

Supplementary Product Disclosure Statement – 18 December 2007 – BBIZQ Warrant Series

This is a Supplementary Product Disclosure Statement to the Product Disclosure Statement dated 8 November 2007 ("PDS1") and 25 May 2007 ("PDS2") (together "Product Disclosure Statement") issued by ABN AMRO Australia Pty Limited (ABN 78 000 862 797, AFSL: 247013) ("Issuer").

Change to Terms of Warrants

The following changes to the warrants over shares ("Warrants") issued under the Product Disclosure Statement have been made:

Series (ASX Code):	Previous Issue Size	New Issue Size:
BBIZQ	5,000,000	6,000,000

References to Issue Size in the Product Disclosure Statement should be read as references to the New Issue Size for the series of Warrants listed above. Except as outlined above, no other term of the Terms is varied and no other part of the Product Disclosure Statement is affected.

No Other Information

No circumstance has arisen and no other information has become available since the date of the Product Disclosure Statement that might materially affect an investor's assessment of the Issuer's capacity to fulfil the obligations specified in the Terms of Issuer, or the risks, rights and obligations associated with the Warrants.

Status of this Document

This Supplementary Product Disclosure Statement is issued for the purposes of the Corporations Act. It is not a prospectus or other disclosure document lodged under Chapter 6D of the Corporations Act.

ASX has not authorised or caused the issue of this Supplementary Product Disclosure Statement, and takes no responsibility for the contents of this Supplementary Product Disclosure Statement. In particular, ASX had not formed a view as to whether this Supplementary Product Disclosure Statement complies with the "reasonable investor" standard of disclosure contained in the ASX Market Rules, these matters being the responsibility of ABN AMRO Australia. ASX makes no representation as to whether this Supplementary Product Disclosure Statement complies with the Corporations Act or ASX Market Rules.

Further Information

Companies in the ABN AMRO Australia Group will conduct transactions as principal and as agent in various securities, including Warrants and underlying securities. To facilitate a market in the Warrants ABN AMRO Australia intends to issue to its nominee some or all of the Warrants remaining unissued during the Offer Period and later procure the sale of these Warrants into the market. These trading activities may affect (positively or negatively) the price at which the underlying securities or Warrants trade in the secondary market.

Applications for Warrants will only be accepted on the application form attached to the Product Disclosure Statement. Copies of this Product Disclosure Statement may be obtained by contacting ABN AMRO on 1800 450 00





ABN·AMRO

Rolling Instalment
WARRANTS

PRODUCT DISCLOSURE STATEMENT PART 1

Dated: 8 November 2007

Key Commercial Terms



Warrant Issuer:
ABN AMRO Australia
PTY LIMITED
ABN 78 000 862 797
AFSL: 247013

Broker to the Issuer:
ABN AMRO Equities
AUSTRALIA LIMITED
ABN 84 002 768 701
AFSL: 240530

Guarantor of the Issuer:
ABN AMRO Bank N.V.
ABN 84 079 478 612

KEY COMMERCIAL TERMS

ABN AMRO Australia Pty Limited: ABN 78 000 862 797

SUMMARY

This Product Disclosure Statement (“PDS”) is prepared by ABN AMRO Australia Pty Limited (“ABN AMRO”) and offers several Series of ABN AMRO Rolling Instalment Warrants (“Rolling Instalments”) that are traded on the Australian Securities Exchange (“ASX”) over the Underlying Securities specified in this Part 1 of the PDS (“PDS Part 1”). These Series of Rolling Instalments are issued by ABN AMRO during the currency of this PDS Part 1.

This PDS Part 1 sets out the key commercial terms of the Rolling Instalments offered under this PDS including the Underlying Securities, Reset Dates, Expiry Date, ASX codes, Instalment Payment and minimum Application Amounts for each Series as may be adjusted in accordance with the Trust Deed.

PDS Part 1 will be reissued for each Rollover Period and for each new issue of Rolling Instalments and must be read in conjunction with Part 2 of the PDS (“PDS Part 2”).

PDS Part 2 contains the general terms and conditions that govern the Rolling Instalments, including the offer description, risks and benefits associated with the Rolling Instalments, tax considerations, description of ABN AMRO, the Guarantor and the key provisions of , the Trust Deed and the Guarantee.

The capitalised terms used in this PDS Part 1 have the meaning set out in the “Glossary” in Section 9 of PDS Part 2.

KEY COMMERCIAL TERMS

ABN AMRO Rolling Instalment Warrants – Summary

Rolling Instalments are ASX-listed leveraged financial products that provide investors the opportunity to purchase Underlying Securities by way of two payments, known as the First Payment and the Instalment Payment, or to use such Underlying Securities held by investors as security for a Loan.

Rolling Instalments enable Cash Applicants to gain the major benefits of securities ownership, being the benefits of Dividends, franking credits and other distributions as well as exposure to the Underlying Security price movement without having to pay for the Security in full upfront. Shareholder Applicants can receive the same benefits, while providing cash to be invested as a Shareholder Applicant chooses.

Rolling Instalments incorporate a limited recourse Loan which is equal to the Instalment Payment. The repayment of the Loan and acquisition of the legal ownership of the Underlying Securities on or before the Expiry Date by making an Instalment Payment is optional.

Rolling Instalments differ from traditional instalment warrants in that Rolling Instalments allow ABN AMRO to vary the Loan Amount on each Reset Date. The Reset Dates are set in the Table below. Depending on the Underlying Securities price and the Loan Amount set at the Reset Date, Holders may receive a payment from ABN AMRO ("Rollover Cash Back"), or may be requested to make a payment to ABN AMRO ("Rollover Payment"). If a Holder does not provide instructions at the Reset Date, the Rollover Cash Back will be used to issue additional Rolling Instalments to the Holder. If a Holder does not make a Rollover Payment by 5:00 p.m. on the Reset Date, the Rollover Payment will be made by ABN AMRO by terminating the relevant number of Rolling Instalments.

The benefit of the Rolling Instalments is that a Holder is not required to submit a new Application on each Reset Date and the Loan Amount is reset automatically by ABN AMRO. Rolling Instalments are beneficial for medium to long term investment in Securities which pay franked Dividends and other distributions.

Rolling Instalments are suitable for investors seeking:

- investments in securities utilising gearing; and
- gearing within a self managed super fund.

The Series codes for the existing series of Rolling Instalments are "IZQ", "IZP" and "IZR". These Rolling Instalments were originally issued in May 2004 with an Investment Term of 15 years. The new issue's Series Code is "IZY"

Please see the key commercial terms for the "IZQ", "IZP", "IZR" and "IZY" Rolling Instalments series below.

Warrant Issuer:	ABN AMRO Australia Pty Limited
Date of PDS Part 1:	08 November 2007
Date of PDS Part 2:	25 May 2007
Registrar:	Link Market Services Limited
Offer Opens	08 November 2007
Offer Closes*	5.00pm on the Expiry Date for Cash and Shareholder Applicants; 4.00 pm on the expiry date for the series of Rolling Instalments being converted for Conversion Applicants
Second Interest Date	14 June 2008
Next Reset Date	5 Dec 2008
Interest rate for third Rollover Period	8.25%

* ABN AMRO reserves the right to close the offer of Rolling Instalments on an earlier date without prior notice. ABN AMRO will make an announcement on the ASX

Summary Table of ABN Amro Rolling Instalments

ASX Code	Listed Entity	Instalment Payment	Issue Size (million)
ABSIZQ	A.B.C. Learning Centres Limited	\$4.25	5
ADBIZQ	Adelaide Bank Limited	\$8.50	5
AGKIZQ	AGL Energy Limited	\$8.75	5
ALLIZQ	Aristocrat Leisure Limited	\$9.00	5
AANIZQ	Alinta Limited	\$8.50	5
AMCIZQ	Amcor Limited	\$4.25	5
AMPIZQ	AMP Limited	\$6.00	5
ANZIZQ	Australia and New Zealand Banking Group Limited	\$17.00	5
ASXIZQ	ASX Limited	\$25.00	5
AWBIZQ	AWB Limited	\$2.00	5
AWCIZQ	Alumina Limited	\$4.25	5
BBGIZQ	Billabong International Limited	\$9.00	5
BENIZQ	Bendigo Bank Limited	\$9.50	5
BHPIZQ	BHP Billiton Limited	\$16.50	5
BXBIZQ	Brambles Limited	\$7.50	5
BLDIZQ	Boral Limited.	\$4.50	5
BOQIZQ	Bank of Queensland Limited.	\$9.50	5
BSLIZQ	Bluescope Steel Limited	\$6.00	5
CBAIZQ	Commonwealth Bank of Australia.	\$28.00	5
CCLIZQ	Coca-Cola Amatil Limited	\$5.25	5
CGFIZQ	Challenger Financial Services Group Limited	\$2.75	5
CGJIZQ	Coles Group Limited	\$9.00	5
CPUIZQ	Computershare Limited.	\$5.75	5
CSLIZQ	CSL Limited	\$50.00	5

CSRIZQ	CSR Limited	\$2.00	5
DJSIZQ	David Jones Limited	\$2.75	5
FGLIZQ	Foster's Group Limited	\$3.75	5
GNSIZQ	Gunns Limited	\$2.00	5
GTPIZP	Great Southern Limited	\$1.25	5
GWTIZQ	GWA International Limited	\$2.50	5
HGIIZQ	Henderson Group PLC	\$2.00	5
HVNIZQ	Harvey Norman Holdings Limited	\$2.75	5
IAGIZQ	Insurance Australia Group Limited	\$3.50	5
JBMIZQ	Jubilee Mines NL	\$9.50	5
LEIIZQ	Leighton Holdings Limited	\$20.00	5
LHGIZQ	Lihir Gold Limited	\$1.75	5
LLCIZQ	Lend Lease Corporation Limited	\$11.50	5
MAPIZQ	Macquarie Airports	\$2.25	5
MBLIZQ	Macquarie Bank Limited	\$55.00	5
MIGIZQ	Macquarie Infrastructure Group	\$2.25	5
NABIZQ	National Australia Bank Limited	\$24.00	5
NCMIZQ	Newcrest Mining Limited	\$13.50	5
NWSIZQ	News Corporation	\$17.00	5
ORGIZQ	Origin Energy Limited	\$5.00	5
ORIIZQ	Orica Limited	\$16.00	5
OSHIZQ	Oil Search Limited	\$2.00	5
OSTIZQ	OneSteel Limited	\$3.00	5
PBGIZQ	Pacific Brands Limited	\$1.80	5
PBLIZQ	Publishing & Broadcasting Limited	\$11.00	5
PPXIZQ	Paperlinx Limited	\$2.25	5
QANIZQ	Qantas Airways Limited	\$3.00	5
QBEIZQ	QBE Insurance Group Limited	\$17.50	5
RINIZQ	Rinker Group Limited	\$10.50	5
RIOIZQ	RIO Tinto Limited	\$45.00	5
RMDIZQ	Resmed Inc	\$3.00	5
SGBIZQ	St George Bank Limited	\$20.00	5
SHLIZQ	Sonic Healthcare Limited	\$9.50	5
SIPIZQ	Sigma Pharmaceuticals Limited	\$1.50	5
SSXIZQ	Smorgon Steel Group Limited.	\$1.20	5
STOIZQ	Santos Limited	\$6.00	5
SUNIZQ	Suncorp-Metway Limited.	\$12.00	5
SYBIZQ	Symbion Health Limited	\$2.15	5
TAHIZQ	TABCORP Holdings Limited	\$10.00	5
TCLIZQ	Transurban Group	\$4.25	5
TELIZQ	Telecom Corporation of New Zealand Limited	\$2.50	5
TIMIZP	Timbercorp Limited	\$1.25	5
TLSIZQ	Telstra Corporation Limited	\$3.50	5
TLSIZR	Telstra Corporation Limited	\$2.75	5

TOLIZQ	Toll Holdings Limited	\$12.50	5
VBAIZQ	Virgin Blue Holdings Limited	\$1.50	5
WBCIZQ	Westpac Banking Corporation	\$15.00	5
WDCIZQ	Westfield Group	\$12.00	5
WESIZQ	Wesfarmers Limited	\$22.00	5
WOWIZQ	Woolworths Limited	\$15.00	5
WPLIZQ	Woodside Petroleum Limited	\$22.00	5
AFIIZQ	Australian Foundation Investment Company Limited	\$3.00	5
ARGIZQ	Argo Investments Limited	\$4.60	5
BBIIQZ	Babcock & Brown Infrastructure Group	\$1.00	5
BNBIZQ	Babcock & Brown Limited	\$17.50	5
DUEIZQ	Duet Group	\$2.00	5
DXLIZQ	Dyno Nobel Limited	\$1.50	5
FWDIZQ	Fleetwood Corporation Limited	\$5.25	5
MDTIZQ	Macquarie DDR Trust	\$0.75	5
OXRIZQ	Oxiana Limited	\$1.75	5
SFYIZQ	streetTRACKS S&P/ASX 50 Fund	\$34.00	5
STWIZQ	streetTRACKS S&P/ASX 200 Fund	\$35.00	5
TTSIZQ	Tattersall's Limited	\$2.75	5

Summary Table of NEW ABN AMRO Rolling Instalments

Anticipated commencement of trading on ASX is 8th November 2007 on a normal settlement basis.

ASX Code	Listed Entity	Instalment Payment \$AUD	Issue Size (million)
BHPIZY	BHP Billiton Limited	\$27.50	10.0
HVNIZY	Harvey Norman Holdings Limited	\$3.75	10.0
LEIIZY	Leighton Holdings Limited	\$35.00	2.8
NCMIZY	Newcrest Mining Limited	\$17.50	8.0
RIOIZY	Rio Tinto Limited	\$65.00	5.0

Reset Dates	
Effective Date	03 May 2004
Reset Date 1	02 Dec 2005 (already occurred)
Reset Date 2	14 June 2007 (already occurred)
Reset Date 3	05 Dec 2008
Reset Date 4	14 June 2010
Reset Date 5	02 Dec 2011
Reset Date 6	14 June 2013
Reset Date 7	05 Dec 2014
Reset Date 8	16 June 2016
Reset Date 9	01 Dec 2017
Expiry Date (1)	03 May 2019

Notes: 1. ABN AMRO may nominate an earlier Expiry Date (see Section 8.1 "Extraordinary Events and Early Expiry" in PDS Part 2)
 No Series of Rolling Instalments will be issued on the basis of this PDS later than the Expiry Date.
 ABN AMRO has made an application to ASX for the admission of Rolling Instalments to quotation on ASX.

How to Apply for ABN AMRO Rolling Instalment Warrants

Please read PDS Part 1 and PDS Part 2 in their entirety for further information.

PDS Part 1 provides specific terms of this issue of Rolling Instalments series "IZQ", "IZP", "IZR" and "IZY". PDS Part 2 provides more general information in relation to ABN AMRO Rolling Instalments.

If you have accessed an electronic version of this PDS, ABN AMRO will send a paper copy of the PDS to you free of charge upon request, see contact details below.

If you would like to apply for Rolling Instalments or would like to obtain further

information and current pricing please contact your financial adviser or ABN AMRO using the contact details below.

Application Forms to apply for ABN AMRO Rolling Instalments are attached to PDS Part 2 (see Section 10).

ABN AMRO Australia Warrant Sales

ABN AMRO Australia
 Level 22
 88 Phillip Street
 SYDNEY NSW 2000

Toll Free 1800 450 005

www.abnamro.com.au/warrants

PRODUCT DISCLOSURE STATEMENT

Contact Us

For more information on about how Instalments can become an effective part of your clients wealth creation strategy and your business contact ABN AMRO on 1800 450 005.

PRODUCT DISCLOSURE STATEMENT

PART 2

Dated: 25 May 2007

Important Information



Warrant Issuer:
ABN AMRO Australia
PTY LIMITED
ABN 78 000 862 797
AFSL: 247013

Broker to the Issuer:
ABN AMRO Equities
AUSTRALIA LIMITED
ABN 84 002 768 701
AFSL: 240530

Guarantor of the Issuer:
ABN AMRO Bank N.V.
ABN 84 079 478 612

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IMPORTANT INFORMATION

ABN AMRO Australia Pty Limited: ABN 78 000 862 797

SECTION 1: IMPORTANT INFORMATION

ABN AMRO Rolling Instalment Warrants

1.1 Product Disclosure Statement (“PDS”)

This is Part 2 of the Product Disclosure Statement (“PDS”) for ABN AMRO Rolling Instalment Warrants (“Rolling Instalments”).

Part 1 of the PDS (“PDS Part 1”) sets out the key commercial terms relating to each series of Rolling Instalments. PDS Part 1 includes the details of the Underlying Securities, the Reset Dates, Expiry Date, ASX codes and Instalment Payment for each Series as may be adjusted in accordance with the Trust Deed.

Part 2 of the PDS (“PDS Part 2”) constitutes the general terms and conditions that govern the issue of Rolling Instalments. This PDS Part 2 is dated 25 May 2007 and has been prepared by ABN AMRO Australia Pty Limited (ABN 78 000 862 797) (“ABN AMRO” or “Warrant Issuer”).

An updated version of the PDS Part 1 will be issued for each Rollover Period and with each new Series of Rolling Instalments. Potential investors should read the entire PDS (that is, both PDS Part 1 and PDS Part 2), before making any investment decision.

This PDS is not required by the Corporations Act to be lodged with ASIC and therefore, has not been lodged with ASIC. ABN AMRO will notify ASIC that this PDS is in use in accordance with section 1015D of the Corporations Act. ASIC and the ASX take no responsibility for the contents of this PDS or for the Rolling Instalments.

1.2 Purpose of PDS

This PDS is an invitation to you to apply for a particular Series of Rolling Instalments to be traded on the ASX and includes an invitation to apply for a Loan. The Loans are provided by ABN AMRO. Applicants for Rolling Instalments can be from three categories:

- (a) Cash Applicants;
- (b) Shareholder Applicants; or
- (c) Conversion Applicants.

You will be able to purchase Rolling Instalments on the basis of this PDS until 5:00 p.m. on the Expiry Date if you are a Cash Applicant or a Shareholder Applicant, and until 4.00 p.m. on the expiry date for the Series of Rolling Instalments being converted if you are a Conversion Applicant. ABN AMRO reserves the right to close the offer of any Series of Rolling Instalments at an earlier time without prior notice (see Section 8.1 “Extraordinary Events and Early Expiry” for more information).

1.3 Underlying Entities

Each Rolling Instalment includes an investment in a share of a company or a unit in a managed investment scheme that is listed in the Summary Table in PDS Part 1 (the “Underlying Entities”). The Underlying Entities have not been a party to the PDS preparation or furnished any information specifically to ABN AMRO for the purpose of the preparation of this PDS. Similarly, information in this PDS concerning the Underlying Entities has not been independently verified. ABN AMRO, ABN AMRO Equities and the Guarantor or their affiliates may currently or from time to time in the future engage in business with the Underlying Entities such as act as an adviser or broker to the Underlying Entities for which they may receive fees or commissions.

However, this PDS has been prepared by ABN AMRO only using publicly available information. References in this PDS to an Underlying Entity are not to be construed as an express or implied endorsement by ABN AMRO of an investment in the Underlying Securities, nor is it an endorsement by the Underlying Entities of this issue of Rolling Instalments.

1.4 No investment advice

The information provided in this PDS is not financial product advice and has been prepared without taking into account your investment objectives, personal circumstances or needs. Before making a decision to invest in Rolling Instalments, you should read this PDS and consider, in conjunction with your financial advisor, whether an investment in the Rolling Instalments, including borrowing under the Loan, is appropriate in light of your particular investment needs, objectives and financial and taxation circumstances. In particular, you should ensure that you understand the taxation consequences for you if you invest in the Rolling Instalments and your repayment obligations under the Loan.

1.5 No Representation

Nothing in this PDS is, or may be relied upon as, a representation or promise as to the financial performance of the Rolling Instalments, the Underlying Securities or the business or financial affairs of ABN AMRO, ABN AMRO Equities, the Guarantor or the Underlying Entities.

No person is authorised by ABN AMRO to give any information to investors or make any representation not contained in this PDS. You should only rely on the information contained in this PDS in relation to Rolling Instalments.

1.6 Jurisdiction

This PDS is not an offer or invitation in relation to Rolling Instalments in any place in which, or to any person to whom, it would not be lawful to make that offer or invitation. The distribution of this PDS outside Australia may be restricted by the laws of places where it is distributed and therefore, persons into whose possession this PDS comes should seek advice on and observe those restrictions. Failure to comply with relevant restrictions may violate those laws. Rolling Instalments have not been, and will not be, registered under the Securities Act 1933 (United States of America) and may not be offered or sold in the United States of America or to a citizen or resident of, or entity created under the laws of, the United States or to any other person or entity within the definition of the term "US Person" under Regulation S promulgated under the Securities Act 1933.

1.7 No cooling-off rights

You will not have any cooling-off rights if you apply for Rolling Instalments. This means that, in most circumstances, you cannot withdraw your Application once it has been made.

1.8 Additional Information

This PDS Part 2 is current as at 25 May 2007. Information in this PDS is subject to change from time to time. Where information that is not materially adverse to investors changes, ABN AMRO will update the information by posting a notice on its website at www.abnamro.com.au/warrants. In some circumstances ABN AMRO will issue a Supplementary PDS. You can also obtain a paper copy of updated information on request on 1800 450 005 free of charge. ABN AMRO may also from time to time release relevant information through the ASX.

If you require up to date fees and charges associated with the Rolling Instalments, up to date financial statements and accounts relating to ABN AMRO and/or the Guarantor and all other up to date information concerning the Rolling Instalments, please contact ABN AMRO on 1800 450 005 (toll free) or visit the website www.abnamro.com.au/warrants. Paper copies of the information are available free on request.

1.9 Definitions

Some of the words which are used in this PDS have defined meanings which are set out in the "Glossary" in Section 9 of this PDS Part 2.

SECTION 2: KEY FEATURES

ABN AMRO High Leverage Instalments at a glance

2.1 Introduction

ABN AMRO Rolling Instalment Warrants (“Rolling Instalments”) are leveraged financial products which are listed on the ASX. They provide the opportunity to purchase the Underlying Securities (as listed in the Summary Table in PDS Part 1) by way of two payments, known as the First Payment and the Instalment Payment or, to use any such Underlying Securities held by the investors as security for a Loan.

Rolling Instalments incorporate a limited recourse Loan and use a trustee to hold the Underlying Securities on trust for you during the Investment Term, subject to a Security Interest. For each Rolling Instalment, you will effectively borrow from ABN AMRO between 40% and 70% of the price of the Underlying Securities as at the date of this PDS and each Reset Date. It is important to bear in mind that the higher the leverage for each Rolling Instalment, the higher the Loan Amount and the associated Capital Protection Fee, Borrowing Fee and Interest Amount.

