

GLOBAL INSTRUMENT (ELIN 47005)

MACQUARIE BANK LIMITED,

USD 4,193,000

**Equity Linked Instruments maturing 19 May 2008
relating to existing issued ordinary shares of US Generic Basket**

This Global Instrument is issued by Macquarie Bank Limited (the "**Issuer**"), in respect of the **USD 4,193,000** Equity Linked Instruments maturing **19 May 2008** (the "**Instruments**") relating to existing issued ordinary shares of **US Generic Basket**. The Instruments are issued in bearer form and are initially represented by this Global Instrument and, if applicable, interests in this Global Instrument will be exchanged in accordance with the terms of this Global Instrument for definitive Instruments in bearer form (the "**Definitive Instruments**") (substantially in the form set out in Part I of Schedule 2 of this Global Instrument). The Instruments are issued subject to and with the benefit of the Terms and Conditions of the Instruments (the "**Conditions**") set out in Part II of Schedule 2 of this Global Instrument, as modified by, in respect of and for so long as any Instruments are represented by this Global Instrument, the terms of this Global Instrument. Words and expressions defined in the Conditions and not otherwise defined in this Global Instrument shall have the same meanings when used in this Global Instrument.

1. Settlement by payment or delivery in accordance with the Conditions

Subject as provided in this Global Instrument, the Issuer will make settlement in respect of the Global Instrument:

- (a) if the Instrument or Instruments represented by this Global Instrument fall to be settled pursuant to Condition 3(a)(i), by payment to the bearer, upon presentation and surrender of this Global Instrument in respect of each such Instrument, of the Cash Settlement Amount on the Maturity Date; or
- (b) if any Instrument or Instruments represented by this Global Instrument fall to be settled pursuant to Condition 3(a)(ii)(A), by delivery of the Share Amount, in respect of each such Instrument; or
- (c) if any Instrument or Instruments represented by this Global Instrument fall to be settled pursuant to Condition 3(a)(ii)(B), by payment to the bearer upon presentation and surrender of this Global Instrument of the Physical Cash Settlement Amount in respect of each such Instrument,

together with any other amounts as may be payable in respect of this Global Instrument, all subject to and in accordance with the Conditions.

The settlement obligations of the Issuer in respect of this Global Instrument represent general unsecured contractual obligations of the Issuer and of no other person which rank and will rank, equally among themselves and pari passu with all other present and future unsecured and unsubordinated contractual obligations of the Issuer, except for obligations accorded preference by mandatory provisions of applicable law.

The Global Instrument represents general contractual obligations of the Issuer which are not, nor is it the intention (express, implicit or otherwise) of the Issuer to create by the issue of this Global Instrument, deposit liabilities or debt obligations of any kind.

2. Exchange for Definitive Instruments and Purchases

If either Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**") or Morgan Guaranty Trust Company of New York, as operator of the Euroclear System ("**Euroclear**") is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so and no alternative clearance system approved by the Issuer is available, then such event shall be an "**Exchange Event**" and this Global Instrument shall be exchanged in whole, but not in part, for Definitive Instruments on the Exchange Date (as defined below).

On the Exchange Date, the holder of this Global Instrument shall surrender this Global Instrument to or to the order of the Paying Agent and, in exchange, the Paying Agent will deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated Definitive Instruments in the nominal amount of **USD 1,000** each PROVIDED THAT, as a condition to such exchange, each prospective holder of a Definitive Instrument will be required to give an address to which notices may be given for the purposes of Condition 10. After the Exchange Date, the holder of this Global Instrument shall not be entitled to receive any amount or delivery in settlement of the Instruments due on or after the Exchange Date unless exchange of this Global Instrument for Definitive Instruments is improperly withheld or refused.

"**Exchange Date**" means the day selected by the Issuer falling not more than 14 days after the occurrence of the Exchange Event or if such day is not a day on which banks are open for business in the city in which the specified office of the Paying Agent is located the first such day thereafter.

Upon receipt of instructions from Euroclear or Clearstream, Luxembourg that, following the purchase by or on behalf of the Issuer or any of its Subsidiaries, the whole or a part of this Global Instrument is to be cancelled, the portion of the nominal amount of this Global Instrument so cancelled shall be endorsed by or on behalf of the Paying Agent on Part I of Schedule 1 to this Global Instrument, whereupon the nominal amount of this Global Instrument shall be reduced for all purposes by the amount so cancelled and endorsed.

3. Benefits

Until the entire nominal amount of this Global Instrument has been extinguished in exchange for Definitive Instruments or in any other manner envisaged by the Conditions, this Global Instrument shall in all respects be entitled to the same benefits as the Definitive Instruments referred to above.

4. Payments

Payments in settlement of Instruments represented by this Global Instrument will be made against presentation of this Global Instrument to or to the order of the Paying Agent for endorsement and, if no further payment falls to be made in settlement of such Instruments, surrender of this Global Instrument to or to the order of the Paying Agent. A record of each payment so made will be endorsed on Part II of Schedule 1 of this Global Instrument, which endorsement will be *prima facie* evidence that such payment has been made in respect of the Instruments.

