided in the Definitions Schedule¹.

The information contained herein supersedes earlier information contained in the Offering Memorandum dated May 9, 2012.

¹ **Definitions Schedule** means the deed called "ANZ Residential Covered Bond Trust Definitions Schedule" dated October 31, 2011 (as amended and/or supplemented from time to time) and made between, among others, the Trustee, the Trust Manager, the Bond Trustee, the Seller and the Security Trustee.

Schedule

Amendments

1. Amendment of Supplemental Deed

As from the Effective Date the Supplemental Deed is amended as follows.

(a) **(Asset Coverage Test)**

By deleting the definition of "Asset Percentage" in Schedule 2 ("*Asset Coverage Test*") and replacing it with:

"Asset Percentage means the lowest of:

- (a) 95 per cent;
- (b) such percentage figure determined by the Trust Manager on or about the Programme Date and on each Determination Date (and on such other dates as may be agreed between the Seller and the Trust Manager), being the percentage figure that is necessary to ensure that the Covered Bonds maintain the then current ratings assigned to them by Fitch;
- (c) such percentage figure as may be selected by the Trust Manager, from time to time, and notified to Moody's and the Security Trustee on the Determination Date, or if no notification is made to Moody's and the Security Trustee on such Determination Date, on the last date of such notification. While it has no obligation to do so, if the Trust Manager so elects to notify Moody's and the Security Trustee of a new percentage figure, this percentage figure will be the difference between 100 and the percentage amount of the credit enhancement that is necessary to ensure that there is sufficient credit enhancement for the Covered Bonds to achieve an Aaa rating by Moody's using Moody's expected loss methodology (regardless of the actual Moody's rating of the Covered Bonds at the time); and
- (d) such other percentage figure as may be determined by the Seller from time to time and notified to each of the Covered Bond Guarantor and the Trust Manager.

There is no obligation on the Covered Bond Guarantor, the Trust Manager or the Seller to ensure that a AAA or any other rating is maintained by Fitch or a Aaa or any other rating is maintained by Moody's and neither the Seller nor the Trust Manager is under an obligation to change the percentage figure selected by it and notified to Fitch or Moody's, as applicable, and the Security Trustee in line with the level of credit enhancement required to ensure a AAA or any other rating is maintained by Fitch or a Aaa or any other rating by Moody's."

(b) **(Amortisation Test)**

By:

- (i) deleting the words "Latest Valuation" in paragraph (a)(ii) of the definition of "Amortisation Test Current Principal Balance" and replacing them with the words "Indexed Valuation"; and

- (ii) inserting new definitions after the definition of “Amortisation Test Current Principal Balance” in part “A” as follows:

“**Indexed Valuation** means at any date in relation to any Purchased Receivable secured over any Property:

- (a) where the Latest Valuation of that Property is equal to or greater than the Property Price Indexed Valuation as at that date, the Property Price Indexed Valuation; or
- (b) where the Latest Valuation of that Property is less than the Property Indexed Valuation as at that date, the Latest Valuation plus 85 per cent of the difference between the Latest Valuation and the Property Price Indexed Valuation.

Property Index means the index of increases in house prices issued by RP Data Ltd known as “RP Data-Rismark Hedonic Indices” or such other valuation index:

- (a) selected by the Calculation Manager from time to time and notified to the Trust Manager and the Covered Bond Guarantor which is widely used in the Australian residential mortgage lending market by major financial institutions; or
- (b) that is provided or sponsored by a Designated Rating Agency or its affiliate that the Trust Manager and the Issuer may agree from time to time.

Property Price Indexed Valuation, in relation to any property at any date means the Latest Valuation of the property increased or decreased as appropriate by the increase or decrease in the Property Index since the date of that Latest Valuation, as calculated by the Trust Manager as at the Determination Date in March, June, September and December based on the most recent publication of the Property Index.”

2. **Amendment of Definitions Schedule**

As from the Effective Date the Definitions Schedule is amended as follows:

- (a) by deleting the definition of “Determination Date” in clause 1 (“*Definitions*”) and replacing it with:

“**Determination Date** means each day which is 2 Business Days prior to a Trust Payment Date.”; and

- (b) by deleting the definition of “Trust Payment Date” in clause 1 (“*Definitions*”) and replacing it with:

“**Trust Payment Date** means the 22nd day of each calendar month or, if such day is not a Local Business Day, the following Local Business Day.”