The Rolling Instalments allow Cash Applicants to benefit from any income and growth of the Underlying Securities without having to pay for the Security in full upfront when you acquire the Rolling Instalment. Shareholder Applicants can retain the same benefits of ownership of the

Underlying Securities, while obtaining cash to be invested as the Shareholder Applicant chooses. Hence, the yield from your share portfolio is enhanced. The Trustee is generally able to pass through Dividends, franking credits and other distributions to you.

Rolling Instalments are similar to traditional two year instalment warrants in that there are two main contributions from a Holder: one at the start (for Cash Applicants, by way of the First Payment and for Shareholder Applicants and Conversion Applicants, by way of transferring securities to the Trustee) and one at the end of the Investment Term. However, they differ from such instalment warrants in that the term is 15 years and the Loan Amount for Rolling Instalments may vary on each Reset Date. The Reset Dates are stated in the Summary Table in PDS Part 1, and are generally 18 months apart. This means that you may be paid additional amounts, or may be requested to make additional payments, during the Investment Term.

2.2 How do I buy Rolling Instalments?

There are 4 ways to buy a Rolling Instalment, outlined below. ABN AMRO may accept Cash Applications and Shareholder Applications prior to 5 p.m. on the Expiry Date (which is specified in PDS Part 1). ABN AMRO will only accept Conversion Applications up to 4 p.m. on the expiry date for the Series of Rolling Instalments being converted.

**(i)
Cash Applications
– Buy Rolling
Instalments off-
market, directly
from ABN AMRO**

You may buy Rolling Instalments directly from ABN AMRO, thereby avoiding brokerage costs associated with an on-market purchase. This is known as a Cash Application.

**How to make a
Cash Application**

- Complete the Application Form attached to this PDS Part 2 (see Section 10).
- Call ABN AMRO on 1800 450 005 and lock in the amount for the First Payment.
- Lodge your Application Form and a cheque for the First Payment, with ABN AMRO.

**(ii)
Shareholder
Applications
– Convert your
Underlying
Securities into
Rolling Instalments**

You can “free up” cash from your share portfolio by “converting” any Securities you may have in an Underlying Entity into Rolling Instalments. This strategy is commonly known as a “Cash Extraction” strategy as you receive a Cash Back Amount from ABN AMRO.

**How to convert your
securities into
Rolling Instalments**

- Complete the Application Form attached to this PDS Part 2 (see Section 10).
- Lodge your Application Form with ABN AMRO at the address specified on the Application Form. You are also asked to send your holding statement for the relevant Underlying Securities.

**(iii)
Conversion
Applications
– Convert your
expiring Prior
Series Instalments
to a Series of the
Rolling Instalments
offered under
this PDS**

If you hold existing ABN AMRO Instalment Warrants which are due to expire (“Prior Series Instalments”) you can convert these Prior Series Instalments into a new Series of Rolling Instalments, thus keeping your leveraged exposure to the Underlying Securities and receiving the Dividends or other distributions from the Underlying Securities. Generally, ABN AMRO issues one new Rolling Instalment for each Prior Series Instalment.

**How to make a
Conversion Application**

- Complete the Application Form attached to this PDS Part 2 (see Section 10).
- Lodge your Application Form with ABN AMRO by 4.00 p.m. on the expiry date of the Prior Series Instalments you are currently holding.
- You may also be required to pay an additional amount to ABN AMRO or you may be entitled to receive a payment from ABN AMRO as a result of the conversion. This is described below.

**(iv)
Secondary Market
Purchase – Buy
Rolling Instalments
on the ASX via a
Stockbroker**

If you are looking for prompt execution of your investment, this may be the preferred way to purchase Rolling Instalments. Place an order with your broker or financial advisor who will arrange for the purchase of the Rolling Instalments on the ASX. This

can only occur once the Series of Rolling Instalments that you are interested in purchasing have been listed on the ASX. See Section 6 (b) “Transfers” for more information on what happens upon an ASX transfer of a Rolling Instalment.

- Alternatively, you can pay by Direct Debit. If you wish to set up a Direct Debit facility for the Rolling Instalments, please complete the Direct Debit Request (attached to this PDS Part 2 in Section 11) and attach it to your Cash Application. Please also attach a copy of your current driver's licence if you wish to utilise the Direct Debit facility.

How does a Cash Application work?

- Part of the First Payment plus the Loan Amount will be used by the Trustee to purchase the Underlying Securities on your behalf. The remainder of the First Payment will be applied towards the payment of the Interest Amount, Capital Protection Fee and

Borrowing Fee. Please see Section 5 "Fees and Costs" and Section 6 "Loan" for further information on the payment of the Interest Amount, Capital Protection Fee and Borrowing Fee.

- If you do not call ABN AMRO and lock in an amount for the First Payment from ABN AMRO, the First Payment will be calculated on the basis of

the market conditions and the price of the Underlying Securities on the day on which your Application is accepted.

- ABN AMRO will then issue the Rolling Instalments to you. The Underlying Securities will be held by the Trustee on your behalf subject to the Security Interest.

How does a Shareholder Application work?

- Your securities in the Underlying Entities are transferred to the Trustee.
- The Trustee will then pay you (from the proceeds of the Loan Amount) the Cash Back Amount for each Rolling Instalment (as described below).
- ABN AMRO will then issue the Rolling Instalments to you.

- This transaction should not attract capital gains tax as the beneficial ownership of the Underlying Securities has not changed. Refer to Section 7 "Tax Considerations" for more details.
- Shareholder Applicants who receive a Cash Back Amount must use the amount received wholly or predominantly (more than half) for business or investment purposes.

Cash Back Amount

The Cash Back Amount calculated by ABN AMRO equals the Loan Amount minus the Interest Amount, Capital Protection Fee and Borrowing Fee applicable until the next Reset Date (or the Expiry Date). As the Interest Amount, Capital Protection Fee and Borrowing Fee may vary, the Cash Back Amount will also vary. You may find out the Cash Back Amount on a particular day by calling ABN AMRO on 1800 450 005.

Please see Section 5 "Fees and Costs" and Section 6 "Loan" for more information on the Interest Amount, Capital Protection Fee and Borrowing Fee.

How does a Conversion Application work?

- ABN AMRO advances to you the Loan Amount for the Rolling Instalments offered under this PDS. This amount is used (at your direction) to pay the Instalment Payment of the Prior Series Instalments and the Interest Amount, Capital Protection Fee and Borrowing Fee payable for the Rolling Instalments offered under this PDS.
- Depending on the amounts of the Instalment Payment for the Prior Series Instalments and the Interest Amount,

Capital Protection Fee and Borrowing Fee payable on the new Series of Rolling Instalments, ABN AMRO may either require you to make an additional payment ("Conversion Payment") or return excess funds to you ("Conversion Cash Back") – these are described below.

- The Underlying Securities held by the trustee of the Prior Series Instalments will, once the Instalment Payment is paid, be transferred to the Trustee and held under a Separate Trust in accordance with the Trust Deed.

Conversion Cash Back

In general, you will receive a Conversion Cash Back amount if the Loan Amount for the new Series of Rolling Instalments is greater than the sum of the Instalment Payment for the Prior Series Instalments and the Interest Amount, Capital Protection Fee and Borrowing Fee payable on the new Series of Rolling Instalments.

Conversion Payment

You will be required to make a Conversion Payment if the Loan Amount for the new Series of Rolling Instalments is less than the sum of the Instalment Payment for the

Prior Series Instalments and the Interest Amount, Capital Protection Fee and Borrowing Fee payable on the new Series of Rolling Instalments. Please see Section 6 "Loan" on the description of the Interest Amount.

You must ensure that ABN AMRO receives the Conversion Payment (if any) in cleared funds prior to the expiry date of the Prior Series Instalment Warrants. For more details regarding relative pricing and the requirement for additional payments, please call ABN AMRO on 1800 450 005.

2.3 What Happens at Each Reset Date?

The Loan Amount for Rolling Instalments may vary on each Reset Date. The intention is to keep the ratio of the Loan Amount to the price of the Underlying Securities at a level similar to that which exists as at the date of this PDS. However, other factors such as interest rates, volatility and price movements of the Underlying Securities over a Rollover Period will also be taken into consideration by ABN AMRO in determining the new Loan Amount, for the next Rollover Period (“Revised Loan Amount”).

On each Reset Date, ABN AMRO may also adjust the Interest Rate and may charge a Capital Protection Fee and a Borrowing Fee in relation to the next Rollover Period. A Rollover Period is the period between the Effective Date or a Reset Date (as applicable) and the following Reset Date or Expiry Date (as applicable).

The Revised Loan Amount, Interest Rate, Interest Amount, Capital Protection Fee and Borrowing Fee for the following Rollover Period will generally be announced by ABN AMRO no later than 20 Business Days prior to each Reset Date by giving a reminder notice to the Holders. ABN AMRO will also announce indicative amounts for either a Rollover Payment or Rollover Cash Back at the same time. However, you will be required to contact ABN AMRO on 1800 450 005 to confirm and lock in the Rollover Payment or Rollover Cash Back prior to the Reset Date. If you do not lock in these amounts, ABN AMRO will set these amounts on the Reset Date for all outstanding Holders.

The following paragraphs (i) and (ii) describe when you will and will not be requested to make payments under the Rolling Instalments as a result of an adjustment of the Loan Amount on a Reset Date.

**(i)
Payment of Rollover Cash Back or Issue of Additional Rolling Instalments**

At a Reset Date, if there is an increase in the Loan Amount and this increase is greater than the Interest Amount, Capital Protection Fee and Borrowing Fee for the next Rollover Period, and a Holder does not elect to make an

Instalment Payment or exercise the Holder’s Put Option, the Trustee will direct this excess loan drawdown (“Rollover Cash Back”) towards the purchase of additional Rolling Instalments in the same Series for the Holder. The price at which these

**(ii)
Rollover Payment Required or Rolling Instalments may be Terminated**

Where the Loan Amount is reduced, remains the same, or is not increased sufficiently to fully cover the Interest Amount, Capital Protection Fee and Borrowing Fee for the next Rollover Period, the Holder will be asked to make a Rollover Payment to ABN AMRO if the Holder does not elect to pay the Instalment Amount or exercise the Holder’s Put Option on the Reset Date.

- If the Loan Amount is not changed on the Reset Date, the Rollover Payment is equal to the total of the Interest Amount, Capital Protection Fee and Borrowing Fee for the next Rollover Period.
- If the Loan Amount is increased on the Reset Date and the Additional Loan Amount is less than the total of the Interest Amount, Capital Protection Fee and Borrowing Fee for the next Rollover Period, the Rollover

**(iii)
No Action Required**

If the Loan Amount is increased by the amount sufficient to cover the Interest Amount plus the Capital Protection Fee and Borrowing Fee for the next Rollover Period, the Holder will not have to take any action as the

Trustee will manage the Loan drawdown and payment of these amounts. In this case there will be no Rollover Cash Back and no Rollover Payment.

**(iv)
Complete Your Rolling Instalments on a Reset Date.**

Regardless of whether there is a Rollover Cash Back or Rollover Payment, Holders may Complete their Rolling Instalments on any Reset Date by making the Instalment

Payment or by exercising the Holder’s Put Option. Please refer to Section 2.4 for more details on how to Complete your Rolling Instalments.

additional Rolling Instalments are issued will be determined by ABN AMRO following the relevant Reset Date. This is sometimes referred to as a rollover re-investment plan.

Alternatively, the Holder can elect to have the Rollover Cash Back paid in cash. However, to be eligible for this option, Holders are required to use the Rollover Cash Back for business or investment purposes and give

ABN AMRO a Consumer Credit Code Declaration to this effect before 5:00 p.m. on the Reset Date. ABN AMRO may in its absolute discretion accept or reject such elections.

Payment is equal to the Interest Amount plus the Capital Protection Fee and Borrowing Fee for the next Rollover Period minus the Additional Loan Amount.

- If the Loan Amount is reduced on the Reset Date, the Rollover Payment is equal to the amount of the decrease plus the total amount of the Interest Amount, Capital Protection Fee and Borrowing Fee for the next Rollover Period.

If a Rollover Payment is due and payment is not made before 5:00 p.m. on the Reset Date, a number of the Holder's Rolling Instalments will be terminated in order to meet the Rollover Payment on the Holder's remaining Rolling Instalments. The Underlying Securities from the terminated Rolling Instalments will be sold at a market price as determined by ABN AMRO, and the proceeds from this sale will

then be applied to pay both the Instalment Payment on the terminated Rolling Instalments and the Rollover Payment on the remaining Rolling Instalments. Any excess is then refunded to the Holder, provided that such refund is greater than \$20. If the market value of the Underlying Securities of the Holder's remaining Rolling Instalments is less than \$500 on the Reset Date, ABN AMRO may also elect

to terminate the Holder's remaining Rolling Instalments and the remaining Rolling Instalments will be included in the number of terminated Rolling Instalments.

2.4 Alternatives on or before the Expiry Date

You have 4 choices on or before Expiry Date of the Rolling Instalments, outlined below.

**(i)
Sell your Rolling Instalments on the ASX before they cease to be traded**

Your holding of Rolling Instalments may be sold on the ASX via a stockbroker up until 4:00 p.m. on the Expiry Date. You will receive a cash amount equal to the Rolling

Instalments' market value (less any brokerage). Please refer also to Section 8.5 "Trading of Rolling Instalments".

**(ii)
Complete your Rolling Instalments by paying the Instalment Payment**

If a Holder wants to take delivery of the Underlying Securities, they must Complete the Rolling Instalments by making the Instalment Payment. This may be done at any time up until 5:00 p.m. on the Expiry Date. Investors should be aware that because the Instalment Payment is equal to the Loan Amount which can change on

a Reset Date, the Instalment Payment is not fixed and may be higher (or lower) than the Instalment Payment at the time of purchase. The Instalment Payment for a relevant Rollover Period is specified in PDS Part 1.

**(iii)
Exercise your Holder's Put Option (Sell the Underlying Securities to ABN AMRO)**

As a Holder of Rolling Instalments, you have the right to sell (or "put") the Underlying Securities to ABN AMRO at a price that at least equal to the Instalment Payment. This put option may be exercised with effect on each Reset Date or

the Expiry Date. ABN AMRO will purchase the legal and beneficial interest in the Underlying Securities from you for the greater of the Loan Amount or the amount determined by ABN AMRO as a reasonable aggregate

**(iv)
Convert your expiring Rolling Instalments to a new Series of Rolling Instalments**

You may convert your expiring ABN AMRO Rolling Instalments into a new Series of Rolling Instalments, provided that a new series is available over the same Underlying Security.

Step-by-Step Instructions

- In order to make a conversion you will need to obtain the product disclosure statement governing the new series from

Step-by-step Instructions

- You must lodge a valid Instalment Payment Notice (a copy is attached in Section 12 of this PDS Part 2) with ABN AMRO, accompanied by payment, either via a cheque or electronic funds transfer, for the aggregate Instalment Payment (which

is the Instalment Payment multiplied by the number of Rolling Instalments you are Completing).

- The Instalment Payment Notice given to ABN AMRO cannot be revoked.
- Make the cheque out to ABN AMRO Australia Pty Limited and send to the address shown on the top of the Instalment Payment

Notice. Alternatively, pay by Direct Debit by completing a Direct Debit Request in the form attached to this PDS Part 2. Please also attach a copy of your current driver's licence if you wish to utilise the Direct Debit facility.

- You will then receive one Underlying Security for every Rolling Instalment Completed (subject to

any adjustments).

Please note that an Instalment Payment Notice will only be valid if it is given by the Holder to ABN AMRO and the proceeds of the cheque or Direct Debit Request are cleared and received by ABN AMRO within 5 Business Days after the Expiry Date.

sales price achieved by the Broker selling the Underlying Securities on the ASX at any time over the 5 Trading Days immediately following the Reset Date or the Expiry Date (as applicable) ("Exercise Price").

Step-by-step Instructions

- You must lodge a valid Instalment Payment Notice attached to this PDS Part 2 in Section 12 with ABN AMRO prior to 5:00

pm on a Reset Date or the Expiry Date.

- ABN AMRO will purchase the Underlying Securities and pay you the Exercise Price less costs and less the Instalment Payment.

- In the event that the Exercise Price is less than the Instalment Payment, you will not have to make any payment to ABN AMRO.

ABN AMRO by calling 1800 450 005 and complete the application form contained in that product disclosure statement.

- The application form must be lodged with ABN AMRO

by 4:00 p.m. on the expiry date for the Series of Rolling Instalments being converted.

- You may also be required to make an additional payment to ABN AMRO. This is not

always the case – you may in fact be entitled to receive funds from ABN AMRO as a result of the conversion.

2.5 No action

If you do not lodge a valid Instalment Payment Notice, do not exercise the Holder's Put Option or convert to a new Series of Rolling Warrants by 5:00 p.m. on the Expiry Date, you will be entitled to an Assessed Value Payment ("AVP") for each Rolling Instalment you hold.

The AVP is assessed according to the ASX Market Rules, which provide that:

- The Underlying Security price, in the last 2 hours of trading on the Expiry Date, must be greater than the Instalment Payment by more than 5% of the Loan Amount for there to be any payment at all; and
- If an AVP is payable, then the amount payable is calculated as $90\% \times (\text{VWAP} - \text{Instalment Payment})$, where VWAP is the volume weighted average price of the Underlying Securities over the five Trading Days following the Expiry Date.

As the AVP is likely to be less than the amount received if you exercise the Holder's Put Option, it is important that you consider the other alternatives prior to the Expiry Date.

If you are entitled to an AVP, you will receive this amount by cheque. The Underlying Securities in relation to your Rolling Instalments will be transferred to ABN AMRO. In the event that the AVP is less than the Instalment Payment, ABN AMRO will not seek to recover the remainder of the Instalment Payment from you.

2.6 Secondary Market Pricing

The secondary market prices of the Rolling Instalments on the ASX are available on request from ABN AMRO. These prices will vary from day to day primarily according to the price of the Underlying Securities. The price will also decrease over time as a result of the reduction in prepaid interest.

The secondary market price of the Rolling Instalments on the ASX may differ from the expected price calculated by the method described in Section 2.5. This difference may be due to various factors including: market forces, changes in interest rates, changes in liquidity or volatility of the Underlying Securities, revision of expected Dividends, other distributions or large price movements of the Underlying Securities. Please refer to Section 4 "Benefits and Risks" for more details.

SECTION 3: FAQs

(a) Who should invest in ABN AMRO Rolling Instalments?

ABN AMRO Rolling Instalments may be suitable for investors who:

- wish to participate in the performance of the Underlying Securities over the long term by paying in two instalments;
- wish to receive Dividends or other distributions for a security without paying for it in full upfront;
- have a Self-Managed Super Fund and wish to introduce leverage into their super fund;
- wish to extract cash from current individual holdings and diversify into other investments without triggering any CGT;
- wish to partially reduce the overall capital risk of their investments; or
- are looking for deductibility of interest (conditions apply) (see Section 7 "Tax Considerations").

(a) Will I be subject to margin calls?

No. The Loan is limited in recourse to the Underlying Securities. Even if the price of the Underlying Securities falls below the Instalment Payment during the life of the Rolling Instalments, there will be no margin calls.

(b) Will I be obliged to pay the Instalment Payment?

No. Even if the price of the Underlying Securities is less than the Instalment Payment on the Expiry Date, there will be no requirement for you to repay the Loan. Instead of paying the Instalment Payment you may exercise the Holder's Put Option, or simply let the Rolling Instalments expire without taking action. Please refer to Section 2.4 "Alternatives on or before the Expiry Date" for more information.

(c) What is the Interest Rate applicable and will it change during the life of the Rolling Instalment?

The Interest Rate initially applied to the Loan Amount is set out in the Summary Table in PDS Part 1. However, the Interest Rate may be varied by ABN AMRO on each Reset Date. This new Interest Rate will be announced by ABN AMRO at least 20 Business Days prior to such variation. See Section 6 "Loan" for how the Interest Amount is calculated.

(d) Can I Complete my Rolling Instalments prior to the Expiry Date?

Yes, the Rolling Instalments offered under this PDS may be Completed by paying the Instalment Payment and receiving delivery of the Underlying Securities at any time before 5.00pm on the Expiry Date. Alternatively, you can exercise your Holder's Put Option on a Reset Date or the Expiry Date.

(e) Can I sell my Rolling Instalments prior to the Expiry Date?

Yes. The Rolling Instalments will trade on the ASX and may be sold prior to 4.00 pm on the Expiry Date.

(f) Can I sell my Rolling Instalments directly back to ABN AMRO?

No. Rolling Instalments may be sold on the ASX through a stockbroker only.

(g) What documentation do I receive relating to my Rolling Instalments?

- Within 10 Business Days of purchasing the Rolling Instalment directly from ABN AMRO, you will receive a 'Welcome Letter' summarising the details of the transaction and providing a breakdown of the pricing components of the Rolling Instalments.
- Following the end of the month of the purchase of Rolling Instalments you will receive a CHES Holding Statement showing the movement in the Rolling Instalments on and off the register.
- Five to six weeks after the end of the financial year you will receive an Interest Statement from ABN AMRO providing details of the Interest Amount relevant to the period you held the Rolling Instalment.
- Approximately 20 Business Days before each Reset Date you will receive a notice from ABN AMRO detailing the Revised Loan Amount, Interest Rate, Interest Amount, Capital Protection Fee, Borrowing Fee, the indicative Rollover Payment or Rollover Cash Back (if any), and Instalment Payment for the following Rollover Period. This reminder notice will also provide information detailing what your alternatives are and what action you must take on or before the Reset Date.
- Between 20 and 30 Business Days before the Expiry Date of the Rolling Instalments, you will receive an "Expiry Notification Letter" outlining your options on the Expiry Date, along with the relevant forms.

(h) What happens in the event of a takeover?

The Underlying Securities for a Rolling Instalment may change if there is compulsory acquisition following a Takeover Bid. You will not be able to participate in or accept Takeover Bids that do not proceed to compulsory acquisition.

(i) Can the Underlying Securities or Instalment Payment Change?

The Instalment Payment may change where ABN AMRO announces a change to the Loan Amount on a Reset Date. Please refer to Section 2.3 "What happens at each Reset Date" for more details. In addition, the Underlying Securities or the Instalment Payment can change if there is a Corporate Action such as a bonus or rights issue, a cash return of capital involving a buy-back, or cancellation of Underlying Securities, or compulsory acquisition following a Takeover Bid or scheme of arrangement, or other similar events. Adjustments would then be made in accordance with the provisions of the Trust Deed, as permitted by the ASX. For additional information, please refer to Section 8.1 "Extraordinary Events and Early Expiry" and Section 8.2 "Corporate Actions and Takeovers".

(j) Do I have any rights in relation to the Underlying Entities?

You do not have any voting rights nor would you be able to participate in any Dividend or other distribution re-investment, share bonus or any other corporate incentive plans associated with the Underlying Entity. For more information, please refer to Section 4.2 "What are the risk factors when investing in a Rolling Instalment?".

(k) How do I obtain information on the Underlying Entities?