The holder of this Global Instrument shall be the only person entitled to receive payments in settlement of the Instruments represented by this Global Instrument and payment by the Issuer to, or to the order of, the holder of this Global Instrument shall constitute a discharge of liability under this Global Instrument in respect of each amount so paid. Each of the persons shown in the records of Clearstream, Luxembourg and/or Euroclear as the beneficial holder of a particular nominal amount of Instruments represented by this Global Instrument must look solely to Clearstream, Luxembourg or Euroclear, as the case may be, for his share of each payment so made by the Issuer to, or to the order of, the holder of this Global Instrument. No person other than the holder of this Global Instrument shall have any claim against the Issuer in respect of any payments due on this Global Instrument.

5. Accountholders

For so long as any of the Instruments is represented by this Global Instrument, each person (other than Clearstream, Luxembourg, if Clearstream, Luxembourg shall be an accountholder of Euroclear, and Euroclear, if Euroclear shall be an accountholder of Clearstream, Luxembourg) who is for the time being shown in the records of Clearstream, Luxembourg and/or Euroclear as the person entitled to any Instruments (each an "**Accountholder**") (in which regard any certificate or other document issued by Clearstream, Luxembourg or Euroclear, as the case may be, as to the nominal amount of such Instruments standing to the account of such person shall be conclusive and binding for all purposes) shall be treated by the Issuer as the holder of such Instruments for all purposes other than with respect to any payment in settlement of such Instruments, the right to which shall be vested, as against the Issuer, solely in the bearer of this Global Instrument in accordance with and subject to its terms.

Instruments represented by this Global Instrument are transferable in accordance with the rules and procedures for the time being of Clearstream, Luxembourg or Euroclear, as appropriate.

The Issuer covenants in favour of each Accountholder that it will make all payments in respect of the Instruments for the time being shown in the records of Clearstream, Luxembourg and/or Euroclear as being held by the Accountholder and represented by this Global Instrument to the bearer of this Global Instrument or to procure delivery of the Share Amount (as the case may be) in accordance with Clause 1 above and acknowledges that each Accountholder may take proceedings to enforce this covenant and any of the other rights which it has under the first paragraph of this Clause directly against the Issuer.

6. Prescription

Claims against the Issuer in respect of the Instruments while the Instruments are represented by this Global Instrument shall become void unless this Global Instrument is presented for payment or delivery within a period of ten years after the date upon which such payment or delivery becomes due.

7. Assets Transfer Notices

If any of the Instruments represented by this Global Instrument are to be settled in accordance with Condition 3(a)(ii)(A), in order to obtain delivery of the relevant Share Amount each applicable Accountholder must deliver to Clearstream, Luxembourg or Euroclear, as the case may be, and to the Paying Agent a copy of the relevant Assets Transfer Notice duly completed in accordance with the Conditions on a Business Day within 10 Business Days of the Notification Date, specifying the name of the Instrumentholder, the aggregate nominal amount of Instrument(s) to which such Assets Transfer Notice relates and the Accountholder's account number with Clearstream, Luxembourg or Euroclear, as the case

may be, to be debited with the Instruments to which such Assets Transfer Notice relates, the name and address of the person(s) to be shown on the instrument of transfer for the Share Amount to be delivered and the name and address of the bank or broker or other person to whom the relevant documents of title relating to the Share Amount are to be delivered and its Share Clearing System participant name and account number. Upon receipt of an Assets Transfer Notice, Clearstream, Luxembourg or Euroclear, as the case may be, shall verify that the person specified therein is the holder of the Instruments referred to therein according to its books. Subject thereto, Clearstream, Luxembourg or Euroclear, as the case may be, will confirm to the Issuer the number of Instruments to which the Assets Transfer Notice relates.

8. Governing Law

This Global Instrument is governed by, and shall be construed in accordance with, English law.

9. Authentication

This Instrument shall not be valid for any purpose unless and until it has been authenticated by the Calculation Agent.

IN WITNESS whereof this Global Instrument has been executed as a deed poll on behalf of the Issuer.



Signature:
Name: David Bavin
Title: Executive Director
Macquarie Bank Limited



Signature:
Name: Rodney Toomey
Title: Lawyer
Macquarie Bank Limited

Dated 18 March 2008

Authenticated without recourse, warranty or liability by the Calculation Agent



Signature:

Name: David Bavin

Title: Executive Director
Macquarie Bank Limited



Signature:

Name: Rodney Toomey

Title: Lawyer
Macquarie Bank Limited

ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.

SCHEDULE 2**PART I****- FORM OF DEFINITIVE NOTE -**

(Face of Note)

Common Code: 035362371

ISIN: XS0353623712

MACQUARIE BANK LIMITED,

USD 4,193,000

**Equity Linked Instruments maturing 19 May 2008
relating to existing issued ordinary shares of US Generic Basket**

The issue of the **USD 4,193,000** Equity Linked Instruments due **19 May 2008** (the "**Instruments**") relating to existing issued ordinary shares of **US Generic Basket**. is authorised by the Constitution of Macquarie Bank Limited (the "**Issuer**").

This Instrument forms one of a series of the Instruments issued as bearer Instruments in the nominal amount of **USD 1,000** each in an aggregate nominal amount of **USD 4,193,000**.

Subject as provided in this Instrument, the Issuer, will make settlement in respect of this Instrument:

- (a) if the Instrument or Instruments represented by this Instrument fall to be settled pursuant to Condition 3(a)(i), by payment to the bearer upon presentation and surrender of this Instrument in respect of this Instrument of the Cash Settlement Amount on the Maturity Date; or
- (b) if any Instrument or Instruments represented by this Instrument fall to be settled pursuant to Condition 3(a)(ii)(A), by delivery of the Share Amount, in respect of this Instrument; or
- (c) if any Instrument or Instruments represented by this Global Instrument fall to be redeemed pursuant to Condition 3(a)(ii)(B), by payment to the bearer upon presentation and surrender of this Instrument of the Physical Cash Settlement Amount in respect of this Instrument,

together with any other amounts as may be payable in respect of this Global Instrument, all subject to and in accordance with the Conditions.

The settlement obligations of the Issuer in respect of this Instrument represent general unsecured contractual obligations of the Issuer and of no other person which rank and will rank, equally among themselves and pari passu with all other present and future unsecured and unsubordinated contractual obligations of the Issuer, except for obligations accorded preference by mandatory provisions of applicable law.

The Instrument represents general contractual obligations of the Issuer which are not, nor is it the

intention (express, implicit or otherwise) of the Issuer to create by the issue of this Instrument, deposit liabilities or debt obligations of any kind.

This Instrument is issued subject to and with the benefit of the Terms and Conditions (the "**Conditions**") endorsed hereon.

Words and expressions defined in the Conditions and not otherwise defined in this Instrument shall have the same meanings when used in this Instrument.

IN WITNESS WHEREOF this Instrument has been executed for and on behalf of the Issuer.

Dated 18 March 2008

MACQUARIE BANK LIMITED,

By:

ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.

(Reverse of Instrument)

TERMS AND CONDITIONS OF THE INSTRUMENTS

(as set out in Part II of this Schedule 2)

SCHEDULE 2**PART II****TERMS AND CONDITIONS OF THE NOTES**

Macquarie Bank Limited (the "**Issuer**"), has issued **USD 4,193,000** Equity Linked Instruments due **19 May 2008** (the "**Instruments**") relating to the existing issued ordinary shares of **US Generic Basket**. Macquarie Bank Limited act as calculation agent (the "**Calculation Agent**" which term shall include its successors as calculation agent) and Macquarie Bank Limited will, subject to Condition 7, act as paying agent (the "**Paying Agent**" which term shall include its successors as paying agent) in relation to the Instruments.

In these Terms and Conditions (these "**Conditions**"), unless the context otherwise requires:

- (1) references to "**Instruments**" means, as the context requires, (a) to the extent that the Instruments are represented by the Global Instrument (as defined in Condition 1(a) below) units of **USD 1,000** nominal amount of Instruments or (b) Instruments in definitive form ("**Definitive Instruments**");
- (2) "**Instrumentholder**" means (a) in relation to those Instruments represented by the Global Instrument, each Accountholder (as defined below) for all purposes other than with respect to any payment in settlement of the Instruments, with respect to which "**Instrumentholder**" means solely the bearer of the Global Instrument, and (b) in relation to those Definitive Instruments issued in exchange for the Global Instrument, the holders of those Definitive Instruments and the expressions "**Instrumentholder**", "**holding of Instruments**", "**holder of Instruments**" and related expressions shall be construed accordingly;
- (3) "**Accountholder**" means a person (other than Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**"), if Clearstream, Luxembourg shall be an accountholder of Morgan Guaranty Trust Company of New York, Brussels office, as operator of the Euroclear System ("**Euroclear**"), and Euroclear, if Euroclear shall be an accountholder of Clearstream, Luxembourg) who is for the time being shown in the records of Clearstream, Luxembourg and/or Euroclear as the person entitled to any Instruments, in which regard any certificate or other document issued by Clearstream, Luxembourg or Euroclear as to the Instruments to which any person is entitled shall be conclusive and binding for all purposes; and
- (4) references to Clearstream, Luxembourg and/or Euroclear shall be deemed to include references to any additional or alternative clearing system approved by the Issuer and notified to the Instrumentholders in accordance with Condition 10.

1. FORM, NOMINAL AMOUNT, TRANSFERS AND TITLE**(a) Form and Nominal Amount**

The Instruments are initially represented by a Global Instrument (the "**Global Instrument**") in bearer form in the aggregate nominal amount of **USD 4,193,000** which was deposited on behalf of the subscribers for the Instruments with Deutsche Bank A.G., Hong Kong Branch, as common depositary (the "**Common Depositary**") for Clearstream, Luxembourg and Euroclear on **18 March 2008** (the "**Issue Date**").