Information about the Underling Entities may be obtained from the ASX and the Underlying Entities' websites. Your licenced financial advisor may also provide you with further information or research on the Underlying Entities.

(l) How do I obtain information on my holdings , Dividends and other distributions?

You may contact the Registrar, Link Market Services on 1300 733 794 for information on your Rolling Instalment holdings. You may also visit www.linkmarketservices.com.au for immediate online access. You will require your HIN and/or SRN details. You will find this 11 digit number usually starting with 'X', 'I' or 'C' from your ASX CHESS Statement.

(m) What if I have a complaint?

If you have a complaint, you can contact ABN AMRO in the first instance. If the matter is not resolved to your satisfaction, ABN AMRO has an external dispute resolution process. Please refer to Section 8.16 "Complaints and enquiries" for further information.

SECTION 4: BENEFITS & RISKS

4.1 What are the benefits of ABN AMRO Rolling Instalments?

(a) Enhanced Yields

Rolling Instalment Holders have the beneficial ownership of the Underlying Securities and thus will receive any Dividends, franking credits or other distributions associated with the Underlying Securities, without having paid the full price of the Underlying Securities upfront.

(b) Leveraged Exposure to the Underlying Securities

Rolling Instalments enable you to benefit from any growth in the price of the Underlying Securities during the Investment Term. Because the Rolling Instalments offered under this PDS cost less than the price of the Underlying Securities, you can reduce your initial capital outlay to hold an interest in the same number of Underlying Securities or increase your equity exposure when spending the same amount of money.

(c) Tax Consequences

(i) Deductibility of the Interest Amount for Income Tax purposes

Holders may be able to claim income tax deductions for all or part of the Interest Amount incurred for the time the Rolling Instalment is held. ABN AMRO will provide you with an Interest Statement detailing the Interest Amount following the end of the financial year, as well as following the Expiry Date.

You should note that the Australian Tax Office ("ATO") may at any time change its practice in respect of allowing deductibility of interest. Please refer to Section 7 "Tax Considerations" for further details.

You should note that for Shareholder Applicants, the Interest Amount may be able to be claimed as a deduction only where the funds are used to generate assessable income, for example, to buy other securities that pay Dividends or other distributions (see Section 2.2(ii) "Shareholder Applications – Convert your Underlying Securities into Rolling Instalments" for more information).

(ii) Franked Dividends

Franked Dividends may be received in respect of many of the Underlying Securities, meaning that company tax at 30% has been paid on the profits from which the Dividend has been paid prior to shareholders receiving it. As a result, shareholders (and hence Holders) may be entitled to a tax offset in the form of franking credits. This depends on several factors including the tax circumstances of the Holder.

In order to be eligible to receive franking credits the « 45-day » rule applies. This rule aims to eliminate franking credit trading where franking benefits are received by someone other than the true economic owner of the Underlying Securities. Broadly, the rule requires resident taxpayers to hold shares for at least 45 days (90 days for preference shares) to be eligible to receive franking benefits from Dividends paid on shares. Furthermore, even if the shares were held for at least 45 days (90 days for preference shares), the franking credit is denied if the resident taxpayer has eliminated 70 per cent or more of the ownership risk through other financial transactions during that period. Hence, the rule also specifies a 30 per cent minimum level of ownership risk.

(d) Rolling Instalments allow you to Leverage your Self-Managed Super ("SMS") Fund

Superannuation entities, such as SMS funds, approved deposit funds and pooled superannuation trusts are subject to restrictions on borrowing and on the types of investments under the Superannuation Industry (Supervision) Act 1993 ("SIS Act").

The ATO and the Australian Prudential Regulation Authority ("APRA") (responsible for regulating superannuation funds) have concluded that instalment warrants entail a borrowing for the purposes of section 67 of the SIS Act and therefore not an allowable investment, and advised that the Government will legislate to allow superannuation funds to invest in instalment warrants. The precise scope of amendments to the SIS Act will be determined following consultation with industry.

The ATO issued an announcement on 3 November 2006 stating that pending the changes to the SIS Act, it will allow superannuation funds to continue to invest in traditional instalment warrants consistent with longstanding market practice. ABN AMRO believes that Rolling Instalments are traditional instalments.

Superannuation funds investing in instalment warrants must still comply with other superannuation rules: for example they must not result in fund assets being subject to a charge. The trustee of superannuation entities are still required to demonstrate the appropriateness of including instalment warrants in their investment strategy.

There is a risk that a Shareholder Application process creates a charge over an asset of the fund in contravention of SIS Regulations. This could also apply to Conversion Applications where the Underlying Security was originally lodged by the trustee of a superannuation fund

as part of a Shareholder Application. Therefore, ABN AMRO Australia will not accept Shareholder Applications which it considers have been made by superannuation funds. However, superannuation entities may still purchase Rolling Instalments by either Cash Application, on the secondary market (that is, the ASX) or by way of a Conversion Application provided they did not purchase their existing Rolling Instalments through a Shareholder Application.

Rolling Instalments should be considered as derivatives. Accordingly, superannuation trustees will need to consider their exposure to any possible Rollover Payment and the Instalment Payment as well as reporting on the Underlying Securities.

Trustees of superannuation funds should seek their own advice as to whether Rolling Instalments are an appropriate investment for their fund.

(e) Other benefits

Other benefits include:

- ASX Listing - ABN AMRO undertakes to the ASX to provide an orderly market thereby ensuring full liquidity in each Rolling Instalment.
- Cash Extraction Strategy – allowing you to unlock existing equity and diversify your investment portfolio (only available for Shareholder Applicants).
- Small minimum investment amount of \$2,000 when applying directly to ABN AMRO but no minimum amount when purchasing through the ASX.
- No margin calls.
- No intrusive personal credit checks.

4.2 What are the risk factors when investing in a Rolling Instalment?

Investing in Rolling Instalments involves a degree of risk. The leverage provided by investing in Rolling Instalments (via the Loan Amount) means that the risks of investment may be greater than in the case of an investment of the same amount in the Underlying Securities. This Section 4.2 is a summary of the key risks, but by its nature it cannot identify all of the relevant considerations that may be a risk for individual potential Holders, and is not a substitute for independent advice. Potential Holders should ensure that they understand fully all of the risks involved in holding the Rolling Instalments. ABN AMRO recommends that potential Holders obtain independent financial advice regarding these risks before purchasing the Rolling Instalments.

Rolling Instalments are speculative and potential Holders should be aware that the overall return on the Rolling Instalments:

- may be zero and Holders may lose all of their purchase price paid for the Rolling Instalment; and
- may be less than the return Holders could earn on other investments.

Investors should be aware that there is no firm indication as to how the Rolling Instalments will trade in the secondary market, nor is there sufficient evidence as to whether the market will be liquid or illiquid. Investors are warned that the price of the Rolling Instalments may fall in value as it may rise and that the Rolling Instalments may become significantly less valuable over their Investment Term. Accordingly, Holders may lose some or all of the purchase price paid for the Rolling Instalments.

Rolling Instalments and the Underlying Securities

Rolling Instalments are not the same as the Underlying Securities, which trade separately on the ASX. The returns from Rolling Instalments will differ from that of the Underlying Securities. Rolling Instalments are leveraged investments and the returns from them will be more volatile than the returns from the Underlying Securities. This means that:

- the risks of the investment in the Rolling Instalments are greater than in the case of a direct investment of the same amount in the Underlying Securities;
- the price of the Rolling Instalments is likely to vary more (in percentage terms) than the price of the Underlying Securities; and
- Holders may lose all of their investment if the Underlying Security price falls below the Loan Amount.

Some significant differences between investments in Rolling Instalments and the Underlying Securities that investors should be aware of include, but are not limited to, the restriction that Holders:

- will not be able to participate in company dividend or trust distribution re-investment plans;
- will not receive notice of or be able to participate in company annual general meetings or exercise any voting rights in relation to the Underlying Securities;
- will not receive the company annual reports or financial statements;
- will not be able to participate in any off-market buybacks or non-renounceable rights issues; and
- will not be able to participate in or accept Takeover Bids that do not proceed to compulsory acquisition.

Dividend Distributions

When you invest in Rolling Instalments, the Trustee purchases the Underlying Securities and holds them on trust on your behalf. You have a Beneficial Interest in the Underlying Securities and will receive the Dividends or other distributions even though you have not paid for the Underlying Securities in full upfront. ABN AMRO will set a record date to determine which Holders will be entitled to those Dividends or other distributions. ABN AMRO, Trustee and Registrar will try to ensure that all record dates for Rolling Instalments will align with the respective ex-dividend and record dates for the Underlying Securities.

Holders must therefore take care as to the timing of sale or other dispositions of their Rolling Instalments having regard to the time at which the Rolling Instalments commenced to trade ex-dividend, not just the timing of the record date of the Underlying Securities.

The value of each Rolling Instalment should be expected to decrease on the first Trading Day after the Rolling Instalment trades ex-dividend. This reduction in value should reflect the value of the relevant distribution.

Please note that special dividends are not automatically distributed, and may instead be treated as a Corporate Action.

Performance by ABN AMRO and the Guarantor

The value of the Rolling Instalments depends on, among other things, the ability of ABN AMRO to perform its obligations in accordance with the Trust Deed and the ability of the Guarantor to perform its obligations under the Guarantee by making the payments referred to in the Trust Deed. The financial performance of ABN AMRO and the Guarantor may affect their respective abilities to meet such obligations. The obligations of ABN AMRO are unsecured.

The performance by ABN AMRO of its obligations under the Rolling Instalments is not guaranteed by ASX, the National Guarantee Fund or the Australian Clearing House or any party, other than the Guarantor.

Section 8 "Additional Information" includes information about the business activities and financial position of ABN AMRO and the Guarantor. However, Holders must make their own assessment of the ability of ABN AMRO and the Guarantor to meet their respective obligations in respect of the Rolling Instalments.

Factors Affecting Rolling Instalments Market Value

This PDS does not specify the First Payment for each Rolling Instalment because the First Payment will vary from time to time during the Offer Period. The market value of a Rolling Instalment is expected to be dependent upon such factors as:

- (a) the Instalment Payment;
- (b) the price, liquidity and volatility of the Underlying Securities;
- (c) the time remaining until the Expiry Date;
- (d) the level of interest rates in Australia;
- (e) the level of Dividend or other distributions yields;
- (f) real or anticipated changes in general economic conditions and the earnings results of the Underlying Entities;
- (g) de-listing or suspension of the Underlying Securities;
- (h) ABN AMRO's or Guarantor's ability to meet their respective obligations under the Trust Deed or the Guarantee, as the case may be;
- (i) early expiry of the Rolling Instalments;
- (j) the amount of any Rollover Cash Back or Rollover Payment; and
- (k) changes to taxation.

The market price of a Rolling Instalment is generally likely to fall or rise if the price of the Underlying Securities falls or rises. ABN AMRO makes no representation or warranty as to the performance of the Underlying Securities.

Possible Illiquidity of Trading Market

Investors should be aware that there is no firm indication as to how the Rolling Instalments will trade in the secondary market, nor is there sufficient evidence as to whether the market will be liquid or illiquid. A liquid market is generally one in which there is sufficient trading activity to satisfy both buyers and sellers. An illiquid market is generally one in which it is difficult to convert Rolling Instalments into cash, with minimum loss. Accordingly, in an illiquid market there is a risk that investors may not be able to sell their ABN AMRO Rolling Instalments at a reasonable price. To ensure sufficient liquidity, ABN AMRO undertakes to the ASX that it or its nominee will make a market by maintaining buy and sell orders for the life of the Rolling Instalments, as per ASX Guidance Note 7/03. Please note, even though Holders can sell Rolling Instalments, they may still incur a loss on the sale price of their Rolling Instalments.

General Market Risks

General movements in local and international stock markets, prevailing and anticipated economic conditions, Holder sentiment, interest rates and exchange rates could all affect the market price of Rolling Instalments. These risks are generally applicable to any investment on ASX or any other stock market.

Exercise of Discretion by ABN AMRO

Holders should note that some provisions of the Trust Deed confer discretions on ABN AMRO. These discretions include the discretion to vary the Loan Amount and Interest Rate on each Reset Date, nominate Extraordinary Events with the consent of ASX and to determine whether there has occurred a material change to the relevant Underlying Securities as a result of a Corporate Action. The exercise or non-exercise of these discretions could adversely affect the value of the Rolling Instalments.

Holders do not have the power to direct ABN AMRO concerning the exercise of any discretion, although ABN AMRO may only exercise certain discretions with the consent of ASX. The discretions are set out in the Trust Deed.

Takeover Offers for Underlying Entities

If a Takeover Bid is made for any Underlying Entity, ABN AMRO will not accept the Takeover Bid and will have no obligation to communicate any information it receives on the Takeover Bid to the Holder. Compulsory acquisition may follow a successful Takeover Bid and, in accordance with the Trust Deed, ABN AMRO may nominate an Extraordinary Event (in which case the Rolling Instalments may expire) and may substitute the Underlying Securities.

Change to Trust Deed

ABN AMRO may in certain circumstances make changes to the Trust Deed. These circumstances are set out in Section 8.4 "Amendments to the Trust Deed".

Suspension of Rolling Instalments Trading

Trading of Rolling Instalments on ASX's stock market may be halted or suspended by ASX. This may occur whenever ASX deems such action appropriate in the interests of maintaining a fair and orderly market in Rolling Instalments or otherwise deems such action advisable in the public interest or to protect Holders.

The withdrawal or suspension of the Rolling Instalments may, in ABN AMRO's discretion, cause the Rolling Instalments to lapse if such withdrawal or suspension is deemed, with ASX's consent, to be an Extraordinary Event by ABN AMRO.

Potential Conflicts of Interest

Companies in the ABN AMRO Australia Group will conduct transactions as principal and as agent in various securities, including the Rolling Instalments and the Underlying Securities. These trading activities may affect (positively or negatively) the price at which the Underlying Securities of the Rolling Instalments trade in the secondary market.

SECTION 5: FEES & COSTS

5.1 What are the costs of investing in Rolling Instalments

Initial Consideration

The initial consideration contributed by Applicants to acquire the Rolling Instalments varies depending on the Applicant type.

Cash Applicants

Cash Applicants will make the First Payment to ABN AMRO to purchase the Rolling Instalments.

Shareholder Applicants

Shareholder Applicants are not required to pay a cash amount for the First Payment. Shareholder Applicants must hold a minimum number of the Underlying Securities as set out in the Summary Table PDS Part 1 and transfer that number of Underlying Securities to the Trustee which is equal to the Rolling Instalments for which they are applying.

Shareholder Applicants will be entitled to receive a Cash Back Amount, as described in Section 2.2(ii) "Shareholder Applications – Convert your Underlying Securities into Rolling Instalments".

Conversion Applicants

Conversion Applicants are not required to pay a cash amount for the First Payment. However, Conversion Applicants may be required to make a Conversion Payment to ABN AMRO when the Loan Amount for the current Series of the Rolling Instalments is less than the sum of the Instalment Payment to be made on the Prior Series Instalments plus the Interest Amount, Capital Protection Fee and Borrowing Fee for the current Series of the Rolling Instalments (refer to Section 2.2(iii) "Conversion Applications – Convert your expiring Prior Series Instalments to a Series of the Rolling Instalments offered under this PDS" for more information).

Conversion Applicants may be entitled to received a Conversion Cash Back, as described in Section 2.2(iii).

Interest Amount

When you acquire a Rolling Instalment you also obtain a Loan. You will be required to pay the Interest Amount in respect of your Loan on the acquisition of the Rolling Instalments and part way through each Rollover Period

and on each Reset Date. You can obtain an indication as to the current Interest Rate at any time during the Offer Period by calling ABN AMRO on 1800 450 005. The payment mechanism for the Interest Amount is described in the "Capital Protection Fee, Borrowing Fee and Interest Amount" table below.

The deductibility of all or part of the Interest Amount is discussed in Section 7 "Tax Considerations".

Borrowing Fee

ABN AMRO may charge you a Borrowing Fee for each Rollover Period. The Borrowing Fee relates to the cost of providing a Loan to you. The Borrowing Fee is calculated as a percentage of the Loan Amount per Rolling Instalment. The Borrowing Fee is payable by each Holder on the issue of the Rolling Instalments and on each Reset Date. The maximum Borrowing Fee and the payment mechanism are described in the table below.

A Holder who acquires a Rolling Instalment in the secondary market will not pay the Borrowing Fee to ABN AMRO at the time of acquisition.

Holder's Put Option and Capital Protection Fee

When you acquire a Rolling Instalment you also acquire the Holder's Put Option. The Holder's Put Option allows you to sell the Underlying Securities to ABN AMRO on a Reset Date or the Expiry Date for the greater of the Loan Amount and the amount determined by ABN AMRO as a reasonable sale price achieved by the Broker when selling the Underlying Securities on the ASX at any time over 5 Trading Days immediately following the Reset Date or Expiry Date (as applicable) (given market conditions over such period).

ABN AMRO is entitled under the Trust Deed to charge, at its discretion, a Capital Protection Fee for making the Holder's Put Option available. The Capital Protection Fee is payable by each Holder on the issue of the Rolling Instalments and on each Reset Date. The maximum Capital Protection Fee and the payment mechanism are described in the table below.

A Holder who acquires a Rolling Instalment in the secondary market will not pay the Capital Protection Fee to ABN AMRO at the time of acquisition of the Rolling Instalment.

When paid	Amount			How paid
	Capital Protection	Borrowing Fee	Interest Rate	
<i>On issue/acquisition of the Rolling Instalment</i>	The Capital Protection Fee is not fixed and is not specified in this PDS. This is because the Capital Protection Fee will vary depending on the factors set out in paragraph "Initial Consideration Variables" below.	Up to 1.65% of the Loan Amount per Rolling Instalment on the issue date.	The Interest Rate is specified in PDS Part 1.	<ul style="list-style-type: none"> • Cash Applicants – paid by the Holder as part of the First Payment. • Shareholder Applicants –deducted automatically from the Loan Amount. • Conversion Applicants – deducted automatically from the Loan Amount (to the extent available). If the Loan Amount is not sufficient, paid by the Holder making an additional payment equal to any shortfall to ABN AMRO. • Transferees – Remaining Prepaid Interest will be paid by a Transferee directly to a selling Holder as part of the purchase price of Rolling Instalments. The Capital Protection and Borrowing Fee are not payable to ABN AMRO by the Transferee.
<i>On Reset Date</i>	The Capital Protection Fee is not fixed and is not specified in this PDS. This is because Capital Protection Fee will vary depending on the factors set out in paragraph "Initial Consideration Variables" below.	Up to 1.65% of the Revised Loan Amount per Rolling Instalment on the Reset Date.	The Interest Rate is not known on the date of this PDS.	Deducted from the Additional Loan Amount (if applicable) or paid by the Holder as part of the Rollover Payment.

* The Interest Amount is comprised of the First Interest Amount and the Second Interest Amount. The First Interest Amount will be prepaid to ABN AMRO on the issue of the Rolling Instalments from ABN AMRO (if you apply for the Rolling Instalments during the First Interest Period) and on each Reset Date. The Second Interest Amount will be paid to the Trustee on the issue of the Rolling Instalments and held by the Trustee on behalf of the Holder and will then be paid by the Trustee to ABN AMRO on the Second Interest Date (if you apply for the Rolling Instalments during the First Interest Period). The Second Interest Amount will be paid directly to ABN AMRO if you apply for the Rolling Instalments during the Subsequent Interest Period.

Initial Consideration Variables

The amount of the First Payment for Cash Applicants, the Cash Back Amount for Shareholder Applicants and the Conversion Payment or Conversion Cash Back for Conversion Applicants is not fixed and is not specified in this PDS. This is because these amounts will vary depending on a variety of factors at the time of the Application, including:

- the market price of the Underlying Securities;
- the volatility of those Underlying Securities’ value;
- prevailing interest rates;
- Dividends or other distributions; and
- the time remaining to the Expiry Date.

Below is a table which illustrates how a change in these factors may affect the price of the Rolling Instalments:

Increase in factor	Effect on price
Underlying Security price	Higher
Volatility	Higher
Interest rates	Higher
Dividends/Other distributions	Higher
Time remaining to the Expiry Date	Higher

Applicants should contact either ABN AMRO on 1800 450 005 or their broker or financial adviser to obtain the details of the First Payment, Cash Back Amount, Conversion Cash Back or Conversion Payment, Loan Amount, Interest Rate, Capital Protection Fee and Borrowing Fee before submitting an Application. A subscription number will be advised to the Applicant which must be included on the Application Form. Conversion Applicants should also attach a copy of their holding statement(s) for their Prior Series Instalments with their Applications to avoid administrative delays.

5.2 Other Fees and Costs

Placement Fee

ABN AMRO may, at its discretion, pay a placement fee in the amount of up to 1.65% of the Loan Amount on all Applications to participating organisations of the ASX and financial advisers approved by ABN AMRO (including ABN AMRO Equities), whose stamp appears on an Application Form. This fee will not be payable unless the relevant party advises ABN AMRO of its right to receive the fee within five Business Days of the relevant Application being received. The placement fee is payable by ABN AMRO out of its own funds and is not an additional cost to a Holder. Payment of this fee means that your adviser will receive higher fees the greater the number of Rolling Instalments you apply for.

Trustee Fees

No fees are payable for the services performed by the Trustee in connection with the Rolling Instalments issued under this PDS.

Transfer Tax

Under current law, no Transfer Taxes are payable with respect to the acquisition, transfer or Completion of a Rolling Instalment or the exercise of the Holder’s Put Option. If this were to change, prior to sending an Instalment Payment Notice for an Rolling Instalment, Holders should call ABN AMRO on 1800 450 005 to obtain the Transfer Tax payable for the relevant number of Rolling Instalments the Holder proposes to Complete. ABN AMRO will give the Holder a unique identifying number to quote in the Instalment Payment Notice for that Completion. A Holder must send the Instalment Payment Notice to ABN AMRO (quoting the identifying number) within 5 Business Days of receiving the identifying number to lock in any Transfer Tax payable.

Costs of an Extraordinary Event

If ABN AMRO nominates an Early Expiry Date as a consequence of an Extraordinary Event, then a Holder will receive a pro-rata refund of the Interest Amount. However, this refund may be reduced by the costs incurred for early termination of the funding arrangements.

Other Expenses

If a Holder does nothing on the Expiry Date or ABN AMRO is otherwise entitled to enforce its Security Interest, other fees, costs and expenses incurred in connection with the sale of the Underlying Securities will be borne by the Holder.

SECTION 6: LOAN

Each Rolling Instalment incorporates a Loan to the Holder on the terms contained in the Trust Deed. This section is a summary of the terms of the Loan.

ABN AMRO provides the Loan to the Holder of the Rolling Instalment, with ABN AMRO taking a Security Interest, or "charge", over the Underlying Securities. Holders cannot either sell or transfer the Underlying Securities without first repaying the Loan by lodging a valid Instalment Payment Notice in accordance with the Trust Deed and taking legal title to the Underlying Securities.