If either Clearstream, Luxembourg or Euroclear is closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so and no alternative clearing system approved by the Issuer is available, then such event shall be an "**Exchange Event**" and the Global Instrument shall be exchanged in whole, but not in part, for Definitive Instruments on the Exchange Date (as defined below).

On the Exchange Date, the holder of the Global Instrument shall surrender the Global Instrument to or to the order of the Paying Agent and, in exchange, the Paying Agent will deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed Definitive Instruments in the nominal amount of **USD 1,000** each PROVIDED THAT, as a condition to such exchange, each prospective holder of a Definitive Instrument will be required to give an address to which notices may be given for the purposes of Condition 10. After the Exchange Date, the holder of the Global Instrument shall not be entitled to collect any payment in settlement of the Instruments due on or after the Exchange Date unless exchange of the Global Instrument for Definitive Instruments is improperly withheld or refused.

"**Exchange Date**" means the day selected by the Issuer falling not more than 14 days after the occurrence of the Exchange Event or if such day is not a day on which banks are open for business in the city in which the specified office of the Paying Agent is located the first such day thereafter.

(b) **Transfer and Title**

For so long as the Instruments are represented by the Global Instrument, interests in such Global Instrument will be transferable in accordance with the rules and procedures for the time being of Clearstream, Luxembourg and Euroclear and all transactions in (including transfers of) Instruments, in the open market or otherwise, must be effected through an account at Clearstream, Luxembourg or Euroclear, provided that the bearer of the Global Instrument will be the only person entitled to receive payments in settlement of the Global Instrument.

Title to the Instruments passes by delivery. The holder of any Instrument will (except as otherwise required by law) be treated as an absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it, any writing on it, or its theft or loss) and no person will be liable for so treating the holder.

2. STATUS OF THE INSTRUMENTS

The Instruments constitute direct, unconditional and unsecured contractual obligations of the Issuer and rank and will rank *pari passu* with all other outstanding unsecured and unsubordinated obligations of the Issuer, present and future, but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights.

The Global Instrument represents general contractual obligations of the Issuer which are not, nor is it the intention (express, implicit or otherwise) of the Issuer to create by the issue of this Global Instrument deposit liabilities or debt obligations of any kind.

The purchase of Instruments does not confer on any holder of such Instrument any rights (whether in respect of voting, distributions or otherwise) attaching to any underlying.

3. SETTLEMENT AND PURCHASE

(a) **Final settlement**

- (i) Unless previously purchased and cancelled as provided below and subject to the provisions of Condition 3(a)(ii), on **19 May 2008** (the "Maturity Date") the Issuer will settle each Instrument by payment of the Cash Settlement Amount plus the Coupon Amount.
- (ii) Unless previously purchased and cancelled as provided below, if (a) a Knock-in Event has occurred and (b) on the Determination Date, the Closing Price of any Share in the Basket is less than the Reference Price, the Issuer shall have no obligation to make any payment of the Cash Settlement Amount to the applicable Instrumentholder under Condition 3(a)(i). In such event, the Issuer may, in its sole and absolute discretion, elect, in respect of each Instrument, by notice to the relevant Instrumentholder pursuant to Condition 10 on the Business Day immediately following the Determination Date (such date of notification (the "**Notification Date**"), to either:
- (A) procure the delivery of the Share Amount in respect of the Worst Performing Share to the relevant Instrumentholder; or
- (B) in lieu of procuring delivery of the Share Amount, settle the Instrument by payment of the Physical Cash Settlement Amount (as defined below) on the Maturity Date,

all subject to and in accordance with the Conditions. In either case the Issuer will also pay the Thereafter, the Issuer shall have no further obligations in respect of such Instrument.

- (iii) In the event of the Issuer electing to procure the delivery of the Share Amount to the relevant Instrumentholders pursuant to Condition 3(a)(ii)(A):
- (A) Subject as provided below, the holder of each such Instrument shall be required to pay all applicable charges, costs and expenses incurred directly or indirectly by the Issuer in connection with the purchase and transfer of the Share Amount, including, but not limited to any stamp duty, agent's expenses, scrip fees, levies, registration charges and other expenses payable in respect of the Share Amount (together, the "**Share Transfer Expenses**"). An amount equivalent to the Share Transfer Expenses must be paid by the Instrumentholder in accordance with Condition 3(a)(iii)(B).
- (B) In order to obtain delivery of the Share Amount in respect of an Instrument, the Instrumentholder must deliver to the specified office of the Paying Agent and (in the event that such Instrument is represented by the Global Instrument) to Clearstream, Luxembourg or Euroclear, as the case may be, on a Business Day within ten Business Days of the Notification Date, a duly completed Assets Transfer Notice (an "**Assets Transfer Notice**"), a form of which is available at the specified office of the Paying Agent.

Each Assets Transfer Notice shall:

- (1) specify the name(s) of the Instrumentholder(s) and the aggregate nominal amount of the Instrument(s) to which such Assets Transfer Notice relates and (in the event that such Instrument is represented by the Global Instrument) the Accountholder's account number with
-

Clearstream, Luxembourg or Euroclear, as the case may be, to be debited with the Instrument(s) to which such Assets Transfer Notice relates;

- (2) be accompanied by way of banker's draft or other payment, in each case in immediately available funds, in favour of the Issuer, for such of the Share Transfer Expenses as may be determined by the Calculation Agent at that time or, if later, as soon as the same shall have been determined by the Calculation Agent;
- (3) specify the name and address of the person or persons to be shown on the instrument of transfer for the Share Amount to be delivered and the name and address of the bank or broker or other person in such other place where Clearing and Settlement of USD takes place to whom the relevant certificates and other documents of title relating to the Share Amount are to be delivered; and
- (4) specify the relevant securities account at Share Clearing System for delivery of the Share Amount, in the event that the Issuer determines to deliver the Share Amount through Share Clearing System.

Delivery of an Assets Transfer Notice in accordance with this Condition 3(a)(iii)(B) shall constitute an irrevocable authority to the Issuer to execute all relevant contract notes and instrument(s) of transfer on the Instrumentholder's behalf in relation to the Share Amount or to effect delivery of the Share Amount through Share Clearing System. If the Share Transfer Expenses in respect of the Instrument to which an Assets Transfer Notice relates are not received in accordance with Condition 3(a)(iii)(A) and this Condition 3(a)(iii)(B) for any reason, any such payment may, with the consent of the Issuer (which consent may be granted or withheld at the Issuer's absolute discretion), be effected as soon as possible after delivery of the Assets Transfer Notice or, as the case may be, prior to delivery of the Share Amount, but without prejudice to the rights of the Issuer or of any other person in connection with such Share Transfer Expenses.

Failure properly and completely to deliver an Assets Transfer Notice may result in such Notice being treated as null and void. Any determination as to whether an Assets Transfer Notice has been properly and completely delivered as provided above shall be made by the Issuer and shall be conclusive and binding on the holder of the Instrument. For the avoidance of doubt, such Instrumentholder shall not be entitled to any additional payment, whether of interest or otherwise, in the event of delay in delivery occurring after the Maturity Date due to such Assets Transfer Notice being delivered on or after ten Business Days of the Notification Date.

Subject as provided in this Condition, certificate(s) or other document(s) of title relating to the Share Amount will be delivered at the risk and expense of the Instrumentholder to such bank or broker or such other person in such other place where Clearing and Settlement of USD takes place as the Instrumentholder has specified in the Assets Transfer Notice or, as the case may be, the Share Amount will be delivered through Share Clearing System as soon as practicable and no later than five Business Days in Hong Kong following the Business Day in Hong Kong on which the Assets Transfer Notice was delivered (the "**Notice Date**"). Notwithstanding the foregoing, such delivery shall not take place until the Instrumentholder shall have

accounted to the Issuer for unpaid Share Transfer Expenses to the extent that they were not or could not be paid prior to the Notice Date. The Issuer shall not be under any obligation to register or procure the registration of the Instrumentholder or any other person as the registered shareholder in the register of members of the Company.

If on the Notice Date or on any date thereafter prior to the delivery in accordance with this Condition of the Share Amount to which such Assets Transfer Notice relates (1) the register of members of the Company is closed for the purpose of establishing any dividend or other rights attaching to the Shares or (2) there is a suspension of trading in the Shares or a general suspension of trading on the Stock Exchange or there exist any event beyond the control of the Issuer as a result of which the Calculation Agent determines (in its sole and absolute discretion) that the Issuer is unable to deliver the Share Amount pursuant to Condition 3(a)(iii), or (3) if otherwise a transfer of Shares cannot be recorded in the register of members of the Company, delivery of the relevant Share Amount shall be postponed until the date on which such register of members is open or such delivery may be effected or transfer can be recorded and notice thereof shall be given to the Instrumentholders in accordance with Condition 10.