- For Cash Applicants, the Loan Amount together with the First Payment are applied towards the purchase of the Underlying Securities and payment of the Interest Amount, Capital Protection Fee and Borrowing Fees.
- For Shareholder Applicants, the Loan Amount less the Interest Amount, Capital Protection Fee and Borrowing Fees will be paid to each Shareholder Applicant.
- For Conversion Applicants, you will have to pay the Conversion Payment or you will receive a Conversion Cash Back depending on if the Loan Amount for the new Series of Rolling Instalments is less than or greater than the sum of the Instalment Payment for the Prior Series Instalments, and the Interest Amount, Capital Protection Fee and Borrowing Fee payable on the new Series of Rolling Instalments (see Section 2.2(iii)).

Shareholder Applicants who receive a Cash Back Amount or Conversion Applicants who receive a Conversion Cash Back from the Loan proceeds must use the amount received wholly or predominantly (more than half) for business or investment purposes.

The Loan Amount and Interest Rate for each Series of Rolling Instalments is initially set on the date of the PDS in PDS Part 1 and may be reset on each Reset Date. The Loan Amount and the Interest Rate will not vary during the period between Reset Dates (except in the case of the Loan Amount following certain adjustment events resulting from Corporate Actions). Holders will be advised of the Revised Loan Amount and the Interest Amount payable for the following Rollover Period no less than 20 Business Days prior to each Reset Date.

(a) Interest Amounts

The Interest Amount payable on the Loan will have two components for each Rollover Period, being the First Interest Amount and the Second Interest Amount. The First Interest Amount is payable for the First Interest Period and the Second Interest Amount is payable for the Subsequent Interest Period.

(i) Interest payable upon an Application

When you make an Application, the Interest Amount:

- for Cash Applicants, will form part of the First Payment;
- for Shareholder Applicants, will be deducted from the Loan Amount; and
- for Conversion Applicants, will be either deducted from the Loan Amount or will form part of the Conversion Payment.

If you apply for a Rolling Instalment during the First Interest Period, the First Interest Amount will be paid to the Lender on the Effective Date and the Second Interest Amount will be paid to the Trustee and held on trust for you. The Second Interest Amount will then be paid by the Trustee to the Lender on the Second Interest Date.

If you apply for a Rolling Instalment during the Subsequent Interest Period, for your first Rollover Period you will pay the Second Interest Amount to the Lender on the Effective Date.

(ii) Interest payable on a Reset Date

On a Reset Date, the Interest Amount will be deducted from the Additional Loan Amount (if any) or paid by the Holder as part of the Rollover Payment (if any). The First Interest Amount will be paid to the Lender on a Reset Date and the Second Interest Amount will be held by the Trustee on trust on behalf of the Holder. The Second Interest Amount will be then paid by the Trustee to the Lender on the Second Interest Date.

(iii) Calculating your Interest Amount

The amount of interest charged on the Loan Amount (or Revised Loan Amount) is calculated according to the number of days from the date that the Applicant (or Secondary Market Purchaser) appears on the Register to the next Reset Date.

The Interest Amounts are variable. The Interest Amount for a Rolling Instalment depends on the number of days in the relevant Rollover Period, the applicable Interest Rate and the size of the Loan.

The Interest Rate for the period up until the first Reset Date is shown in the Summary Table in PDS Part 1. The Interest Rate may be reset on each Reset Date by ABN AMRO. This rate will be announced at least 20 Business Days prior to the Reset Date. Potential investors can obtain the current Interest Rate at any time by contacting ABN AMRO on 1800 450 005.

The Interest Amount is calculated according to the formula:

$$IA = LA \times I \times \text{Days}/365$$

Where:

IA = Interest Amount

LA = Loan Amount (or the Revised Loan Amount)

I = Interest Rate

Days = the number of days from the relevant Effective Date or Reset Date, up to and including the next Reset Date or Expiry Date (as the case may be).

The deductibility of all or part of the Interest Amount is discussed in Section 7 "Tax Considerations".

(b) Transfers

Holders may sell their Rolling Instalments on the ASX during the life of the Rolling Instalments. In this case, the person buying the Rolling Instalments will draw down a new Loan with ABN AMRO for an amount equal to the previous Holder's Loan Amount. The new Holder's Loan Amount will be used to repay the previous Holder's Loan Amount. ABN AMRO's Security Interest over the Underlying Security will remain intact.

The person selling their Rolling Instalment will be entitled to a refund of the unaccrued prepaid interest (the "Remaining Prepaid Interest"). The purchaser of the Rolling Instalment will need to pay ABN AMRO the Remaining Prepaid Interest in satisfaction of ABN AMRO's refund obligation. The purchaser will pay the Remaining Prepaid Interest that it owes ABN AMRO directly to the seller, as part of the purchase price for the Rolling Instalment.

Please note that settlement of trades on the ASX currently takes place on a T+3 basis. This means that Secondary Market Purchasers will generally not appear on the Register as Holder of the Rolling Instalment until the fourth day after the transaction on the ASX.

(c) Loan Repayment

The Loan is repaid by:

- you paying the Instalment Payment in cash on or before the Expiry Date and the Trustee will then deliver the Underlying Securities to you;
- you exercising the Holder's Put Option on or before a Reset Date or the Expiry Date so that ABN AMRO must purchase your Beneficial Interest in the Underlying Securities (see Section 2.4(iii) "Exercise your Holder's Put Option (Sell the Underlying Securities to ABN AMRO)");
- on your behalf, by a purchaser of your Rolling Instalment, when you sell on the ASX (see Section 2.4(ii) "Sell your Rolling Instalments on the ASX before they cease to be traded");
- by applying any Loan Amount advanced or any Conversion Payment made by you, when converting your expiring Rolling Instalments into a new series of Rolling Instalments (provided that a new series is available) (see Section 2.4(iv) "Convert your expiring Rolling Instalments to a new Series of Rolling Instalments"); or
- the Lender enforcing its Security Interest over the Underlying Securities, if you have failed to do any of the above.

The Loan is limited in recourse to the Underlying Securities. If the price of the Underlying Securities falls below the Instalment Payment during the life of the Rolling Instalments, there will be no margin calls. Note however, because the warrants are Rolling Instalments, the Holder may be required to pay a Rollover Payment on the Reset Date (please refer to Section 2.3(ii) "Rollover Payment Required or Rolling Instalments may be Terminated"). Even if the price of the Underlying Securities is less than the Instalment Payment on the Expiry Date, there will be no requirement for the Holder to repay the Loan.

SECTION 7: TAX CONSIDERATIONS

The Australian income tax consequences of investing in Rolling Instalments may vary depending upon the particular circumstances of the investor. The summary below is based on the assumptions that:

- (a) investors are Australian resident taxpayers; and
- (b) investors do not buy Rolling Instalments as part of a business of trading or dealing in shares, warrants or other marketable securities; and
- (c) the Rolling Instalments are held by investors on capital account.

This summary contains general conclusions and is based on Australian income tax laws, announcements and practices currently operative at the date of the PDS. Prospective investors should seek their own independent taxation advice before investing in Rolling Instalments: the taxation consequences for a particular taxpayer may differ from the summary below.

7.1 Interest

7.1.1 General deductibility

Subject to the comments below regarding the 'capital protected borrowings' legislation and the 'pre-payment rules', interest is generally deductible if it is incurred in respect of moneys borrowed for use in producing assessable income or in carrying on a business for that purpose. Interest will not be deductible to the extent that borrowed funds are used for private or domestic purposes, or solely for the purpose of generating capital gains.

In the case of Shareholder Applicants or Conversion Applicants, the use to which the proceeds of the Loan are put will determine whether the interest paid by the Applicant will be deductible, subject to the further limitations on interest deductibility discussed below.

If a Rolling Instalment is acquired by a Cash Applicant or an on-market purchaser for the purpose of deriving dividend income or other assessable distributions, the interest payable by the Applicant, or purchaser, will be deductible, subject to the further limitations on interest deductibility discussed below.

If a Rolling Instalment is acquired for the purpose of deriving trust distributions, such distributions may include certain 'tax deferred' amounts. The fact that these amounts may not be included in an investor's assessable income, should not affect the deductibility of interest incurred by a

Holder if such amounts are merely incidental to the derivation of assessable trust distributions or do not form a significant part of the total amount of trust distributions in a relevant year of income.

Investors should seek independent taxation advice before lodging a tax return claiming a tax deduction for any portion of the interest paid.

7.1.2 Portion of interest that is not deductible

The 'capital protected borrowings' rules can operate to limit deductions for interest paid by a borrower in relation to certain capital protected products, such as the Rolling Instalments.

This means that, depending upon when an investor acquires a Rolling Instalment, it may be that not all of the interest payable in respect of the Loan will be deductible to the investor.

The provisions can operate to apportion interest and other expenditure incurred as a consequence of investing in a Rolling Instalment between deductible amounts and an amount that is deemed to be the cost of the Holder's Put Option. The deemed cost of the Holder's Put Option is not deductible and instead forms part of an investor's cost base for the option.

The method of apportionment differs depending on whether an investor invests in the Rolling Instalment before 1 July 2007 or after that date.

For investors who invest in Rolling Instalments by way of application before 1 July 2007, on the basis that the Capital Protection Fee 'reasonably reflects the market value' of the Holder's Put Option, the amount of the Capital Protection Fee will be deemed to be the cost of the Holder's Put Option.

For on-market purchasers of Rolling Instalments who acquire their Rolling Instalments **before 1 July 2007**, the deemed cost of the Holder's Put Option will be:

- (a) If the market value of the Underlying Security at the time of acquisition is greater than the Loan Amount, the amount that is:
 - the sum of the market value of the Rolling Instalment and the Loan Amount; less
 - the sum of the market value of the Underlying Security and so much of the amount incurred as is attributable to pre-paid interest.

(b) If the market value of the Underlying Security at the time of acquisition is equal to or less than the Loan Amount, the amount that is:

- the market value of the Rolling Instalment; less
- any pre-paid interest.

If the amount worked out under the above tests is less than nil, the amount that is reasonably attributable to the Holder's Put Option is nil.

If an investor invests in a Rolling Instalment **on or after 1 July 2007**, whether by way of application or as an on-market purchaser, then the amount the investor is deemed to have paid to acquire the Holder's Put Option will not be the Capital Protection Fee but instead will be the amount by which:

- (a) the total amount incurred by an investor under the Loan for the income year which is referable to interest (plus, in the case of Applicants, the Capital Protection Fee) exceeds:
- (b) the total amount of interest which would have been incurred by the investor under the Loan if the prescribed benchmark interest rate applied to the amount of the Loan.

Where a variable interest rate applies to all or part of the term of the Loan the 'benchmark interest rate' is the average RBA Variable rate during that relevant part of the term. If the interest rate applicable to an investor's Loan is fixed for all or part of the term of the borrowing then the 'benchmark interest rate' is the RBA Variable rate prevailing at the time when the investor incurred the first of the interest amounts payable on the Loan.

Investors should seek their own independent professional advice in relation to how the 'capital protected borrowings' legislation affects them.

7.1.3 Pre-payment Rules

On acquiring a Rolling Instalment, each investor will pay the 'Interest Amount' to the Trustee. The 'Interest Amount' comprises both the First Interest Amount, which is paid by the Trustee to ABN AMRO on acquisition, and the Second Interest Amount, which is paid by the Trustee to ABN AMRO on the Second Interest Date. The First Interest Amount is interest payable in advance for the period from the Effective Date to the Second Interest Date. The Second Interest Amount is interest payable in advance for the period from and including the Second Interest Date to and including the next Reset Date or the Expiry Date, as relevant. **The Second Interest Amount will not be deductible to a Holder until it is paid by the Trustee to ABN AMRO on the Second Interest Date.**

The 'anti-pre-payment rules' can restrict the availability of upfront deductions for pre-paid expenditure in certain circumstances. The 'tax shelter pre-payment rules' can further restrict the availability of upfront deductions for pre-payments.

Individuals and STS taxpayers

The First Interest Amount will be paid for a period that ends less than 12 months after the payment date and the Second Interest Amount be paid, on the Second Interest Date, for a period that ends less than 12 months after the Second Interest Date. Because each of these pre-payments relates to a period that is less than 12 months and that does not end after the end of the year of income following the one in which the interest was paid, investors that:

1. are individuals, where the interest is not incurred in carrying on a business; or
2. elect to be taxed under the simplified tax system (**STS**),

can deduct each amount of pre-paid interest in the respective income year in which each amount is incurred, to the extent of each amount of interest that is not deemed to be the cost of the Holder's Put Option under the 'capital protected borrowings' rules (see above) and subject to the 'tax shelter pre-payment rules' considered below.

Notwithstanding satisfaction of the 12 month rule, an individual or small business taxpayer would be required to spread the tax deduction for each interest pre-payment if the 'tax-shelter pre-payment rules' were to apply. These rules apply to pre-paid expenditure incurred under an arrangement pursuant to which the taxpayer's allowable deductions exceed the taxpayer's assessable income from the arrangement, with specific exclusions for pre-payments in relation to certain types of negatively geared investments, including listed shares and units in certain widely held trusts. We consider that the ATO is likely to accept the view that an investment in a Rolling Instalment is, in effect, an investment in the shares and/or units of the Underlying Entities. On that basis, Cash Applicants and on-market purchasers should not be subject to the 'tax-shelter pre-payment rules' in respect of interest paid on funds borrowed to acquire Rolling Instalments. However, deductions for interest that is pre-paid by Shareholder Applicants and Conversion Applicants will be subject to these rules (and thus will be required to be spread) unless the funds borrowed under the Loan are used for the purposes of making the relevant types of negatively geared investments or are otherwise used for income-earning purposes that are not subject to the 'tax shelter pre-payment rules'.

Other investors

Investors who are not individuals and are not STS taxpayers will not be able to claim a deduction for the full amount of each interest pre-payment (less any amounts that are deemed to be the cost of the Holder's Put Option) in the year in which it is pre-paid. The pre-paid interest should be claimed as a deduction on a pro-rata basis over the period to which the interest relates, thereby deferring a portion of the interest deduction until the next tax year.

Refund of pre-paid interest

Any pre-paid interest that may be refunded to a Holder should be included in the Holder's assessable income at the time of receipt if it has been claimed as a deduction on payment.

7.2 Borrowing Fees

Borrowing Fees incurred by an investor to obtain Loan moneys are deductible to the extent that the Loan moneys are used for the purpose of producing assessable income. The deduction for Borrowing Fees will be spread over the term of the Loan. If the Loan is discharged prior to the Expiry Date (for instance where an investor sells their Rolling Instalment on the secondary market) then the investor will be able to deduct the remaining undeducted balance of the Borrowing Fees in the income year when the Loan is discharged.

7.3 Dividends

Any dividends paid on an Underlying Security must be included in a Holder's assessable income.

Where dividends are wholly or partly 'franked' and the Holder is a 'qualified person' (see below) in relation to the dividend, the Holder is required to include an additional amount equal to any franking credits attached to the dividends in its assessable income. The Holder is entitled to claim a tax offset equal to this additional amount which can be offset against the Holder's income tax liability for that income year. Holders that are either resident individuals or complying superannuation funds are entitled to a refund of excess tax offsets to the extent that they exceed a Holder's income tax liabilities for that year.

To be a 'qualified person' in relation to a franked dividend, a holder must satisfy both the 'holding period rule' (which requires that shares are held at risk for a specified period) and the 'related payments rule' (which requires that, where any shareholder is obliged to pass the benefit of dividends on to others, the shareholder must hold the shares at risk for a specified period- it is a more onerous test). The provisions containing these rules have been withdrawn with effect from 1 July 2002 – the Government's intention being to re-write these rules as part of its re-write of the dividend imputation regime. At

the date of this PDS, the re-written rules have yet to be enacted. However, the current franking rules indicate that the repealed rules continue to have ongoing effect.

The comments below are based on the withdrawn provisions and assume that those provisions will not change when they are re-written and enacted. Investors should monitor such developments.

These rules do not apply to a Holder who is an individual in a particular income year where that individual's entitlement to tax offsets amounts to \$5,000 or less in that income year.

Where the rules apply to a Holder, then one of the conditions that the Holder must satisfy in order to claim a tax offset in respect of franking credits attached to a dividend derived from an Underlying Security is that, broadly, the Holder must have held an interest in the Underlying Security for at least 45 days (for ordinary shares) during a defined period without having entered into arrangements which 'materially diminish the risks of loss or opportunities for gain' (which is calculated by reference to a financial concept known as 'delta') from the security. Holders who hold or dispose of financial positions, such as options or forward sale contracts, in relation to an Underlying Entities' Shares, should take particular note of these rules.

The franking rules are complex and the application of the rules to each investor will depend upon the particular circumstances of that investor. Accordingly, each Holder should seek independent advice as to whether they will be treated as a 'qualified person' in relation to dividends received in respect of an investment in a Rolling Instalment.

7.4 Unit Trust distributions

If the Underlying Security is or includes a unit in a listed trust, distributions from the trust should have the same character as the amounts derived by the trust. Therefore, if trust distributions are made from dividends received by the trust, a Holder will be treated as deriving dividend income. If franking credits are attached to the dividends, the Holder may be required to include an additional amount representing those credits in their assessable income and may be entitled to a tax offset in respect of that additional amount. However, Holders should note that for a Holder to be a 'qualified person' for franking credit purposes the trustee of the listed trust must also be a 'qualified person' in relation to any dividends paid to the trustee. There are also specific rules which apply for the purpose of determining the 'positions' of beneficiaries in relation to beneficial interests in trusts which, to some extent, rely on the terms of the relevant trust deed. Holders should satisfy themselves as to the nature of their investment in the listed trust for the purpose of these rules.

If the Underlying Security is or includes a unit in a listed trust, distributions may include amounts derived from foreign sources. If the income from which the distribution is made includes foreign income, which has borne foreign tax, Holders may be entitled to foreign tax credits in respect of those distributions. Holders should obtain their own advice on the availability of such credits and how they would be calculated.

If the listed trust derives capital gains, the capital gains tax (**CGT**) discount may be available in relation to those gains. Where trust distributions are made to Holders in respect of such gains, Holders would first be required to gross up the amount of the discounted capital gain for the purpose of offsetting any capital losses. Any CGT discount to which the Holder is entitled would then be applied to the net amount. The distribution of any discount capital gain will not impact upon the cost base of the units.

The implications for the deductibility of interest incurred by Holders who receive 'tax deferred' amounts in respect of an Underlying Security which is or includes a unit in a listed trust are described in Section 7.1.1 (General deductibility) above. 'Tax deferred' amounts will reduce a Holder's cost base for a unit and may give rise to an assessable capital gain to the extent that the 'tax deferred' amounts exceed the Holder's cost base.

7.5 Capital Gains Tax

7.5.1 General CGT issues

For CGT purposes, a Holder is treated as if they were the owner of the Underlying Securities. A Holder will make a capital gain when the 'capital proceeds' received on disposal of an Underlying Security exceed the 'cost base' of acquiring the interest in that Underlying Security (see below) and will make a capital loss where the 'capital proceeds' are less than the Holder's 'reduced cost base' for the Underlying Security.

The calculation of any capital gain to be included in the Holder's assessable income may be subject to the discount capital gains tax provisions. Broadly, where the Holder is an individual or a trustee who has held the Underlying Securities for at least 12 months, the discount is 50% of the nominal capital gain (subject to the Holder first applying any prior year or current year capital losses against the capital gain). Where the Holder is the trustee of a complying superannuation fund, the discount is one-third of the capital gain.

If a Holder acquired the Underlying Securities prior to 21 September 1999, then instead of claiming the 50% discount, the Holder can elect to calculate the capital gain as the difference between the sale price and the cost base of the Underlying Securities indexed for inflation up to 30 September 1999.

For Shareholder Applicants and Conversion Applicants who acquired their shares or units prior to 20 September 1985, no CGT will be payable on the disposal of such shares or units where they form part of the Underlying Securities.

7.5.2 Cost base of Underlying Securities

A Holder who is a **Cash Applicant** will have a cost base in the Underlying Securities which comprises:

1. that part of the First Payment which is applied towards the cost of acquiring the Underlying Securities (i.e. no part of the First Payment that is used to pay interest, the Capital Protection Fee or the Borrowing Fee);
2. the Loan Amount;
3. any incidental costs of acquisition and disposal; and
4. where the Holder's Put Option is exercised, the deemed cost of the Holder's Put Option (see further below).

A Holder who is a **Shareholder Applicant** will have a cost base in the Underlying Securities which comprises:

1. the original consideration paid by the Holder to acquire the shares or units which are the Underlying Securities;
2. incidental costs related to the original acquisition and disposal of the Underlying Securities; and
3. where the Holder's Put Option is exercised, the deemed cost of the Holder's Put Option (see further below).

A Holder who is a **Conversion Applicant** will carry over the cost base that the Holder had in the Underlying Securities in the prior series, and, where the Holder's Put Option is exercised, the deemed cost of the Holder's Put Option (see further below).

A Holder who purchases a Rolling Instalment **on market** will have a cost base in the Underlying Securities which comprises:

1. the on-market consideration paid by the Holder less both any amount that is used to pre-pay interest and the deemed cost of the Holder's Put Option;
2. the Loan Amount;
3. incidental costs related to the acquisition of and disposal of the Underlying Securities; and
4. where the Holder's Put Option is exercised, the deemed cost of the Holder's Put Option (see further below).

7.5.3 Holder's Put Option – cost base and expiry

The cost base which a Holder has in the Holder's Put Option comprises the amounts ascribed to the option under the methodologies outlined above in the 'Interest' section and any incidental costs of acquiring the Holder's Put Option.

Where the Holder exercises the Holder's Put Option, the Holder's cost base in the Holder's Put Option will form part of their cost base in the relevant Underlying Securities (see above).

If the Holder does not exercise the Holder's Put Option and the option lapses then the Holder will incur a capital loss equal to the Holder's reduced cost base in the Holder's Put Option.

7.5.4 Exercise of Holder's Put Option

If a Holder exercises the Holder's Put Option, the Holder will dispose of the Underlying Securities to ABN AMRO and the Holder's Loan will be discharged from the proceeds. This may result in a capital gain or a capital loss to the Holder. The Holder will be taken to have received 'capital proceeds' for the Underlying Securities equal to the Exercise Price.

7.5.5 Sale of Rolling Instalments on-market

Where a Holder sells their Rolling Instalment on the ASX, they will be treated as having sold the Underlying Securities and the Holder's Put Option, subject to the Security Interest and repayment of the Loan Amount.

The amount which a Holder will receive on a sale will be the sum of:

1. the sale price of the Rolling Instalment on the ASX; and
2. the balance of the Loan Amount less the amount reimbursed as 'un-used' pre-paid interest to the Holder (which would separately constitute assessable income in the Holder's hands).

This amount will be apportioned between the Underlying Securities and the Holder's Put Option. The capital proceeds received by the seller for the Holder's Put Option will equal the amount attributed to the on-market purchaser's cost of capital protection determined under the appropriate methodology described in section 7.1.2 above. The capital proceeds received by the seller for the disposal of the Underlying Security will be the total of the amounts listed above less the capital proceeds attributed to the Holder's Put Option.

7.5.6 Payment of the Instalment Payment

If a Holder pays the Instalment Payment, the Trustee will transfer the Underlying Securities to the Holder. This transfer will not be a CGT event and the Holder's cost base in the Underlying Securities will not be affected. The consequent expiry of the Holder's Put Option will give rise to a capital loss equal to the reduced cost base of the Holder's Put Option.

7.5.7 Holder takes no action

If a Holder fails to make the Instalment Payment, exercise the Holder's Put Option or sell the Rolling Instalment before the Expiry Date, ABN AMRO will pay an Assessed Value Payment to the Holder and the Underlying Securities in relation to the Holder's Rolling Instalment will be transferred to ABN AMRO. This will entail both a disposal of the Underlying Securities and the expiry of the Put Option.

In relation to the Holder's Put Option, the Holder will derive a capital loss equal to the Holder's reduced cost base in the Holder's Put Option.

In relation to the Underlying Securities, the Holder will be taken to receive 'capital proceeds' equal to the Assessed Value Payment and may derive a capital gain or a capital loss. In calculating any capital loss, where the sale proceeds are less than the Instalment Payment, it is likely that the Commissioner of Taxation would seek to reduce the cost base of the Underlying Securities by the amount of the shortfall.

The 'commercial debt forgiveness' provisions should not give rise to any adverse tax consequences for a Holder to the extent that the Loan is not fully repaid from the proceeds of the sale of the Underlying Securities.

7.6 Taxation of Financial Arrangements

On 3 January 2007 the Government released an *Exposure Draft of Tax Laws Amendment (Taxation of Financial Arrangements) Bill 2007* which proposes to enact a new regime for the taxation of financial arrangements ('**TOFA**'). The broad objective of TOFA is to tax financial arrangements on an accruals or marked-to-market basis. The TOFA regime is currently intended to apply prospectively to financial arrangements entered into after 1 July 2008 or to arrangements entered into before that time if the taxpayer makes a relevant election. The terms of the Exposure Draft and application date may change prior to the introduction of a relevant bill. The taxation of an investor in a Rolling Instalment may be affected by the proposed TOFA regime. Investors should monitor developments and seek their own taxation advice on the potential impact of TOFA, if any, on their investment in a Rolling Instalment.

7.7 Trustee Holders

If a Holder acquires a Rolling Instalment in the capacity of trustee, the Holder may, subject to the comments below, be required to supply the details and the tax file number of the 'ultimate beneficiary' of the trust to the Security Trustee for the purposes of preparing a 'Correct UB Statement'. The Tax Act provides that, where certain trustees do not lodge 'Correct UB Statements' with these details, those trustees are required to pay tax at the top marginal rate plus Medicare levy on the ultimate beneficiary's share of the net income of the trust. However, the ATO issued a Practice Statement (PS LA 2000/2) on 6 April 2002 which effectively states that the ATO will not require trustees of 'Transparent Trusts' and 'Secured Purchase Trusts' to lodge 'Correct UB Statements'. The Separate Trusts established for the benefit of Holders should qualify as 'Secured Purchase Trusts' or 'Transparent Trusts' for these purposes. Accordingly, unless specifically required to do so, trustee Holders are not required to provide the details of ultimate

beneficiaries to the Security Trustee. Applicants may be requested to provide the relevant details to the Security Trustee in certain circumstances because, although the ATO treats such Practice Statements as 'administratively binding' and will generally act in accordance with those statements, Practice Statements are not 'legally binding' on the ATO.

7.8 Tax File Numbers

Australian resident investors are not under any obligation to quote a Tax File Number (**TFN**) or an Australian Business Number (**ABN**) in their Application Forms. However, if an investor does not quote either its TFN or ABN or proof of an exemption, an amount of tax, at the rate of 46.5% may be withheld in respect of amounts of income which are payable to the investor by the Trustee.

7.9 GST

Where supplies acquired or made by Holders as a result of their investment in a Rolling Instalment do not relate to the carrying on of an enterprise, meaning an activity, which constitutes a business or trade, there should be no direct GST implications from making the investment.

7.10 Tax Reform

It cannot be determined how future changes to the law, including the proposed new TOFA rules, could impact on investors covered by this taxation summary. Potential investors are advised to seek independent advice as required.

SECTION 8: ADDITIONAL INFORMATION

8.1 Extraordinary Events and Early Expiry

ABN AMRO may in certain circumstances, with the consent of ASX, nominate an Extraordinary Event. These circumstances include delisting, withdrawal of trading status or suspension of the Underlying Securities or the Rolling Instalments, certain Corporate Actions and changes to taxation (including changes to stamp duty laws which result in additional duty becoming payable or anticipated) or any other event which would make performance of ABN AMRO's obligations for Rolling Instalments unlawful or impossible. In the case of any such Extraordinary Events, ABN AMRO may nominate an Early Expiry Date which will result in the bringing forward of the Expiry Date announced by ABN AMRO. In addition, ABN AMRO has the right to nominate that the next Reset Date will be an Early Expiry Date. The Early Expiry Date nominated by ABN AMRO shall become the Expiry Date for that Series of Rolling Instalments. ABN AMRO will give notice to the Holders of the nomination of an Early Expiry Date.

8.2 Corporate Actions and Takeovers

In the event of a Corporate Action in relation to an Underlying Security (including but not limited to cash return of capital, capital reduction, share buy back, bonus issue, share split, rights issue, merger, demerger, subdivision or consolidation, Takeover Bid, special dividend), ABN AMRO may nominate how that event is treated under the Trust Deed. ABN AMRO may nominate that;

- (a) the event be treated as an Extraordinary Event (see Section 8.1);
- (b) the Loan Amount, Instalment Payment, Underlying Securities, Reset Date or other terms of the Rolling Instalments (except the Expiry Date) may be adjusted or replaced by ABN AMRO in a fair and equitable manner in its absolute discretion so as to preserve as far as reasonably possible the position of the Holders and ABN AMRO with respect to the Rolling Instalments. For example, in the event of a share split or bonus issue, ABN AMRO may decide to divide one Rolling Instalment into two and allocate the Loan Amount equally between each new Rolling Instalment, thereby halving the Instalment Payment payable per Rolling Instalment;
- (c) the property or benefit which is the subject of the Corporate Action, or the proceeds of sale of such property or rights, be paid in accordance with the Priority Order;
- (d) the property or benefit which is the subject of the Corporate Action, or the proceeds of sale of such property or rights, be treated as an Accretion; or
- (e) the property or benefit, which is the subject of the Corporate Action, or the proceeds of sale of such property or rights, is distributed to the Holder.

The Trustee may be obliged to dispose of an Underlying Security because of a regulatory or judicial requirement. In these circumstances, the Trustee can take all reasonable steps to dispose of a particular Underlying Security in accordance with that obligation and the Trust Deed. If an Underlying Security is subject to a Takeover Bid, you will not be able to accept the bid. The Trustee is not under any obligation to communicate with you any information in relation to a Takeover Bid. ABN AMRO will notify Holders if there is any adjustment to their Rolling Instalments described in this Section 8.

8.3 Damages if failure to deliver Underlying Securities

If ABN AMRO has received a valid Instalment Payment Notice from a Holder calling for delivery of an Underlying Security, ABN AMRO must deliver the Underlying Security to the Holder within 15 Business Days after the Holder giving the Instalment Payment Notice to ABN AMRO ("Settlement Date"). If ABN AMRO fails to deliver the Underlying Security by the Settlement Date, the Holder can notify ABN AMRO in writing of the default, and ABN AMRO will be liable to pay a liquidated damages amount to the Holder.

The liquidated damages amount will be 1.1 times the arithmetic average of the daily volumed weighted average prices of the Underlying Securities on the 5 Trading Days following the Expiry Date, excluding special, late and overseas sales. ABN AMRO must pay this amount to the Holder within 10 Business Days after the receipt of the notice from the Holder. ABN AMRO will have no further obligation to the Holder upon the payment of liquidated damages.

8.4 Amendments to the Trust Deed

ABN AMRO and the Trustee may amend the Trust Deed (with approval of the ASX) if:

- the amendment is necessary or desirable to provide for the consequences of any unforeseen circumstance or Corporate Action, which is not materially prejudicial to the rights of Holders;
- the amendments are authorised by a resolution of the Holders; or
- the amendment is necessary or desirable to comply with any statutory or other requirement of law, or any requirement of the ASX or to rectify any inconsistency, technical defect, manifest error or ambiguity in the terms of the Trust Deed.

A copy of the Trust Deed maybe obtained by contacting ABN AMRO Warrants on 1800 450 005.

8.5 Trading of Rolling Instalments

Transfers of Rolling Instalments will be effected through ITS through the parties' brokers or through CHESS in accordance with the Corporations Act, the ASX Market Rules, the ACH Clearing Rules, ASTC Settlement Rules and the Trust Deed.

It is currently expected that there will be a period of deferred settlement trading for each Series of Rolling Instalment around each Reset Date. This means that you may transact (ie buy or sell Rolling Instalments) on the ASX, but settlement of any such transactions will not occur until the third day after re-commencement of trading on a normal "T+3" basis. This deferred settlement trading period is expected to commence on the first Trading Day after the Reset Date, with normal T+3 settlement recommencing approximately 2 weeks following the Reset Date. The exact dates for deferred settlement trading (if any) will be advised by ABN AMRO prior to commencement of deferred settlement trading.

For example, if you sell on the first day of deferred settlement trading, you will still be registered as the Holder of the Rolling Instalments on the Reset Date, and you will not receive the proceeds of the sale until 3 days after the recommencement of trading on a T+3 basis, ie in the longest case this may be approximately 3 weeks from the date on which you sold the Rolling Instalments.

During this deferred settlement trading period the Rolling Instalments will trade on a "post-reset," or "Rollover Complete" basis. This means that trading during this period should be at a price based on the Revised Loan Amount, and assumes that any Rollover Cash Back, or Rollover Payment has already been received by or paid to (as the case may be) by the person selling the Rolling Instalments.

Holders should take care as to the timing of sale or other dispositions of their Rolling Instalments having regard to the time at which the Rolling Instalments commenced to trade ex-dividend, not just the timing of the record date of the Underlying Securities.

If a Rollover Payment is required and you do not wish to make this payment, you should either sell your Rolling Instalments prior to the commencement of trading on the post-reset basis, or be prepared to have a number of your Rolling Instalments terminated. If you do not do this, you may not know how many Rolling Instalments you hold, and therefore may not be able to sell with certainty during the deferred settlement trading period. ABN AMRO will advise you if any of your Rolling Instalments are terminated under these circumstances. Conversely, if a Rollover Payment is due (or additional Rolling Instalments are to be issued), you will not be entitled to receive this benefit unless you purchase the Rolling Instalments prior to the commencement of deferred settlement trading.

8.6 Market Making and Buy-Back

ABN AMRO Equities Australia Limited ("ABN AMRO Equities") is the Broker to the issue of the Rolling Instalments. ABN AMRO Equities for itself or on behalf of ABN AMRO (or a nominee on either of their behalfs) intends to make a market in each Series of Rolling Instalments to facilitate liquidity.

If the total number of Rolling Instalments in any Series applied for by investors and by ABN AMRO Equities or its nominee for market making purposes is less than the total issue size for that Series, ABN AMRO Equities reserves the right to apply for all or any of the remaining Rolling Instalments in that Series (in its name or in the name of a nominee).

During the life of the Rolling Instalments, ABN AMRO, through ABN AMRO Equities, intends to make a market through ITS, to deal in Rolling Instalments each Trading Day, as far as practicable and to the extent permissible by law.

ABN AMRO reserves the right to buy back Rolling Instalments and to resell any Rolling Instalments bought back. ABN AMRO may cancel any Rolling Instalments bought back.

8.7 Guarantee

The Guarantor has given an unconditional and irrevocable Guarantee in favour of Holders. The Guarantee does not include an indemnity and will terminate 12 months after the earlier of the Expiry Date or any early termination of the Rolling Instalments (for instance, if ABN AMRO Australia declares (with the consent of the ASX) an Extraordinary Event concerning the ABN AMRO Rolling Instalments). A free copy of the Guarantee is available on request by calling ABN AMRO on 1800 450 005 (toll free).

8.8 Stamp Duty

Stamp duty is not payable on the transfer of the Underlying Securities or on the transfer of a Rolling Instalment. No stamp duty is payable on the Security Interest.

8.9 Description of the Underlying Entities

Each Underlying Entity is listed on the ASX and so is required to disclose market sensitive information to the ASX on a continuous disclosure basis. Historical information about the Underlying Entities, including their security price and the volume of trading can be obtained from several sources including the Underlying Entities themselves, the ASX, a broker or investment adviser and newspapers. Potential Holders should make their own inquiries about the Underlying Entities.

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The rights and liabilities attaching to the Underlying Securities are set out in the constitutions of the respective Underlying Entity. Potential Holders may obtain a copy of the constitution by approaching the relevant Underlying Entity.

Neither ABN AMRO or the Guarantor will take into account any labour standards or social, environmental or ethical considerations for the purpose of selecting, retaining or realising an investment. An investment in the Rolling Instalments requires the selection of the Underlying Security only. Should an investor wish to know whether the Underlying Entity takes into account any labour standards or social, environmental or ethical considerations, you should make your own enquiries of those Underlying Entities. Please refer to the relevant Underlying Entity's disclosure document or to any information disclosed in the relevant Underlying Entity's continuous disclosure obligations.

8.10 Description of ABN AMRO and the Guarantor

Paper copies of the most recent audited financial statements and annual report of both ABN AMRO and the Guarantor may be obtained free of charge on request from ABN AMRO on 1800 450 005 or visit the website www.abnamro.com.au/warrants.

8.11 ABN AMRO Group in Australia and New Zealand

The ABN AMRO Group ("ABN AMRO Group") provides integrated commercial banking and investment banking products and services throughout the world.

ABN AMRO Group carries on business in Australia and New Zealand through branches of ABN AMRO Bank N.V., ABN AMRO and various subsidiaries.

ABN AMRO Group has had a presence in Australia since the early 1970s. In early 1998, ABN AMRO acquired the Australasian business of BZW, a leading investment banking business in Australia and New Zealand.

8.12 ABN AMRO BANK N.V.

History and Incorporation

ABN AMRO Holding N.V. ("Holding") is incorporated under the Netherlands law by deed of 30 May 1990 as the holding company of ABN AMRO Bank N.V.. The Articles of Association of Holding were last amended by deed of 9 June 2005 executed before Mr. R.J.C. van Helden, Notary Public of Amsterdam. Holding's main purpose is to own ABN AMRO Bank N.V. and its subsidiaries. Holding owns 100 per cent of the shares of the ABN AMRO Bank N.V. and is jointly and severally liable for all liabilities of ABN AMRO Bank N.V..

ABN AMRO Bank N.V. traces its origin to the formation of the "Nederlandsche Handel-Maatschappij, N.V." in 1825 pursuant to a Dutch Royal Decree of 1824. ABN AMRO Bank N.V.'s Articles of Association were last amended by deed of 9 June 2005.

ABN AMRO Bank N.V. is registered in the Commercial Register of Amsterdam under number 33002587. The registered office of ABN AMRO Bank N.V. is at Gustav Mahlerlaan 10, 1082 PP Amsterdam, The Netherlands.

Activities and Results

The ABN AMRO Group, which consists of Holding and its subsidiaries, is a prominent international banking group offering a wide range of banking products and financial services on a global basis through its network of 4500 offices and branches in 53 countries and territories as of year-end 2006. ABN AMRO Group is one of the largest banking groups in the world with total consolidated assets of EUR 880.8 billion as of December 31, 2005.

ABN AMRO Group is the largest banking group in the Netherlands and it has a substantial presence in Brazil and the Midwestern United States. ABN AMRO Group is one of the largest foreign banking groups in the United States, based on total assets held as of 31 December 2005. ABN AMRO Group is listed on Euronext and the New York Stock Exchange among others.

ABN AMRO Group is the result of the merger of Algemene Bank Nederland N.V. and Amsterdam-Rotterdam Bank N.V. in 1990. Prior to the merger, these banks were, respectively, the largest and second-largest banks in the Netherlands. ABN AMRO Group traces its origin to the formation of the Nederlandsche Handel-Maatschappij, N.V. in 1825, pursuant to a Dutch Royal Decree of 1824.

Organisational Structure

ABN AMRO Group implements its strategy through a number of global (Strategic) Business Units, each of which is responsible for managing a distinct client or product segment. ABN AMRO Group's client-focused (Strategic) Business Units are: Consumer & Commercial Clients, Wholesale Clients, Private Clients, Asset Management and Transaction Banking Group. In addition, ABN AMRO Group has its internal Business Units: Group Shared Services and Group Functions.

ABN AMRO Group's (Strategic) Business Units are present in all countries and territories in which ABN AMRO Group operates with the largest presence in its home markets.

Financial Information

Financial information, including the audited financial statements of ABN AMRO Holding N.V and ABN AMRO are available free of charge on request by contacting ABN AMRO, and may also be viewed at www.investor.abnamro.com.

Credit Ratings

ABN AMRO Bank N.V.'s latest credit ratings as published by rating agencies can be found in the Credit Ratings section at www.investor.abnamro.com

8.13 Admission to Trading Status on the ASX

Application has been made and approval given for the Rolling Instalments to be admitted to trading status by the ASX. The fact that the ASX has admitted the Rolling Instalments to trading status is not to be taken in any way as an indication of the merits of ABN AMRO, the Trustee, the Guarantor or of the Rolling Instalments now offered for subscription. The ASX does not warrant the accuracy or truth of the contents of this PDS.

In admitting the Rolling Instalments to trading status and not objecting to the Trust Deed, the ASX has not authorised or caused the issue of this PDS or the making of offers or invitations for the Rolling Instalments. The ASX takes no responsibility for the contents of this PDS. The ASX makes no representation as to whether this PDS and the Trust Deed comply with the Corporations Act or the ASX Market Rules.

To the extent permitted by the Australian Securities and Investments Commission Act 2001 (Cth) or any other relevant law, the ASX will be under no liability for any claim of whatever kind, including for any financial or consequential loss or damage suffered by Holders or any other person, if that claim arises wholly and substantially out of reliance on any information contained in this PDS or any error in, or omission from, this PDS .

8.14 Legislation regulating disclosure by substantial holders of securities and takeovers

The acquisition of a Rolling Instalments may have implications for a Holder under the Corporations Act provisions regarding substantial holdings in securities and takeover provisions. The precise implications depend on the Holder's particular circumstances and Holders should seek their own advice about these implications.

By holding a Rolling Instalment, a Holder will have a relevant interest in the Underlying Security, in which a Holder has a Beneficial Interest as defined by the Corporations Act.

Disclosure obligations (including obligations on substantial shareholders) and limitation on acquisition under the Corporations Act may (depending on the Holder's power in the Underlying Entity) affect Holders in respect of acquiring, holding and disposing of Rolling Instalments.

ASIC Class Order 02/926 modifies the Corporations Act so that ABN AMRO is not regarded as having a relevant interest in an Underlying Security for the purposes of Chapters 6 and 6C of the Corporations Act arising solely from the issue of the Rolling Instalments under this PDS unless and until the Instalment Payment is made. Under the Class Order 02/296, no association arises between a Holder and ABN AMRO solely by entry into Rolling Instalments.

Class Order 02/297 modifies the Corporations Act so that the Trustee is not regarded as having a relevant interest in an Underlying Security under the Trust Deed for the purposes of Chapters 6 and 6C of the Corporations Act.

8.15 Foreign Holders

Foreign Acquisitions and Takeovers Act

Acquisitions and exercise of Rolling Instalments may also have implications for a Holder under the Foreign Acquisitions and Takeovers Act 1975 (Cth) ("FATA"). Potential investors should seek their own legal advice about all aspects of the proposed investment, including but not limited to those referred to below.

FATA empowers the Treasurer of Australia to prohibit a proposed acquisition of shares in an Australian corporation where as a result of the acquisition a foreign person, together with its associates, would have an interest in at least 15% of the issued shares in a corporation, or two or more foreign persons (together with their associates) would in aggregate have an interest in at least 40% of the issued shares in the corporation. Where such an acquisition has already occurred, the Treasurer has the power to order a person who acquired the shares to dispose of them to an approved person. The concepts of "acquisition", "interests", "associates" and "foreign person" are very widely defined in FATA. In addition, FATA requires certain persons who propose to make such acquisitions to notify the Treasurer of their intention to do so.

The acquisition of Rolling Instalments might constitute an acquisition or proposed acquisition of the Underlying Securities for the purposes of FATA and the exercise of such Rolling Instalments would clearly do so. FATA would require an existing interest in shares held by a potential investor or its associates to be aggregated with any interests to be acquired by virtue of the acquisition or exercise of Rolling Instalments for the purpose of determining whether FATA is complied with.

Other legislation

Foreign ownership of shares in Australian companies may also be restricted under other Commonwealth legislation, or under Commonwealth Government policy for example, in relation to Australian banks and other financial institutions, insurance companies and companies in the telecommunications sector. Potential investors should seek their own independent legal advice as to the nature and applicability of these restrictions in the context of Rolling Instalments.

8.16 Complaints and enquiries

If a Holder has a complaint in relation to their investment, they should contact ABN AMRO in writing at:

ABN AMRO Australia Pty Limited

Level 22
 ABN AMRO Tower
 88-94 Phillip Street
 Sydney NSW 2000

ABN AMRO will always acknowledge any complaint in writing and respond within 5 days. If an investor remains unhappy, they can contact the Financial Industry Complaints Service Limited ("FICS"). FICS is independent from ABN AMRO Australia. In order for a complaint to be considered by FICS, the claim must be under \$100,000 (unless the investor and ABN AMRO Australia agree otherwise in writing). You can contact FICS on 1300 780 808.

SECTION 9: GLOSSARY

Definitions

"ABN AMRO " means ABN AMRO Australia Pty Limited (ABN 78 000 862 797).

"ABN AMRO Australia Group" means ABN AMRO Australia Pty Limited, and its Related Bodies Corporate.

"ABN AMRO Bank N.V." means ABN AMRO Bank N.V. (ABN 84 079 478 612) a corporation incorporated in the Netherlands having its principal office in Australia at Level 22, 88 Phillip Street, Sydney, New South Wales.

"ABN AMRO Equities" means ABN AMRO Equities Australia Limited (ABN 88 090 099 317).

"Accretion" means the property or benefit given under the Trust Deed.

"ACH" means the Australian Clearing House.

"ACH Clearing Rules" means that operating rules of the Australian Clearing House as amended from time to time.

"Additional Loan Amount" means the amount by which the Revised Loan Amount exceeds the Loan Amount.

"Applicant" means a person or persons making an Application through lodging an Application Form.