- (C) The Issuer shall not be obliged to account to any Instrumentholder for any entitlement received or that is receivable in respect of the Shares comprising the Share Amount if the date on which the Shares are first traded on the Stock Exchange ex such entitlement is on or prior to the Maturity Date. The Calculation Agent shall determine (in its sole and absolute discretion) the date on which the Shares are so first traded on the Stock Exchange ex any such entitlement.
 - (D) Where the Share Amount would otherwise consist of a fraction of a Share, the Issuer shall not be obliged to deliver such fraction PROVIDED THAT any fraction shall be rounded upwards to the nearest Share and the cost associated therewith shall constitute Share Transfer Expenses.
 - (E) After delivery of the Share Amount by the Issuer to a Instrumentholder pursuant to this Condition, but prior to the time when the Instrumentholder (or his designee) becomes registered as a shareholder of the Company (the "**Intervening Period**"), neither the Issuer nor its agent or nominee shall (1) be under any obligation to deliver to such Instrumentholder or any subsequent beneficial owner of such Shares any letter, certificate, notice, circular, dividend or any other document or payment whatsoever received by the Issuer or its agent or nominee in its capacity as the registered holder of such Share, (2) exercise any or all rights (including voting rights) attaching to such Share during the Intervening Period without the prior written consent of the relevant Instrumentholder, provided that neither the Issuer nor its agent or nominee shall be under any obligation to exercise any such rights during the Intervening Period, or (3) be under any liability to such Instrumentholder or any subsequent beneficial owner of such Shares in respect of any loss or damage which such Instrumentholder or subsequent beneficial owner may sustain or suffer as a result, whether directly or indirectly, of the Issuer or its agent or nominee being registered during such Intervening Period as legal owner of such Share.
 - (F) Notwithstanding Condition 3(a)(iii)(E) above, the Issuer shall notify each relevant Instrumentholder at the address specified in the relevant Assets
-

Transfer Notice by post (or air mail in the case of an address outside Hong Kong) of the receipt by the Issuer or its agent or nominee after the Determination Date of any dividend or other distribution of any kind (not requiring payment or other consideration being made or given) in respect of such Shares beneficially owned by such Instrumentholder or a subsequent beneficial owner of such Shares which is received by the Issuer as a result of the Issuer continuing to be registered as the legal owner of the Shares after the Determination Date and shall make available such dividend payment or such other distribution for collection by the Instrumentholder or such subsequent beneficial owner from an office in Hong Kong which shall be specified in such notification upon production of such evidence of entitlement and identification as may reasonably be required. The Issuer shall also notify each relevant Instrumentholder by post (by airmail in the case of an address outside Hong Kong) of the right of the Issuer or its agent or nominee during the Intervening Period to exercise or accept any right, entitlement or offer attaching to or made in respect of such Shares beneficially owned by such Instrumentholder or a subsequent beneficial owner of such Shares and shall make available any document relating to such right, entitlement or offer for collection by the Instrumentholder or such subsequent beneficial owner from an office in Hong Kong which shall be specified in such notification upon production of such evidence of entitlement and identification as may be reasonably required and, following receipt by the Issuer of written notification and, where appropriate, any relevant payment or consideration necessary in connection with exercising or accepting any such right, entitlement or offer from the relevant Instrumentholder or subsequent beneficial owner, the Issuer shall exercise or accept such right, entitlement or offer.

- (G) If the Share Amount comprises a number of Shares which does not correspond with the board lot for such Shares at such time or an integral multiple thereof, then in respect of that number of Shares which exceeds the amount of such board lot or the relevant integral multiple thereof (the "**Excess Shares**") the Issuer may, in its sole and absolute discretion, elect, in respect of each Instrument, by notice to the relevant Instrumentholder pursuant to Condition 10, on the Notification Date to either (a) procure the delivery of the Excess Shares, or (b) pay to the relevant holder a cash amount (to be paid at the same time as the share certificates or other documents title relating to Shares to which that holder has become entitled are, in accordance with these Conditions, to be delivered) equal to the Closing Price multiplied by the number of Excess Shares PROVIDED THAT Instruments held by a Instrumentholder will be aggregated for the purposes of determining the aggregate number of Shares to be delivered in respect of such Instruments.

- (iv) For the purposes of these Conditions:

"**Basket**" means the basket of Shares;

"**Business Day**" means (subject as set out in Condition 5) a day (excluding Saturday) on which the Stock Exchange is open for dealing and banks are open in the place where the Stock Exchange is located for business;

"**Cash Settlement Amount**", in respect of each Instrument, means an amount equal to the nominal amount of Instrument;

"**Closing Price**" means, subject to adjustment in accordance with Condition 4, the closing price of one Share (as derived from the official quotation published by the Stock Exchange, subject to any adjustments to such closing price as may be necessary to reflect any capitalisation, right issue, distribution or the like) on **12 May 2008** (the "**Determination Date**") PROVIDED, HOWEVER, THAT if the Issuer determines, in its sole and absolute discretion, that on the Determination Date a Market Disruption Event has occurred in respect of any Share in the Basket, then the Determination Date shall be postponed until the first succeeding Business Day on which there is no Market Disruption Event in respect of all Shares in the Basket, unless there is a Market Disruption Event on each of the five Business Days immediately following the original date that, but for the Market Disruption Event, would have been the Determination Date; in that case, (A) that fifth Business Day shall be deemed to be the Determination Date notwithstanding the Market Disruption Event, and (B) the Issuer shall determine the closing price on the basis of its good faith estimate of the bid price that would have prevailed on that fifth Business Day but for the Market Disruption Event;

"**Determination Date**" means the Valuation Date

"**Company**" means [each of the Shares in the Basket](#);