"Application" means an offer by a person to ABN AMRO to subscribe for Rolling Instalments, being an offer on terms referred to in an Application Form.

"Application Form" means the form attached to the PDS, Part 2, upon which an Application must be made.

"ASIC" means the Australia Securities and Investments Commission.

"Assessed Value Payment/AVP" means a payment determined in accordance with the Trust Deed.

"ASTC" means ASX Settlement and Transfer Corporation Pty Limited (ABN 49 008 504 532).

"ASTC Settlement Rules" means the operating rules of ASTC, as amended from time to time.

"ASX" means ASX Limited (ABN 98 008 624 691).

"ASX Market Rules" means the business rules of ASX regulating trading in warrants and shares on the ASX as amended or substituted from time to time.

"ATO" means the Australian Taxation Office.

"Beneficial Interest" means the beneficial interest, which a Holder acquires in a specified Underlying Security subject to the Security Interest (if any) and any other property of a Separate Trust.

"Borrowing Fee" means the fee, if any, charged by the Lender from time to time for providing the Loan.

"Broker" means ABN AMRO Equities Australia Limited (ABN 88 090 099 317) having its registered office at Level 22, 88 Phillip Street, Sydney.

"Business Day" has the meaning given in the ASX Market Rules.

"Capital Protection Fee" means the fee which ABN AMRO in its discretion may charge for making the Holder's Put Option available.

"Cash Application" means an Application pursuant to which the Applicant pays the First Payment in cash to the Trustee upon lodgment of the completed Application Form, and **"Cash Applicant"** has a corresponding meaning.

"Cash Back Amount" means in the case of a Shareholder Application, the amount of the Loan advanced to the Applicant, less any applicable Capital Protection Fee, Borrowing Fee and Interest Amount.

"CGT" means the capital gain tax.

"CHESS" means the Clearing House Electronic Subregister System operated in accordance with the ASTC Settlement Rules.

"CHESS Holding Statement" means a holding statement issued in relation to each Holder's Rolling Instalments.

"Complete" means submit a valid Instalment Payment Notice to ABN AMRO.

"Completion" means the act of submitting a valid Instalment Payment Notice.

"Completion Date" means the date on which a Holder Completes a Rolling Instalment.

"Consumer Credit Code Declaration" means the declaration of a Holder described in Section 2.3(i) "Rollover Cash Back or Issue of additional Rolling Instalments" of this PDS Part 2.

"Conversion Application" means an Application under which the Applicant lodges Prior Series Instalments for the Series of Rolling Instalments which is the subject of the Application and directs payment of the Instalment Payment of those Prior Series Instalments from the Loan proceeds, and **"Conversion Applicant"** has a corresponding meaning.

“Conversion Cash Back” means the amount calculated by ABN AMRO as the Loan Amount less the Instalment Payment on the Prior Series Instalment less the Interest Amount less the Capital Protection Fee less the Borrowing Fee payable on the Rolling Instalments subject to the Application, and which is payable by ABN AMRO to the Conversion Applicant only if the calculated amount is a positive number.

“Conversion Payment” means the amount calculated by ABN AMRO as the Instalment Payment on the Prior Series Instalment plus the Interest Amount, Capital Protection Fee and Borrowing Fee payable on the Rolling Instalments subject to the Application less the Loan Amount, and which is payable by the Conversion Applicant to ABN AMRO only if the calculated amount is a positive number.

“Corporate Action” means any cash return of capital, capital reduction, liquidator’s distributions, share buy back, bonus issue, rights issue, share split, entitlement, security benefit, Takeover Bid, arrangement, compromise, merger, demerger, scheme, reconstruction, cancellation, replacement, modification, subdivision or consolidation of an Underlying Security, distribution, special dividend, non cash dividend, or any other similar thing which is issued, declared, paid, made, arises or accrues directly to or in respect of an Underlying Security but does not include a cash dividend.

“Corporations Act” means the Corporations Act 2001 (Cth) and **“Corporations Regulations”** means the Corporations Regulations 2001 (Cth).

“Direct Debit Request” means a direct debit request notice in the form approved by the Trustee and attached to this PDS Part 2.

“Dividend” in relation to Rolling Instalments over shares means a dividend and in relation to Rolling Instalments over units in a unit trust mean distributions of income in the nature of dividends.

“Early Expiry Date” means a date nominated by ABN AMRO in accordance with the Trust Deed.

“Effective Date” means the date the Applicant or Transferee (as applicable) is recorded on the Register.

“Exercise Price” means the greater of the Loan Amount or the amount determined by ABN AMRO as a reasonable aggregate sales price achieved by the Broker selling the Underlying Securities on the ASX at any time over the 5 Trading Days immediately following the Reset Date or the Expiry Date (as applicable).

“Expiry Date” means the date shown in the Summary Table in PDS Part 1 or any other date as substituted or amended in accordance with the Trust Deed.

“Extraordinary Event” means any of the events determined in accordance with the Trust Deed.

“FATA” means the Foreign Acquisitions and Takeover Act 1975 (Cth) (as amended from time to time).

“First Payment” means the amount determined by ABN AMRO as the purchase price of a Rolling Instalment for a Cash Applicant on a particular day.

“First Interest Amount” means for each Series of Rolling Instalments, the interest payable in advance on the Loan Amount for the First Interest Period calculated at the Interest Rate for the period from and including the Effective Date or a Reset Date (as applicable) to and ending on the day before the Second Interest Date.

“First Interest Period” means:

- (a) where the Effective Date occurs within 12 months before the Second Interest Date, the period between the Effective Date (inclusive of that date) and the day before the Second Interest Date; or
- (b) the period between a Reset Date (inclusive of that day) and the day before the Second Interest Date.

“Guarantee” means the Guarantee Deed Poll dated 23 April 2004 made by ABN AMRO Bank N.V.

“Guarantor” means ABN AMRO Bank N.V.

“HIN” has the same meaning as given in the ASTC Settlement Rules.

“Holder” means the person whose name is for the time being entered in the Register as the holder of a Rolling Instalment, and in the case of a joint Holder means each Holder on a joint and several basis.

“Holder’s Put Option” means the right of the Holder to nominate that ABN AMRO (or their assignee) must purchase the Underlying Securities.

“Instalment Payment” means for each Series of Rolling Instalments the amount payable (apart from any Transfer Taxes) by a Holder, per Rolling Instalment, on delivery of a Instalment Payment Notice in accordance with the Trust Deed, being the amount specified for this purpose in the PDS Part 2 or as otherwise determined or announced in accordance with the PDS.

“Instalment Payment Notice” means a notice in the form approved by the Trustee and attached to the PDS Part 2.

“Interest Amount” means the aggregate of the First Interest Amount and the Second Interest Amount for a relevant Rollover Period.

“Interest Rate” means the interest rate applying to the Loan from time to time as specified by ABN AMRO.

“Interest Statement” means a statement detailing the Interest Amount following the end of the financial year.

“Investment Term” means the term for which a Holder holds a Rolling Instalment.

“ITS” means the Integrated Trading System.

“Lender” means ABN AMRO Australia Pty Limited (ABN 78 000 862 797).

“Loan” means each loan offered by the Lender to a successful Applicant or Transferee on the terms and conditions set out in the Application Form and the Trust Deed, being in respect of each Rolling Instalment.

“Loan Amount” means the amount outstanding from time to time under the Loan as advised by ABN AMRO to Holders in accordance with the PDS.

“Offer Closing Date” means the Offer Closing Date specified in the PDS Part 1.

“Offer Open Date” means the Offer Open Date specified in the PDS Part 1.

“Offer Period” means the period starting on the Offer Open Date and ending at on the Offer Closing Date.

“Partial Repayment Amount” means the amount by which the Loan Amount immediately prior to the Reset Date exceeds the Revised Loan Amount.

“PDS” means the product disclosure statement issued for the Rolling Instalments comprising PDS Part 1 and PDS Part 2 as supplemented from time to time.

“Prior Series Instalments” means Instalments covering the same Underlying Entity as the Rolling Instalments where such Instalments were previously issued by ABN AMRO under any product disclosure statement or offering circular other than the PDS.

“Priority Order” means the payment by the Trustee of the proceeds of a sale or disposal of the Underlying Securities or of a surplus or other amount held by the Trustee (or as otherwise directed under the Trust Deed) in the following order:

- (i) first in payment or reimbursement of all costs, charges, liabilities and expenses of the Trustee which have been incurred in or are incidental to the exercise or performance of a power or duty, or an attempt to exercise or perform, in respect of the Underlying Securities or any other amount payable to the Trustee in accordance with the Trust Deed;
- (ii) second, in payment or reimbursement of all fees, costs, charges, liabilities and expenses incurred in or about the sale, transfer or other disposal of an Underlying Security (including in payment or reimbursement of all of the Transfer Taxes owed, paid or which come, or are likely to become owing by the Holder relating to an Underlying Security);
- (iii) third, in payment to the Lender of the Instalment Payment. If the amount available is insufficient to pay the Instalment Payment, then the amount available will be used to repay the Instalment Payment in part; and
- (iv) fourth, any balance of the said proceeds or surplus will be paid to the relevant Holder.

“Register” means the register of Holders kept and maintained by the Registrar.

“Registrar” means any person ABN AMRO may appoint from time to time to maintain the Register.

“Related Body Corporate” has the same meaning as that in section 50 of the Corporations Act.

“Remaining Prepaid Interest” has the meaning given to that term in Section 6(b) “Transfers” of this PDS Part 2.

“Reset Date” means the date during the term of a Rolling Instalment shown in the Summary Tables of Rolling Instalments in PDS Part 1.

“Revised Loan Amount” means the new Loan Amount notified by ABN AMRO that will apply as of the next Reset Date.

“Rolling Instalment” means a warrant (as that term is used in the ASX Market Rules) issued by ABN AMRO pursuant to this PDS on the terms set out in the Trust Deed.

“Rollover Cash Back” means for each Rolling Instalment the amount (if any) payable by the Trustee (on behalf of the Lender) to the Holder equating to the Additional Loan Amount less the total of the Interest Amount and Borrowing for the subsequent Rollover Period.

“Rollover Payment” means for each Rolling Instalment the amount (if any) payable by a Holder to the Trustee (on behalf of the Lender) as follows:

- (i) if the Loan is to be increased on a Reset Date and the Additional Loan Amount is less than the total of the Interest Amount, Capital Protection Fee and Borrowing Fees for the subsequent Rollover Period, the Rollover Payment is equal to the total of the Interest Amount plus the Capital Protection Fee and Borrowing Fee for the subsequent Rollover Period minus the Additional Loan Amount;
- (ii) if the Loan Amount is to be decreased on the Reset Date, the Rollover Payment is equal to the amount of the decrease (“Partial Repayment Amount”) plus the total of the Interest Amount, Capital Protection Fee and Borrowing Fee for the subsequent Rollover Period; or
- (iii) if the Loan Amount is not changed on the Reset Date, the Rollover Payment is equal to the total of the Interest Amount, Capital Protection Fee and Borrowing Fee for the subsequent Rollover Period.

“Rollover Period” means, as relevant, the period between:

- (a) the Effective Date and the following Reset Date;
- (b) a Reset Date and the following Reset Date; or
- (c) the final Reset Date and the Expiry Date.

“Second Interest Amount” means, for each Series of Rolling Instalments, the interest payable on the Loan Amount for the Subsequent Interest Period calculated at the Interest Rate for the period from and including the Effective Date or Second Interest Date (as applicable) to and including the next Reset Date or the Expiry Date, as relevant.

“Second Interest Date” means for each Series of Rolling Instalments the date specified as the **“Second Interest Date”** in the Summary Table of Rolling Instalments in PDS Part 1.

“Secondary Market Purchaser” means a purchaser of a Rolling Instalment on the ASX, and **“Secondary Market Purchase”** has a corresponding meaning.

“Security” means one fully paid ordinary share, unit, or CHESS depository interest in the Underlying Entity (as the case may be).

“Security Interest” means the security, within the meaning of sections 104-10 and 109-15 of the Tax Act, which the Lender has in each Underlying Security held by the Trustee from time to time.

“Separate Trust” means each of the trusts, one for each Underlying Security and any Second Interest Amount constituted under the Trust Deed.

“Series” means the Rolling Instalments, which relate to an Underlying Security of the Underlying Entity and otherwise have identical rights.

“Settlement Date” means the 15th Business Day after the Completion Date.

“Shareholder Application” means an application under which the Applicant transfers Securities of the relevant Underlying Entity for the Series of Rolling Instalments which are the subject of the Application and **“Shareholder Applicant”** has a corresponding meaning.

“SIS Act” means the Superannuation Industry (Supervision) Act 1993 (as amended from time to time).

“Subsequent Interest Period” means for each Series of Rolling Instalments, the period between the Second Interest Date (inclusive of that date) and the following Reset Date (exclusive of this date) or Expiry Date (where relevant, inclusive of this date).

“Summary Table” means the summary table of Rolling Instalments in PDS Part 1.

“Takeover Bid” has the same meaning given in section 9 of the Corporations Act and also includes an offer of the type to which section 414 of the Corporations Act applies.

“Tax Act” means the Income Tax Assessment Acts 1936 (Cth) and the Income Tax Assessment Act 1997 (Cth).

“Tax Change” means a change to the Tax Act whereby the Trustee is taxed in a manner similar to companies or trust distributions are taxed in a manner similar to corporate distributions or any other change which has a material financial impact over the issue, holding, cancellation transfer or expiry of Rolling Instalments or any change or reasonably anticipated change in the stamp duties legislation of an Australian State or Territory, where as a result of such change ABN AMRO or the Trustee or any other person is or will be required to pay additional stamp duty on the Trust Deed or in relation to the Security Interest, Underlying Securities or the Rolling Instalments.

“Trading Day” has the meaning given in the ASX Market Rules.

“Transfer Tax” means all income tax, capital gains tax, goods and services tax, withholding tax, stamp, financial institutions, registration and other duties, bank accounts debits tax and other related taxes, levies, imposts, deductions, interest, penalties and charges payable by any person on, as a consequence of, or in connection with:

- (a) the purchase, sale or transfer of a Rolling Instalment; or
- (b) the Completion of the Rolling Instalment and subsequent transfer or delivery of the Underlying Securities; or
- (c) any subsequent transfer or sale of the Underlying Securities by ABN AMRO (or its agent or assignee) on or after exercise of the Holder’s Put Option or the Holder’s failure to exercise the Rolling Instalment.

“Transferee” means a person who becomes entitled to be registered as a Holder following the transfer of a Rolling Instalment from a Transferor.

“Transferor” means a Holder who transfers a Rolling Instalment.

“Trust Deed” means the trust deed executed by the Trustee and ABN AMRO on 22 April 2004 as amended from time to time.

“Trustee” means the trustee for the time being of the Separate Trusts, appointed as such by the Trust Deed and includes any subsequent Trustee or any nominee, custodian, delegate or agent of the Trustee as the context requires.

“Underlying Entity” means for each Series of Rolling Instalments the corresponding Underlying Entity referred to in the Summary Table in the PDS Part 1.

“Underlying Security” means in relation to a Series of Rolling Instalments one Security as adjusted in accordance with the Trust Deed.

“Warrant Issuer” means ABN AMRO Australia Pty Limited.

“Weighted Average Price Sale/VWAP” means the arithmetic average of the division of the total of the sale prices of identical property (or such multiple of the property as is referable to sale prices) by the number of those items the subject of the sales over the 5 Trading Days (excluding special crossing, option exercises and overseas sales (including New Zealand Stock Exchange Sales) immediately following the Reset Date or Expiry Date (as relevant).

SECTION 10: APPLICATION FORM

PART A: How to Apply

Important Information for advisors

Applications that are submitted by an advisor on behalf of their clients must affix their stamp in the designated location on the Application Form.

Application Forms submitted by advisor's who do not affix their stamp to their client's Application Form will have the forms returned to them and these Applications will not be processed until they are completed in accordance with the instructions contained herein.

Potential investors should read both PDS Part 1 and PDS Part 2, before making any investment decision

There is one Application Form that covers all Applicants, being Cash, Shareholder and Conversion Applicants. Applicants should read the instructions in order to complete the Application Form.

Applications will only be accepted on the Application Form attached to this Product Disclosure Statement and only if ABN AMRO has reasonable grounds to believe that the form was included in, or accompanied by, a copy of the PDS when the form was distributed.

Each Application must be for at least \$2,000 ("Minimum Application Amount.")

ABN AMRO may decide in its absolute discretion whether or not to accept an Application at its discretion. Applications may be rejected in whole or in part. ABN AMRO may reject an Application if:

- (a) it does not receive the Applicant's correct and completed Application Form within 5 Business Days of quoting the Applicant (or its adviser) a subscription number as detailed in the "Steps to follow" section below; and/or
- (b) ABN AMRO does not receive the First Payment in cleared funds within 5 Business Days of quoting a subscription number; and/or
- (c) the Application Form has not satisfied the instructions as detailed in the "How to Complete the Application Form" section below.

Any Application received for ABN AMRO Rolling Instalments after the Maximum Subscription has been reached will not be accepted. The ("Maximum Subscription") is initially the Issue Size, but may change if, on the Application of ABN AMRO, ASX admits further ABN AMRO Rolling Instalments to trading status.

Further details regarding Cash Applications, Shareholder Applications and Conversion Applications are set out in Section 2.2 of PDS Part 2.

Applicants – Steps to follow:

STEP	ACTION	CHECK
1.	Contact ABN AMRO Australia on 1800 450 005 to obtain either a First Payment amount (for Cash Applicants) or a Cash Back Amount (for Shareholder Applicants) or a Conversion Cash Back or Conversion Payment (for Rollover Applicants).	<input type="checkbox"/>
2.	Obtain a unique subscription number, from ABN AMRO, for each ABN AMRO Rolling Instalment and write this down. You will need to insert this on your Application Form.	<input type="checkbox"/>
3.	Complete the Application Form by following the instructions in the next part entitled "How to Complete the Application Form".	<input type="checkbox"/>
4.	If you are either a Cash Applicant or a Rollover Applicant who is required to pay a Conversion Payment and you are paying by any method other than by cheque, please indicate which electronic payment method you are using by completing the correct section in the Application Form. For Investors who have selected "Direct Debit" ¹ , it is necessary to complete the Direct Debit Request section found in Section 11 of the PDS Part 2, otherwise if you are paying by cheque, attach the cheque for the total amount payable to ABN AMRO Australia Pty Limited, and write the details on the Application Form in the designated space. If you are a Shareholder Applicant, attach a copy of your holding statement for the Underlying Securities. If you are a Rollover Applicant you should attach a copy of your Prior Series ABN AMRO Instalment Warrant holding statement.	<input type="checkbox"/>
5.	Send the completed and signed Application Form plus all attachments to ABN AMRO Australia Pty Limited, Attn: Manager, Warrant Administration GPO Box 4675 Sydney NSW 2001.	<input type="checkbox"/>

¹ It will be the responsibility of the investor to ensure that their nominated bank account, as shown in the Direct Debit Request section of the Application Form, has sufficient funds for ABN AMRO to debit the First Payment or the Conversion Payment. Failure to do so will result in the Loan being terminated and the investor being liable for costs.

How to Complete the Application Form

Please complete all relevant sections of the Application Form **USING BLOCK LETTERS**. These instructions are cross referenced (see the letters below) to each section of the Form.

Section	Heading	Instruction
A	Type of Application	Tick the box that denotes which type of Application you are using
B	Applicant Details	Write the Full Names(s) you wish to appear on the Register. Shareholder Applications must be in the name(s) of natural persons. For Applicants who are NOT a Company , enter your postal address for all correspondence. All communications to you from the <i>Registrar</i> (statements, dividend cheques/advices, annual/interim reports, correspondence, etc) will be mailed to the person(s) and address as shown. For joint <i>Applicants</i> only one address can be entered.
C	Trustee Applicant Only	Complete this if you applying as a Trustee of a Trust. This section is applicable to Self Managed Superannuation Funds.
D	Applicant which is a Registered Company	Important Information for an Applicant which is a Company Where you are applying in the name of a Company , please use the nominated table to complete the Company details.
E	TFN, ABN or Exemptions	Enter your Tax File Number (TFN), Australian Business Number (ABN) if a business account or exemption category. Where applicable, please enter the Tax File Number for each joint <i>Applicant</i> . Collection of TFNs and ABNs is authorised by taxation laws. Quotation of your TFN or ABN is not compulsory and will not affect your <i>Application</i> .
F	Primary Contact Details	Please ensure that you provide the requested information in case we need to contact you about your <i>Application</i> . Where possible, please quote a number we may use during business hours. Under ABN AMRO guidelines we require the Date of Birth of the Primary Contact named in this section.
G	Sponsor Broker Details	Broker sponsored <i>Holder</i> s wishing to have their allotment made into the CHESSE environment must complete this section. <i>Holder</i> s who do not complete this section or complete it incorrectly will become issuer sponsored.
H	Bank Account Details	Enter your account details, including your BSB number, if you wish to have dividends directly credited to your nominated bank account.
I	Investment Election	Cash Applicants ¹ Write the number of <i>ABN AMRO Rolling Instalments</i> you are applying for in each <i>Series</i> . ² If you or your stockbroker/adviser has contacted <i>ABN AMRO</i> to fix the <i>First Payment</i> per <i>ABN AMRO Rolling Instalments</i> , write that amount here. ³ If you or your stockbroker/adviser has contacted <i>ABN AMRO</i> to fix the <i>First Payment</i> per <i>ABN AMRO Rolling Instalments</i> , the Amount Payable for each <i>Series</i> is determined by multiplying the number of <i>ABN AMRO Rolling Instalments</i> ⁽¹⁾ by the <i>First Payment</i> per <i>ABN AMRO Rolling Instalments</i> ⁽²⁾ . If you are applying for a dollar value of <i>ABN AMRO Rolling Instalments</i> , write the dollar amount you wish to have applied as the total <i>First Payment</i> . ⁴ If you or your stockbroker/adviser has contacted <i>ABN AMRO</i> to fix the <i>First Payment</i> , write the subscription number quoted to you or your stockbroker/adviser by <i>ABN AMRO</i> at that time. ⁵ Add up the amount payable for each <i>Series</i> of <i>ABN AMRO Rolling Instalments</i> you are applying for and write it in the Total Amount box provided.

Shareholder Applicants

¹ Write the number of *ABN AMRO Rolling Instalments* you are applying for in each *Series*.

² If you or your stockbroker/adviser has contacted *ABN AMRO* to lock in the *Cash Back Amount* per *ABN AMRO Rolling Instalment* and was provided with a corresponding Application Number, write that *Cash Back Amount* here.

³ The Total *Cash Back Amount* per *Series* is determined by multiplying the number of *ABN AMRO Rolling Instalments* ⁽¹⁾ by the *Cash Back Amount* per *ABN AMRO Rolling Instalments* ⁽²⁾.