"**Coupon Amount**" means [USD33.9](#);

"**Knock-in Event**" means on the Determination Date, the closing price of any Share in the Basket is less than the applicable Knock-in Price;

"**Knock-in Price**" means the amount specified in "Shares" below;

"**Market Disruption Event**" means the occurrence or existence on the Determination Date of any suspension of or limitation imposed on trading (by reason of movements in price exceeding limits permitted by the Stock Exchange or otherwise) on the Stock Exchange in the Shares if that suspension or limitation is, in the determination of the Calculation Agent, material;

"**Monitoring Period**" means on the Determination Date;

"**Percentage**" in respect of a Share, means the percentage value given by:

$$[\text{Closing Price on Determination Date} / \text{Initial Spot Price}] \times 100\%$$

"**Physical Cash Settlement Amount**" in respect of each Instrument, means an amount equal to the product of the Share Amount and the Closing Price;

"**Shares**", "**Share Amount**", "**Reference Price**", "**Knock-in Price**", "**Initial Spot Price**" means:

Shares	Initial Spot Price	Reference Price	Knock-in Price	Share Amount per ELIN
AMERICA MOVIL (AMX.N)	USD59.57	USD59.57	USD 47.6560	16.79
CIA VALE DO RIO DOCE-ADR (RIO.N / US2044122099)	USD33.55	USD33.55	USD 26.8400	29.81

"**Share Clearing System**" means the standard clearance system for settling trades in relation to the Shares on the Stock Exchange;

"**Stock Exchange**" means the principal Stock Exchange where the shares are listed and prices for the shares are quoted; and

"**Worst Performing Share**" means the Share on the Determination Date with the lowest Percentage.

(b) **Purchase**

The Issuer and any of its Subsidiaries may at any time purchase the Instruments in the open market or otherwise at any price. Any Instrument so purchased may, at the option of the purchaser, be held, resold or surrendered for cancellation.

"**Subsidiary**" means, at any particular time, a company which is then directly or indirectly controlled, or more than 50 per cent. of whose issued equity share capital (or equivalent) is then beneficially owned by the Issuer and/or one or more of its Subsidiaries. For a company to be "**controlled**" by another means that the other (whether directly or indirectly and whether by the ownership of share capital, the possession of voting power, contract or otherwise) has the power to appoint and/or remove all or the majority of the members of the board of directors or other governing body of that company or otherwise controls or has the power to control the affairs and policies of that company.

(c) **Cancellation**

An Instrument which has been settled or which has been purchased and surrendered for cancellation will be cancelled and may not be reissued or resold.

4. ADJUSTMENTS AND EXTRAORDINARY EVENTS

(a) **Adjustments**

Following each Potential Adjustment Event (as defined below), the Calculation Agent shall, in its sole and absolute discretion, determine the appropriate adjustment, if any, to be made to any of the terms of the Instruments to account for the diluting or concentrative effect of the Potential Adjustment Event or otherwise necessary to preserve the economic equivalent of the rights of the Instrumentholders under the Instruments immediately prior to that Potential Adjustment Event, such adjustment to be effective as of the date determined by the Calculation Agent.

For the purposes of these Conditions, "**Potential Adjustment Event**" means the declaration by the Company of the terms of any of the following:

- (i) a subdivision, consolidation or reclassification of Shares (unless such be an Extraordinary Event) or a free distribution of Shares to existing holders by way of bonus, capitalisation or similar issue; or
 - (ii) a distribution to existing holders of Shares of (a) additional Shares or (b) other shares capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Company, equally or proportionately with such payments to holders of the Shares or (c) any other type of securities, rights or warrants or other assets, in
-

any case for payment (in cash or otherwise) at less than the prevailing market price as determined by the Issuer; or

- (iii) an extraordinary dividend; or
- (iv) a call in respect of Shares that are not fully paid; or
- (v) a repurchase by it of Shares, whether out of profits or capital and whether the consideration for such repurchase is cash, new shares, securities or otherwise; or
- (vi) any event in respect of the Shares analogous to any of the foregoing events or otherwise having, in the opinion of the Issuer, a diluting or concentrative effect of the market value of the Shares.

In determining whether an adjustment should be made as a result of the occurrence of a Potential Adjustment Event, if options contracts or futures contracts on the Shares are traded on the Stock Exchange or any other exchange, the Calculation Agent may have regard to, but shall not be bound by, any adjustment to the terms of the relevant options contract or futures contract made and announced by the Stock Exchange or any other exchange.