⁴ The Underlying Securities that you are applying with under this Shareholder Application Form will either have an SRN (Shareholder Reference Number) if they are on an issuer-sponsored sub-register or have a HIN (Holder Identification Number) if they are on a broker-sponsored sub-register. If your Underlying Securities have an SRN, please write the SRN in the relevant box.

⁵ Insert the discrete subscription number provided to you by *ABN AMRO*.

⁶ Add up the Total *Cashback Amount* for each *Series* of *ABN AMRO Rolling Instalments* you are applying for and write it in the Total Amount box provided.

If you hold your *Underlying Entities' Shares* in a broker-sponsored holding, **you must complete section G Sponsoring Broker Details.**

Also, broker sponsored *Holders* wishing to have their allotment made into the CHES environment must complete section G Sponsoring Broker Details. *Holders* who do not complete this section or complete it incorrectly will become issuer sponsored.

Write the Full Names(s) **EXACTLY AS IT APPEARS on your current holding statement** that you wish to appear on the *Register*. *Applications* must be in the name(s) of natural persons or the name of a company. You should refer below under "Correct Forms of Registerable Name" if you are unsure how your holding should be registered.

Conversion Applicants

¹ Write the number of *ABN AMRO Rolling Instalments* you are applying for in each *Series*.

² If you or your stockbroker/adviser has contacted *ABN AMRO* to lock in either the Conversion Cash Back or the Conversion Payment per *ABN AMRO Rolling Instalment* and was provided with a corresponding Subscription Number, write that *Conversion Cash Back or Conversion Payment* here.

³ The total Conversion Payment/Conversion Cash Back per *Series* is determined by multiplying the number of *ABN AMRO Rolling Instalments* ⁽¹⁾ by the Conversion Cash Back or Conversion Payment per *ABN AMRO Rolling Instalment* ⁽²⁾.

⁴ You should record the ASX Code of the *Prior Series ABN AMRO Instalment Warrants* here. Please note that you must authorise payment of the Instalment Payment on your *ABN AMRO Prior Series Instalments* in respect of one *Prior Series ABN AMRO Instalment Warrants* for each new *ABN AMRO Rolling Instalments* for which you apply.

⁵ Insert the discrete subscription number provided to you by *ABN AMRO*.

⁶ Add up the total *Conversion Cash Back or Conversion Payment* for each *Series* of *ABN AMRO Rolling Instalments* you are applying for and write it in the Total Amount box provided.

Applications may be lodged at any time before 4pm on the expiry date of the relevant *Prior Series ABN AMRO Instalment Warrants*. Please note that *Holders* of *Prior Series ABN AMRO Instalment Warrants* can roll them over only on or before the last day for payment for the

Prior Series ABN AMRO Instalment Warrants. Write the Full Names(s) **EXACTLY AS IT APPEARS on your current holding statement**. *Applications* must be in the name(s) of natural persons or the name of a company. You should refer below under "Correct Forms of Registerable Name" if you are unsure how your holding should be registered.

If you hold your *Prior Series ABN AMRO Instalment Warrants* in a broker-sponsored holding, you must complete this section G Sponsoring Broker Details.

J	Payment Options	Select by ticking your chosen method of payment and complete the relevant section ensuring that you supply all the requested details and in the case of a Direct Debit, complete and sign the Direct Debit Request Form (Section 11 of the PDS Part 2) and enclose a copy of the drivers licence for each Applicant.
<p>It is the responsibility of the investor to advise ABN AMRO in writing at least 14 Business Days prior to a Reset Date, where they have elected to make the Instalment Payment on the Expiry Date, of any changes in their banking details relating the direct debit of the Instalment Payment. This includes the necessary lodgment of any and all completed and signed documentation, to ABN AMRO, to ensure that ABN AMRO can direct debit the Instalment Payment from the bank account if the investor decides to pay the Instalment Payment on Reset Date or the Expiry Date. The investor must take all actions necessary to facilitate the receipt of the Instalment Payment by ABN AMRO.</p>		
K	Investor Declarations	Read this section carefully
L	Signatures	Sign the Application Form

Checklist to assist you to ensure that you have completed the relevant sections in the Application Form if you are:

An Individual....	A Company....	An Individual as Trustee....	A Company as Trustee....
A Type of Application	A Type of Application	A Type of Application	A Type of Application
B Applicant Details	D Applicant which is a Registered Company	B Applicant Details	C Trustee Applicants Only
E TFN, ABN or Exemptions	E TFN, ABN or Exemptions	C Trustee Applicants Only	D Applicant which is a Registered Company
F Primary Contact Details	F Primary Contact Details	E TFN, ABN or Exemptions	E TFN, ABN or Exemptions
G Sponsoring Broker Details	G Sponsoring Broker Details	F Primary Contact Details	F Primary Contact Details
		G Sponsoring Broker Details	G Sponsoring Broker Details

All Applicants must complete the following sections.....

- H Bank Account Details – **unless you wish to receive payment of your dividends by cheque**
- I Investment Election
- J Payment Options
- K Investor Declarations
- L Signatures
- G Sponsoring Broker Details

Important Information

Under ABN AMRO guidelines, the Date of Birth is required for each the Natural Person who is named in this Application.

You should refer below under “Correct Forms of Registrable Name” if you are unsure how your holding should be registered.

Applications made in the individual name(s) of the person(s) who is (are) the legal guardian(s), trustee(s), proprietor(s), partner(s) or office bearer(s) (as applicable) of those entities are acceptable

Applications in the name of a minor, an unincorporated or unregistered body such as a trust or estate, business, firm or partnership, club, association or other cannot be accepted.

Amounts of \$20.00 or less as a result of fractional numbers of Instalments will not be refunded by ABN AMRO.

Applications may be lodged at any time after 9.00 a.m. on the Offer Open date (specified in *PDS Part 1*) until 5.00 pm on the Expiry Date (specified in *PDS Part 1*) if you are a Cash Applicant or a Shareholder Applicant and until 4.00pm on the Expiry Date for Prior Series ABN AMRO Instalment Warrants or until all *ABN AMRO Rolling Instalments* are issued, subject to a right to close the issue earlier without notice.

Correct Forms of Registrable Name

Note that **ONLY** legal entities are allowed to hold *ABN AMRO Rolling Instalments*. *Applications* must be in the name(s) of natural persons, companies or other legal entities acceptable to ABN AMRO. At least one full name and the surname is required for each natural person. The name of the beneficiary or any other non-registrable name may be included by the way of an account designation if completed exactly as described in the examples below:

Type of Investor	Correct Form	Examples of Incorrect Form,
Trusts <i>(Do not use the name of trust, use trustee(s) personal names)</i>	John Smith <Smith Family A/C>	John Smith Family Trust
Deceased Estates <i>(Do not use the name of deceased, use executor(s) personal names)</i>	Michael Smith <Est John Smith A/C>	Estate of the Late John Smith
Partnerships <i>(Do not use the name of Partnership, use partners' personal names)</i>	John Smith and Michael Smith <John Smith & Son A/C>	John Smith & Son
Clubs/Unincorporated Bodies <i>(Do not use name of club or body, use name of trustee of club or body)</i>	John Smith <ABC Tennis Association A/C>	ABC Tennis Association
Superannuation Funds <i>(Do not use name of fund, use name of trustee of fund)</i>	John Smith Pty Ltd <Super Fund A/C>	John Smith Pty Ltd Superannuation Fund,

Application Form for Applicants for ABN AMRO Rolling Instalments

Send completed and signed Application Form to:

ABN AMRO Australia Pty Limited
Manager, Warrant Administration
GPO Box 4675
Sydney NSW 2001.

Broker's Stamp
Adviser

Please refer to the previous pages for instructions on how to complete this Application Form

A Type of Application – Please tick which method of Application you are using

<input type="checkbox"/> Cash Application	<input type="checkbox"/> Shareholder Application	<input type="checkbox"/> Rollover Application
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B Applicant Details

Name(s) ¹ to be registered if applying as an individual

Title	Given Name(s)	Surname	Date of Birth	
1			/	/
2			/	/
3			/	/
4			/	/

¹ If you are applying as a Trustee of a Self Managed Superannuation Fund go to Section C or if you are applying in a Company Name go to Section D and insert the company details.

Postal Address

Address		
Address		
Suburb	State	Postcode

Account Designation (Name of Non-Legal Entity)

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C Trustee Applicant Only (applicable to Self Managed Superannuation Funds)

Are you applying as Trustee of a Trust (which includes a Trustee of a Superannuation Fund)? (Tick the box)	Yes ¹	No ²
Name of Trust (use block letters)		
Name of Applicant(s) acting as Trustee (use block letters)		

¹ Complete this section and ensure that you provide all the additional signed and completed documentation together with your Application Form.

² Continue to complete the Application Form as applicable.

D Applicant which is a Registered Company

Full Name of Company			
Company ABN			
Company Office Address			
Suburb		State	Postcode
Company Mailing Address			
Suburb		State	Postcode
Phone Number		Fax Number	
Name(s) of Directors (Use Block Letters)			
Ultimate Beneficial Owner(s) (must be a natural person)			

E TFN, ABN or Exemptions

Tax File Number(s), Australian Business Number(s) or Exemption(s)

Applicant 1	
Applicant 2	
Applicant 3	
Applicant 4	

F Primary Contact Details ¹

Name of Primary Contact	Date of Birth	/	/
Daytime Phone Number	After Hours Phone Number		
Mobile Phone Number	Fax Number		
Email Address			

¹ Insert Primary Contact Person name and include STD code for all non mobile numbers

G Broker Sponsored Holders Only – for delivery of your ABN AMRO Rolling Instalments

Complete your CHESS holding details

Name of Sponsoring Broker			
Account Name			
PID Number (if known)	<input type="text"/>	HIN	<input type="text"/>

H Bank Account Details – Complete this if you wish to receive your Dividends directly into your nominated bank account

Account Name	
Bank	
Branch	
Branch Address	
BSB	
Account Number	

I Investment Election – complete the relevant table. Refer to How to Complete the Application Form section if you require assistance.

I/We apply for the ABN AMRO Rolling Instalments indicated in the table below.

Cash Applicants

Instalment ASX Code	Application Amount per Series in dollars if dollar amount	Number of ABN AMRO Rolling Instalments ¹	First Payment ²	Amount Payable ³	Subscription Number ⁴
				\$	
				\$	
				\$	
				\$	
				\$	
				\$	
				\$	
				\$	
				\$	
				\$	
				\$	
Total Amount ⁵				\$	

Shareholder Applicants – ensure that you attach a copy of your Holding Statements for your shares.

Instalment ASX Code	Number of ABN AMRO Rolling Instalments ¹	Cash Back Amount per ABN AMRO Rolling Instalment ²	Total Cash Back Amount per Series ³	SRN of Existing Shares (if Issuer Sponsored) ⁴	Subscription Number ⁵
Total Amount ⁶			\$		

Rollover Applicants

I/We apply for the *ABN AMRO Rolling Instalments* indicated in the table below by rolling over my/our Prior Series *ABN AMRO Instalments* corresponding to the *ABN AMRO Rolling Instalments* for which I/we have applied as set out in the table below.

ASX Code	Number of <i>ABN AMRO Rolling Instalments</i> ¹	<i>Conversion Payment/ Conversion Cash Back</i> ² for <i>ABN AMRO Rolling Instalment</i>	Total <i>Conversion Payment/ Conversion Cash Back</i> per series ³	ASX Code of <i>ABN AMRO</i> Prior Series Instalments being rolled over ⁴	Subscription Numbers ⁵
Total Amount ⁶				\$	

J Payment Options

(Tick the **single method of Payment** and complete this section)

Direct Credit
 BPay
 Direct Debit
 Cheque

1. Direct Credit

Please reference payments with your surname or your company.

Account Name	ABN AMRO Australia Pty Limited
Bank	National Australia Bank
BSB	082 057
Account Number	4636 24741
Surname/ Company Name	
Amount (\$)	

2. BPay

Please reference payments with Reference Number shown below.

BPay Biller Code	89839
Reference Number	999110
BPay Receipt Number ¹	
Date paid by BPay	
Amount (\$)	

¹ Write the BPay Receipt Number and Date paid by BPay in the nominated space as it will assist us in identifying your payment.

3. Direct Debit

You will need to **complete and sign** a “Direct Debit Request” found in Section 11 of PDS Part 2 and enclose this together with a copy of a Drivers Licence for each Signatory with your Application Form.

Note : Bank account name(s) must match the name(s) given as Applicant(s) on your Application Form.

Bank	
Branch	
Branch Address	
Account Name	
BSB	Account Number
Total Amount to Debit	\$

4. Cheque

Please make cheque payable to **‘ABN AMRO Australia Pty Limited’** crossed Not Transferable.

Payer Details
Account Name
Bank
Branch
BSB
Account Number
Cheque Number
Amount (\$)

(Read the Investor Declarations and sign the Application Form)

K Investor Declarations

For valuable consideration,

I/We irrevocably appoint each director and secretary of *ABN AMRO Australia Pty Limited* or any employee whose title includes the words “director”, “head” or “manager” severally as **my/our** attorney to: complete any blanks in the *Application Form*; do anything which **I am/we are** obliged to do under or in relation to the *Trust Deed* or any other agreement or arrangement between **me/us** and *ABN AMRO Australia Pty Limited* relating to the *Loan*; and do anything incidental or necessary in relation to the above (including, but not limited to, completing any blanks in this *Application Form* and appointing any person as sub-attorney to do any of the above).

I/We represent and warrant that: **I am/we are** not bankrupt or insolvent (as the case may be) and **am/are** able to pay **my/our** debts as and when they become due and payable from **my/our** own money and that no step has been taken to make to me/us bankrupt or commence winding up proceedings, appoint a controller or administrator, seize or take possession of any of **my/our** assets or make an arrangement, compromise or composition with any of **my/our** creditors. **I/we** further represent and warrant that **I/we** have never been a director or officer of any company to which a liquidator, receiver, receiver and manager or similar person has been appointed.

I/We acknowledge and confirm that *ABN AMRO Australia Pty Limited* will rely on any representations and warranties given and any declarations made by **me/us** in making its decision to enter into any contract with me/us.

I/We am/are over 18 years of age.

I/We acknowledge that *ABN AMRO Australia Pty Limited* has given me/us the opportunity to obtain independent professional advice in relation to my investment in Rolling Instalments. **I/We** acknowledge that if **I/we** have not obtained such advice then **I am/we are** have read the *PDS (comprising of PDS Part 1 and PDS Part 2)*, and understand my/our obligations and the risks of investing in the Rolling Instalments, and consider that they are suitable for me/us.

I/We acknowledge that in providing this *PDS*, *ABN AMRO Australia Pty Limited* does not provide any personal financial product advice or recommendations in relation to the Rolling Instalments or any Underlying Security.

I/We whose full name(s) and address(es) appear above, hereby apply for the number of *ABN AMRO Rolling Instalments* as set out on this *Application Form*, to be issued in accordance with the terms of the *PDS* issued by *ABN AMRO Australia Pty Limited* and the *Trust Deed*.

I/We have read and understood the *PDS (comprising of PDS Part 1 and PDS Part 2)* to which this *Application Form* is attached and agree to accept the

ABN AMRO Rolling Instalments on the conditions set out in the *PDS* (including the tape recording by *ABN AMRO Australia Pty Limited* and its agents, for record purposes, of any telephone conversation concerning the *ABN AMRO Rolling Instalments*).

I/We will take out a *Loan* from *ABN AMRO Australia Pty Limited* for each *ABN AMRO Rolling Instalment* to be issued to me/us.

I/We by signing this *Application Form* and *ABN AMRO* accepting **my/our** *Application*, acknowledge and confirm that **I am/we are** bound by the terms of the *Trust Deed*.

I/We acknowledge and consent that *ABN AMRO Australia Pty Limited* collects my/our personal information in order to:

- provide and manage the financial products and services which **I/we** request from *ABN AMRO Australia Pty Limited*;
- comply with relevant laws; and
- keep me/us informed of new products and services.

In particular, *ABN AMRO Australia Pty Limited* may/may not use the information to send out information on *ABN AMRO Australia Pty Limited* other trading and investment products, such as High Leverage and Self Funding Instalments and *ABN AMRO Asset Management's* managed funds products. If **I/we** do not actively select not to receive any information on *ABN AMRO Australia Pty Limited's* other trading and investment products, **I/we** are taken to have consented to receipt of such information. If at any time **I/we** are receiving information from *ABN AMRO Australia Pty Limited* about *ABN AMRO Australia Pty Limited's* products and do not wish to receive further correspondence, **I/we** will let *ABN AMRO Australia Pty Limited* know. **I/we** also acknowledge that *ABN AMRO Australia Pty Limited* may disclose information about me/us to third parties where it is necessary for business purposes in managing a financial product or service and/or where *ABN AMRO Australia Pty Limited* has service partners involved in providing my/our financial products or services. On request, *ABN AMRO Australia Pty Limited* will provide me/us with a copy of any personal information which *ABN AMRO Australia Pty Limited* holds about me/us. *ABN AMRO Australia Pty Limited* will inform me/us beforehand if there is any charge associated with providing this information to me/us. If **I/we** do not provide *ABN AMRO Australia Pty Limited* with the personal information, *ABN AMRO Australia Pty Limited* may not be able to provide a service, or *ABN AMRO Australia Pty Limited* may be required by law to take particular actions such as deducting taxation at the top marginal rate. Further information about *ABN AMRO Australia Pty Limited's* privacy practices can be found by requesting a copy of *ABN AMRO Australia Pty Limited's* privacy policy.

I/We represent and warrant that all information set out in this *Application Form*, supporting documentation or otherwise provided to *ABN AMRO Australia Pty Limited* is true and correct.

For valuable consideration and to facilitate the granting of the *Loan* and *Security Interest*, I/We irrevocably appoint the *Trustee* or its nominee as my/our nominee on the terms of this *Application* and the *Trust Deed* for any of **my/our Underlying Securities** to which this *Application* relates (**My Securities**); authorise and direct the *Trustee* to do all things (including completing any documents) necessary for it or its nominee to become the registered holder of *My Securities*; and to do anything incidental or necessary to complete any of the above.

I/We direct the *Trustee* and *ABN AMRO Equities* to do anything necessary to effect the *Transfer* to the *Trustee* of any of *My Securities*.

I/We instruct and direct the *Trustee* to pay the First Interest Amount to *ABN AMRO Australia Pty Limited* on the First Payment Date and hold the Second Interest Amount on **my/our** behalf and pay it to *ABN AMRO* on the Second Interest Date.

I/We represent and warrant that; as a Shareholder Applicant, **I am/we are**, the sole legal and beneficial* owner(s) of *My Securities* and *My Securities* are free from any Encumbrances; and

I am/we are not bankrupt or insolvent (as the case may be) and **am/are** able to pay **my/our** debts as and when they become due and that no step has been taken to make to me/us bankrupt or commence winding up proceedings, appoint a controller or administrator, seize or take possession of any of **my/our** assets or make an

arrangement, compromise or composition with any of **my/our** creditors.

*Delete the words "and beneficial" if acting as trustee. In this case, you in addition represent and warrant that you have all the power, authority and discretion vested as trustee to apply in relation to the *Underlying Securities* which are the subject of the trust.

As a Shareholder Applicant, **I/We** instruct my sponsoring broker (or the relevant registrar of an issuer-sponsored sub-register) to deliver the quantity of *Underlying Securities* as indicated above to *ABN AMRO Equities Australia Limited*, PID 2703 as an "Off-Market" transaction, quoting the reference number shown at the top of the previous page in the supplementary message field.

As a Conversion Applicant, **I/we** direct the *Issuer* to apply from the *Loan* an amount sufficient to pay the Instalment Payment on any *ABN AMRO Prior Series Instalments* to which this *Application* relates.

I/We direct the *Trustee* and *ABN AMRO Equities* to do anything necessary to effect the *Transfer* to the *Trustee* of any of *My Securities*.

As a Conversion Applicant, **I/we** instruct the trustee (or the relevant registrar of an issuer-sponsored sub-register) of **my/our** *ABN AMRO Prior Series Instalments* to transfer the quantity of *Underlying Securities* as indicated above (being one such share for each **ABN AMRO Rolling Instalment** applied for) to the *Trustee* to be held on Separate Trust under the terms of the *Trust Deed*.

L Signatures

I/we declare the credit to be provided to me/us and any Cash Back Amount or Conversion Cash Back paid to **me/us** by *ABN AMRO Australia Pty Limited* is to be applied wholly or predominantly for business or investment purposes (or for both purposes). *I/We* have read the PDS and accept the terms contained therein.

Dated this _____ Day of _____, 20_____

If the Holder(s) is/are individual(s)

Signature	Print Name
Signature	Print Name
Signature	Print Name
Signature	Print Name

If the Holder is not an Individual (eg a Company or Trustee of a Superannuation Fund)

Company Name
Director/Sole Director Signature
Print Name
Director/Secretary Signature
Print Name

Important

You should **not** sign this declaration unless the Loan or any Cash Back Amount or Conversion Cash Back is wholly or predominantly for business or investment purposes. By signing this declaration you may **lose** your protection under the Consumer Credit Code.

To ensure that you have completed the Application Form correctly, use the Checklist found at the end of "How to Complete the Application Form".

SECTION 11

Direct Debit Request

Please note, a copy of the Drivers Licence for each Signatory of this Direct Debit Request must be attached for this Direct Debit Request to be accepted. Request and Authority to debit the account named below to pay **ABN AMRO Australia Pty Limited**

Request And Authority To Debit

Surname or company name
Given names or ACN/ABN
Account Designation

("the Investor (s)")

request and authorise ABN AMRO Australia Pty Limited [Debit User Identification Number 181824] to arrange for any amount ABN AMRO Australia Pty Limited may debit or charge the Investor to be debited through the Bulk Electronic Clearing System from an account held at the financial institution identified below subject to the terms and conditions of the Direct Debit Request Service Agreement.

Insert the Name and Address of Financial Institution at Which Account is Held

Financial institution name
Address

Insert Details of Account to be Debited

Name of account
BSB number
Account number

Acknowledgment

By signing this Direct Debit Request the Investor(s) acknowledge having read and understood the terms and conditions governing the debit arrangements between the Investor and ABN AMRO Australia Pty Limited as set out in this Request and in the Investor's Direct Debit Request Service Agreement.

Insert the Investor's Signature and Address

(signature details as per applications forms and as below)

Address
Date

If Applicant(s) is individual(s)

Signature
Print Name
Signature
Print Name
Signature
Print Name

If Applicant is a company

Sole Director or Director / Secretary Signature
Print Name
Director / Secretary Signature
Print Name
Please affix Common Seal if required in accordance with the company's constitution

Please attach this Direct Debit Request to your ABN AMRO Application Form or Instalment Payment Notice along with a copy of the Drivers Licence for each Signatory of the Direct Debit Request. ABN AMRO Australia Pty Limited

Warrants Administration

GPO Box 4675
 Sydney NSW 2001
 Ph: 1800 450 005
 Website : www.abnamro.com.au/warrants

Direct Debit Request Service Agreement

Definitions

account means the account held at the Investor's financial institution from which we are authorised to arrange for funds to be debited.

agreement means this Direct Debit Request Service Agreement between the Investor and us.

business day means a day other than a Saturday or a Sunday or a public holiday listed throughout Australia.

debit day means the day that payment by the Investor to us is due.

debit payment means a particular transaction where a debit is made.

direct debit request means the Direct Debit Request between us and the Investor (and includes any Form PD-C approved for use in the transitional period).

Investor means the customer who signed the direct debit request.

Investor's financial institution is the financial institution where the Investor hold the account that the Investor have authorised us to arrange to debit.

transitional period means the period commencing on the industry implementation date for Direct Debit Requests (31 March 2000) and concluding 12 calendar months from that date.

us or we means ABN AMRO Australia Pty Limited, the Debit User the Investor have authorised by signing a direct debit request.

1. Debiting the Investor's account

1.1 By signing a direct debit request, the Investor have authorised us to arrange for funds to be debited from the Investor's account. The Investor should refer to the direct debit request and this agreement for the terms of the arrangement between us and the Investor.

1.2 We will only arrange for funds to be debited from the Investor's account if we have sent to the address nominated by the Investor in the direct debit request, a tax invoice which specifies the amount payable by the Investor to us and when it is due.

1.3 If the debit day falls on a day that is not a business day, we may direct the Investor's financial institution to debit the Investor's account on the following business day.

If the Investor is unsure about which day the Investor's account has or will be debited the Investor should ask the Investor's financial institution.

2. Changes by us

2.1 We may vary any details of this agreement or a direct debit request at any time by giving the Investor at least fourteen (14) days' written notice.

3. Changes by the Investor

3.1 Subject to 3.2 and 3.3, the Investor may change the arrangements under a direct debit request by contacting us on 02 8259 5121.

3.2 If the Investor wishes to stop or defer a debit payment the Investor must notify us in writing at least 5 (five) working days before the next debit day. This notice should be given to us in the first instance.

3.3 The Investor may also cancel the Investor's authority for us to debit the Investor's account at any time by giving ABN AMRO Australia Pty Limited 5 (five) working days notice in writing before the next debit day. This notice should be given to us in the first instance.

4. The Investor's obligations

4.1 It is the Investor's responsibility to ensure that there are sufficient clear funds available in the Investor's account to allow a debit payment to be made in accordance with the direct debit request.

4.2 If there are insufficient clear funds in the Investor's account to meet a debit payment:

- (a) the Investor may be charged a fee and/or interest by the Investor's financial institution;
- (b) the Investor may also incur fees or charges imposed or incurred by us; and
- (c) the Investor must arrange for the debit payment to be made by another method or arrange for sufficient clear funds to be in the Investor's account by an agreed time so that we can process the debit payment.

- 4.3 The Investor should check the Investor's account statement to verify that the amounts debited from the Investor's account are correct
- 4.4 If ABN AMRO Australia Pty Limited is liable to pay goods and services tax ("GST") on a supply made in connection with this agreement, then the Investor agree to pay ABN AMRO Australia Pty Limited on demand an amount equal to the consideration payable for the supply multiplied by the prevailing GST rate.

5. Dispute

- 5.1 If the Investor believe that there has been an error in debiting the Investor's account, the Investor should notify us directly on 02 8259 5121 and confirm that notice in writing with us as soon as possible so that we can resolve the Investor's query more quickly.
- 5.2 If we conclude as a result of our investigations that the Investor's account has been incorrectly debited we will respond to the Investor's query by arranging for the Investor's financial institution to adjust the Investor's account (including interest and charges) accordingly. We will also notify the Investor in writing of the amount by which the Investor's account has been adjusted.
- 5.3 If we conclude as a result of our investigations that the Investor's account has not been incorrectly debited we will respond to the Investor's query by providing the Investor with reasons and any evidence for this finding.
- 5.4 Any queries the Investor may have about an error made in debiting the Investor's account should be directed to us in the first instance so that we can attempt to resolve the matter between us and the Investor. If we cannot resolve the matter the Investor can still refer it to the Investor's financial institution which will obtain details from the Investor of the disputed transaction and may lodge a claim on the Investor's behalf.

You The Investor should check:

- (a) with the Investor's financial institution whether direct debiting is available from the Investor's account as direct debiting is not available on all accounts offered by financial institutions.

- (b) the Investor's account details which the Investor have provided to us are correct by checking them against a recent account statement; and
- (c) with the Investor's financial institution before completing the direct debit request if the Investor have any queries about how to complete the direct debit request.

7. Confidentiality

- 7.1 We will keep any information (including the Investor's account details) in the Investor's direct debit request confidential. We will make reasonable efforts to keep any such information that we have about the Investor secure and to ensure that any of our employees or agents who have access to information about the Investor does not make any unauthorised use, modification, reproduction or disclosure of that information.
- 7.2 We will only disclose information that we have about the Investor:
- (a) to the extent specifically required by law; or
 - (b) for the purposes of this agreement (including disclosing information in connection with any query or claim).

8. Notice

- 8.1 If the Investor wishes to notify us in writing about anything relating to this agreement, the Investor should write to ABN AMRO Australia Pty Limited, Warrants Administration, Box 4675 GPO SYDNEY NSW 2001
- 8.2 We will notify the Investor by sending a notice in the ordinary post to the address the Investor have given us in the direct debit request.
- 8.3 Any notice will be deemed to have been received two working days after it is posted

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SECTION 12 INSTALMENT PAYMENT NOTICE

ABN AMRO ROLLING INSTALMENT WARRANTS - INSTALMENT PAYMENT NOTICE

To: ABN AMRO Australia Pty Limited
 Manager, Warrant Administration
 GPO Box 4675
 Sydney NSW 2001

Dear Sirs

This is to notify you and any assignee appointed by you that, I/we, being the Holder/entitled to be registered as Holder of the number of ABN AMRO Rolling Instalment Warrants indicated below relating to the Underlying Securities and issued in accordance with the terms set out in the Trust Deed (the **Trust Deed**) and pursuant to a PDS issued by ABN AMRO Australia Pty Limited (**the Warrant Issuer**) give this Instalment Payment Notice in respect of those ABN AMRO Rolling Instalment Warrants to:

ASX Code of ABN AMRO Rolling Instalment Warrants

PART A – Investor Options

<i>Please tick whichever is applicable and complete</i>	Number of Instalments
<input type="checkbox"/> (i) call for delivery of the underlying securities ¹ .	
<input type="checkbox"/> Instalment Payment -Amount per warrant <i>Please attach cheque of total amount payable</i>	\$*
<input type="checkbox"/> (ii) Exercise the Holder’s Put Option ¹ <i>no payment required</i>	

**No. of Instalments x Instalment payment per Rolling Instalment = cheque amount payable*

To find out if a rollover product is available, please contact your financial adviser

PART B – Cheque Details for call of delivery of the Underlying Securities

Payee Details	Bank or BSB No.	Cheque Amount
_____	_____	_____

¹ Holders may exercise their ABN AMRO Rolling Instalment Warrants by requesting delivery of the relevant Underlying Securities or by exercising their Holder’s Put Option. Insert desired numbers.

PART C – Shareholder Details

Name: _____

Address: _____

Phone No: _____ Mobile No: _____

Email Address: _____

CHES Details for *ABN AMRO* PID² HIN²
Rolling Instalment Warrants: **OR** _____

Shareholder Reference Number SRN:³ _____

Date: _____

² Insert your PID and HIN if the ABN AMRO Rolling Instalment Warrants are held on the CHES Sub-register.

³ Insert your SRN if the ABN AMRO Rolling Instalment Warrants are held on the Issuer Sponsored Subregister.

PART D – Rolling Warrants Execution

(This must be signed to execute the exercise notice)

Dated this _____ day of _____, 20_____

<p><i>If Holder is an individual</i></p> <p>Signature/s</p> <p>_____</p> <p>_____</p>	<p><i>If Holder is a company</i></p> <p>Company Name</p> <p>_____</p> <p>_____</p> <p>Director/Secretary</p> <p>_____</p> <p>Director</p> <p>< Please affix Common Seal if required in accordance with the company’s constitution</p>
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(THIS FORM MAY ONLY BE USED TO GIVE INSTALMENT PAYMENT NOTICES FOR ABN AMRO INSTALMENT WARRANTS).

SECTION 13

Financial Services Guide

Structured Product Issuance services Australia May 2007

This guide has been prepared for ABN AMRO Australia Pty Ltd ("ABN AMRO Australia") and ABNED Nominees Pty Limited ("ABNED Nominees") clients who are classified as retail clients.

In this Financial Services Guide ("FSG"), when the terms we, our or us are used, it means ABN AMRO Australia, ABNED Nominees together, and each of them separately, unless otherwise specified.

This FSG contains important information about:

- ABN AMRO Australia services;
- ABNED Nominees services; and
- Your rights as an ABN AMRO Australia and ABNED Nominees client.

The purpose of this Guide is to provide clients an outline of the operations and the financial products administered by ABN AMRO Australia and ABNED Nominees to assist you to make an informed decision about the services we offer.

This Guide is to be read in conjunction with any ABN AMRO Australia Product Disclosure Statement distributed to you and any Statement of Advice.

You will find full contact details at the back of this Guide.

Services offered by ABN AMRO ABN AMRO Australia Pty Limited

ABN AMRO Australia is the structured product issuing division of the ABN AMRO Group in Australia. The structured products division is responsible for the issue of all ABN AMRO Australia warrant and other structured financial products. ABN AMRO Australia is part of the global investment bank, ABN AMRO Bank NV.

ABN AMRO Australia is a holder of an Australian Financial Services ("AFS") Licence No. 247013. ABN AMRO Australia is a warrant issuer approved by the Australian Securities Exchange ("ASX"). Our products trade on the ASX with Issuer Code "Z".

ABN AMRO Australia is responsible for the financial services provided, including the distribution of this Financial Services Guide ("FSG"). We are permitted under our AFS Licence to deal and advise on the following financial products:

- Securities;
- Derivatives;
- Government Bonds, Stocks and Debentures;
- Managed Investment Schemes;
- Foreign Exchange;
- Managed Investment Warrants (listed and unlisted); and
- Deposit and Payment Products.

ABN AMRO Australia is also authorised to underwrite an issue of securities and make a market in foreign exchange contracts, derivatives and government bonds, stocks and debentures.

ABNED Nominees Pty Limited

ABNED Nominees is the Security Trustee for ABN AMRO Australia's structured product business.

The relationship between ABN AMRO Australia and ABNED Nominees is governed by a Trust Deed. ABNED Nominees is a wholly owned subsidiary of ABN AMRO Australia.

ABNED Nominees' role as security trustee takes effect after ABN AMRO Australia has accepted an application for a financial product.

Each ABN AMRO Australia structured product or warrant series represents a group of underlying companies' shares, financial products or other assets. When a client purchases an instalment warrant, structured product or any other type of covered warrant as defined by the ASX Market Rules, the underlying companies' shares, financial products or other underlying assets are held by ABNED Nominees as the legal owner of the shares on behalf of the client.

ABNED Nominees' ability to act is dictated by the provisions of the Trust Deed. A summary of the Trust Deed is often contained in an ABN AMRO Australia Product Disclosure Statement ("PDS") where ABNED Nominees services are required. If a summary of the Trust Deed is not included in the PDS for a particular product you may inspect a copy of the Trust Deed at our offices.

ABNED Nominees is the holder of an AFS Licence No 246795 and is permitted under its licence to provide a custodial and depository service to retail and wholesale clients.

Retail Client Services

ABN AMRO Australia provides Structured Product Issuance services to its Retail Clients. ABN AMRO Australia does not provide personal advisory services to retail clients, consequently we will not provide any Statement of Advice (required to be given when advice is given that takes into account personal details of a retail client). We recommend that our retail clients call a financial advisor to assess the suitability of purchasing structured products based on their particular needs.

No ABN AMRO Australia staff are authorised to provide you with any personal investment or tax advisory services.

Product Disclosure Statement

A PDS will be provided to you if we offer to issue a structured financial product to you. The PDS contains information about the structured financial product being issued including the features, benefits, fees and risks associated with the product.

Representatives

All ABN AMRO Australia and ABNED Nominees employees are authorised by each Licensee to provide the financial services and products listed in this Guide.

Remuneration of Representatives

Our representatives are remunerated by means of an annual salary plus discretionary performance bonuses from ABN AMRO Services Australia Limited. Our representatives do not receive any commissions or fees.

The discretionary performance bonuses are awarded annually and are determined upon set criteria, including:

- Financial performance of the business;
- Strategic performance of the business;
- Relative competitive practices;
- Whether the business operates in a high/low payout market sector;
- The stage of business development;
- The quality of staff; and
- The performance of ABN AMRO as a whole.

Representatives may also receive shares in ABN AMRO Australia Holdings Pty Limited based on their years of service or may be offered such shares for purchase. Representatives holding such shares may share in profits generated by the Australian business.

Our Representatives may also be eligible to receive Options, through the ABN AMRO Global Stock Option Plan. Options are granted to key employees and enable the purchase of a specified number of ABN AMRO Holding NV shares in a future period.

ABN AMRO Associates

The main companies in the ABN AMRO Group in Australia ("ABN AMRO"), are: ABN AMRO Equities Australia Limited, ABN AMRO Corporate Finance Limited, ABN AMRO Equity Capital Markets Limited, ABN AMRO Australia Pty Limited, ABN AMRO Bank N.V (Australian Branch), ABN AMRO Asset Management (Australia) Limited and ABN AMRO Morgans Limited (retail stockbroker).

Account Opening Process

If you are interested in purchasing a financial product issued by ABN AMRO Australia, please refer to the appropriate PDS which will explain the application process. If you do not have a copy of the PDS please contact your financial advisor to arrange a copy to be forwarded to you.

Remuneration and other benefits

ABN AMRO Australia

ABN AMRO Australia will receive remuneration in relation to your investment in

ABN AMRO Australia structured products, based on the price you pay when you invest.

ABNED Nominees

No fees are payable for the services of ABNED Nominees.

Remuneration received by those who offer ABN AMRO Australia Products

You may receive advice in relation to the products we offer from financial advisers who do not work for ABN AMRO Australia. In some circumstances, the adviser's fee (or part of the adviser's fee) may be included in the price you pay when you invest. Alternatively, the adviser's fee may be payable by you in addition to the price you pay when you invest in a product. You should refer to the PDS and terms for each product for the disclosure of any relevant fees.

With regard to structured products, ABN AMRO may at its discretion pay financial advisers a commission. Each structured product PDS will specify the commission rates that may apply to any loan amounts or an investor's initial investment. A trailer commission may also be payable. Please refer to the PDS and terms of each product for any relevant commissions and fees.

Information about Equity Derivatives and Structured Products

The value of equity derivative investments, which includes warrants and structured products, can both rise and fall. The measure of this change in value is often called volatility, that is, the more the value varies over time, the more volatile the asset is and therefore the more risk involved in investing in it. On the other hand, overall, the less volatile an asset is, the less likelihood there is for any significant capital gain or loss from investing in that asset.

Equity derivatives are considered more volatile than other asset classes but, over the longer term, a balanced portfolio of equities frequently out-performs most other asset classes. The markets for other asset classes are not as efficient or transparent as the stock market as to the information available to investors and the process

for continuously determining and making public the real market value of the particular asset. Therefore, the real volatility of those assets is often not fully appreciated.

What are the risks?

Usually, the risks of investing in equity derivatives (such as structured or warrant products) can be categorised in the following manner. Please note that the lists below do not purport to be complete, as it would not be feasible to list all the risks in each category.

Overall market risk: The risk of loss due to movements in the share market generally. Many factors can cause these movements including political, economic, taxation or legislative factors. Specific examples are changes in interest rates, changes of Government, changes in taxation or superannuation laws, international crises or natural disasters.

Domestic versus international factors: The vulnerability of a company to international events or market factors. These would include movements in exchange rates, changes in trade or tariff policies and changes in other stock or bond markets.

Sector specific factors: These would include demand for the product a company produces, commodity prices, the economic cycle of industry, changes in consumer demands, lifestyle changes and changes in technology.

Stock specific factors: These would include a company's directors, the strength of a company's management and the significance of any key personnel, a company's profit history, a company's tangible asset base, debt level and fixed cost structure, litigation, profits or losses on particular contracts, drill results, competition from within the sector, and whether a company already has a profitable business or whether it is exploring for recoverable resources or is developing a new product.

Research limitations: The research undertaken by ABN AMRO Australia and ABN AMRO Equities Australia Limited is the opinion of specialist analysts. It is only valid for a limited time, is often subject to market movements, is often written for corporate and institutional clients and ABN AMRO Australia and ABN AMRO Equities Australia Limited can never guarantee it.

For example, for short-term investors, a "buy" recommendation could turn into a "sell" recommendation if the market price of a stock appreciates by a small amount.

For a prospective longer term investor, this market movement may not be significant, although a larger movement might be.

The mere fact that an analyst recommends a stock as a "buy" does not necessarily mean that the stock is a suitable investment for your particular investment needs, objectives and financial circumstances. It is unreasonable to rely on any ABN AMRO recommendation when using an execution only service. If you would like advice you will need to open a full service account with ABN AMRO Morgans Limited or an adviser of your choice.

Other matters

Regulatory bodies

A client may incur losses caused by matters outside the control of ABN AMRO Australia. For example, a regulatory authority exercising its powers during a market emergency may precipitate losses. A regulatory authority can, in extreme situations, suspend trading or alter the price at which a stock is traded. This may result in a loss for you.

Market disruptions

A market disruption may mean a client is unable to deal in stock when desired. A client may suffer a loss as a result. Common examples of disruptions include the "crash" of a computer-based trading system, terrorist attacks, fire or other emergency on a trading floor or in a computer system.

Risk capital

A good general rule is never to speculate with money that, if lost, would alter your standard of living.

Telephone recording

ABN AMRO Australia may record telephone conversations between ourselves and you. If there is a dispute between us, you may listen to those recordings at ABN AMRO's offices. It is to be noted that, where conversations are taped, ABN AMRO Australia will only keep telephone recordings for a period of 20 business days and after that time the recordings would not be available. Not all conversations may be taped, so first check with your contact.

Complaints and resolution procedures

If you have any questions, queries or complaints concerning the services provided by ABN AMRO Australia or ABNED Nominees, you should first raise them with your financial advisor. Most concerns can be addressed at this stage.

If you remain unsatisfied, you can contact the Head of Compliance on (02) 8259 6055. It is best if you raise the matter in writing to help the Head of Compliance to make enquiries. ABN AMRO Australia and ABNED Nominees have in place established complaints handling procedures designed to adequately consider and resolve complaints.

ABN AMRO Australia and ABNED Nominees are both Members of the Financial Industry Complaints Scheme ("the Scheme"). As members of the Scheme, any dispute brought to the attention of ABN AMRO Australia or ABNED Nominees that cannot be satisfied by discussion can be referred to the Scheme for resolution.

While ABN AMRO Australia and ABNED Nominees encourages clients to make initial enquiries with ABN AMRO Australia, clients may pursue external resolution through the Scheme by contacting them direct via:

Mail PO Box 579, Collins Street West
Melbourne VIC 8007
Telephone 1300 780 808
Facsimile (03) 9621 2291
Email fics@fics.asn.au
Internet www.fics.asn.au

Clients may also contact the Australian Securities and Investments Commission who, together with the ASX, regulate the conduct of ABN AMRO Australia.

Privacy Policy

At ABN AMRO Australia we are committed to ensuring the privacy of your information. ABN AMRO Australia recognises that you, as a customer, are concerned about your privacy and about the confidentiality and security of information that ABN AMRO may hold about you.

ABN AMRO Australia is bound by the National Privacy Principles contained in the Privacy Act 1988 (Cth). The Privacy Act and general law place strict requirements on us to treat any information that we hold about you as confidential.

Information we collect

We collect your personal information only if it is necessary for one or more of our functions or activities. We may collect the following information from you:

- Your name, date of birth and contact details;
- Your tax file number;
- Your bank account details;
- Details of your assets and any debts you have; and
- Personal identification details e.g. passport or driver's licence number.

Purpose of collecting information

ABN AMRO Australia may use your information to:

- Open an account for you or maintain your account;
- Process transactions on your behalf;
- Send information to you;
- Respond to any specific requests you may contact us about;

- Notify you of any products that may be of interest to you;
- Update your personal files; and
- Enable us to meet our obligations under certain laws.

Access to Information

You are entitled at any time to request access to the personal information we hold about you and ask us to correct this information where you believe it is incorrect. To do this please contact us by writing or telephoning us on (02) 8259 5000.

Disclosure to third parties

We may disclose your information to the following organisations for the purposes specified:

- To ABN AMRO offices that are located overseas for administrative purposes and for any internal credit approval, the maintenance of some of our data systems and to process transactions;
- To the ASX to process transactions;
- To share registries to allow them to record your share holding details;
- To our bank when depositing funds to your account; and
- To companies that provide services to us (for example, maintenance of our data systems).

We may also disclose information we hold about you if you consent to the disclosure or the disclosure is required by law.

Privacy Contact

You may at any time request a copy of our Privacy Policy by accessing it from www.abnamro.com.au or by asking one of our representatives on (02) 8259 5000.

Contact Details

ABN AMRO Australia Pty Limited
Postal Address:
GPO BOX 4675
Sydney NSW 2001
Australia
Telephone: (02) 8259 5000

Principal Place of Business:
Level 29, 88 Phillip Street
Sydney NSW 2001
Australia

SECTION 14 DIRECTORY

Warrant Issuer

ABN AMRO Australia Pty Limited
Level 22
88 Phillip Street
SYDNEY NSW 2000
AUSTRALIA

Guarantor

ABN AMRO Bank N.V.
Level 22
88 Phillip Street
SYDNEY NSW 2000
AUSTRALIA

Trustee

ABNED Nominees Pty Limited
Level 22
88 Phillip Street
SYDNEY NSW 2000
AUSTRALIA

Broker to the Issue

ABN AMRO Equities Australia Limited
Level 22
88 Phillip Street
SYDNEY NSW 2000
AUSTRALIA

Registrar

Link Market Services Limited
Level 12
300 Queen Street
Brisbane QLD 4000

Contact details to obtain annual reports, paper copy of Product Disclosure Statement (PDS Part 1 & PDS Part 2), and the Trust Deed

Warrant Sales
ABN AMRO Australia Pty Limited
Level 22
88 Phillip Street
SYDNEY NSW 2000
Ph: **1800 450 005**

Address for lodgement of application:

ABN AMRO Australia Pty Limited
Manager, Warrant Administration
GPO Box 4675
SYDNEY NSW 2001

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PRODUCT DISCLOSURE STATEMENT

Contact Us

For more information on about how Instalments can become an effective part of your clients wealth creation strategy and your business contact ABN AMRO on 1800 450 005.