(b) **Extraordinary Events**

If any of the following events (each an "**Extraordinary Event**") occurs on or prior to the Determination Date:

- (i) the Shares are reclassified or changed (other than a change in par value, if any, as a result of a subdivision or combination);
- (ii) the Company consolidates, amalgamates or merges with or into another entity (other than a consolidation, amalgamation or merger following which the Company is the surviving entity); or
- (iii) the Shares are the subject of a takeover offer that results in a transfer of or an irrevocable commitment to transfer all the Shares (other than Shares owned or controlled by the offeror); or
- (iv) by reason of the adoption of or any change in any applicable law, the assets of the Company, or all of the outstanding Shares, are nationalised, expropriated or otherwise required to be transferred to any government, governmental agency or authority; or
- (v) by reason of the bankruptcy or insolvency (or other analogous event) of the Company (a) all such Shares are required to be transferred to any trustee, liquidator or similar official; or (b) holders of such Shares become legally prohibited from transferring them; or
- (vi) the Shares cease to be listed on the Exchange,

the Calculation Agent may, in its sole and absolute discretion, determine what amendments are to be made to the terms of the Instruments to take account of the occurrence of an Extraordinary Event as it considers appropriate, such amendments are to be effective on the date determined by the Calculation Agent.

In addition, and without limiting the generality of the foregoing, the Calculation Agent shall:

-
- (1) if the Extraordinary Event involves an offer (or, at the option of a holder of such Shares, may consist) solely of shares (whether of the offeror or a third party) ("**New Shares**"), determine the number of such New Shares (the "**Replacement Shares**") to which a holder of a Share would have been entitled upon the consummation of such Extraordinary Event; or
 - (2) if the Extraordinary Event involves an offer of (a) cash and/or securities or assets other than New Shares ("**Cash Consideration**") or (b) Cash Consideration and New Shares, determine the amount (the "**Replacement Assets**") in Cash Consideration and/or New Shares to which a holder of a Share would have been entitled upon the consummation of such Extraordinary Event.

In determining the Closing Price on the Determination Date, the Calculation Agent shall use as the Closing Price, its best estimate of the value of the relevant Replacement Shares or the relevant Replacement Assets, as the case may be, on the relevant effective date of an Extraordinary Event.

(c) **Notification of Adjustments and Determinations**

The Issuer shall as soon as practicable notify Instrumentholders of any determinations and/or adjustments, as the case may be, made pursuant to Condition 4(a) or (b) in accordance with Condition 10.

(d) **Hedging Disruptions**

Hedging Disruption; On the occurrence of a Hedging Disruption and while it is continuing the Issuer may elect to redeem the Instrument early upon at least two Business Days' notice to the Instrument holder specifying the date of such termination, ("Early Redemption Notice") in which event the Issuer will determine the value of the Instrument ("Hedge Disruption Redemption Value") payable by the Issuer converted into the Settlement Currency. Where the Issuer cannot convert the value of the Instrument into the Settlement Currency, the Issuer will transfer the value of the Instrument to the holder by such other means as determined by the Issuer in its sole discretion. The Early Redemption Notice will specify the date such Hedge Disruption Redemption Value is payable by the Issuer to the Instrument holder. If a Hedging Disruption occurs or is subsisting on the Determination Date the Issuer may (in its sole discretion and without limitation to its rights above) defer the Determination Date (as the case maybe). The Cash Settlement Amount payable on the deferred Maturity Date will be deemed to be an amount equal to the Hedge Disruption Redemption Value.

Where:

"**Hedging Disruption**" means that the Issuer is unable after using commercially reasonable efforts, to (A) acquire establish, re-establish, substitute, maintain, unwind or dispose of its Hedging Positions under this Instrument or (B) freely realize, recover, receive, repatriate, remit or transfer the proceeds of its Hedge Positions.

"**Hedge Positions**" means any securities positions, derivatives positions, assets or other instruments or arrangements (however described) purchased, sold, entered into, maintained or held by or for the Issuer or any of its affiliates or subsidiaries for the purpose of hedging any relevant price risk including, but not limited to, the equity and currency risk of the Instrument;

(e) **Increased Cost of Hedging**

On the occurrence of an Increased Cost of Hedging, the Issuer will give prompt notice to the Instrument holder that such increased costs have been incurred and the Issuer may: (a) specify that commercially reasonable adjustment(s) will be made to the Instrument; or (b) the Issuer

may give notice that it elects to redeem the Instrument early, specifying the date of such Early Redemption, which may be the same day that the notice of Early Redemption is effective. The Issuer will determine the Hedging Disruption Redemption Value payable by the Issuer to the Instrument holder. The Early Redemption Notice will specify the date such Hedge Disruption Redemption Value is payable by the Issuer to the Instrument holder. If Increased Cost of Hedging occurs or is subsisting on or around the Determination Date, the Cash Settlement Amount will be deemed to be the Hedge Disruption Redemption Value.

Where:

“**Increased Cost of Hedging**” means that the Issuer would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of its Hedge Position or (B) realise, recover or remit the proceeds of its Hedge Position.

5. Sales Restrictions

General

Any person offering, marketing or selling the Instruments (the “**Distributor**”), and any person subscribing or purchasing the Instruments has agreed that it will observe all applicable laws and regulations in any jurisdiction in which it may offer, sell, or deliver the Instruments; and it will not directly or indirectly offer, sell, resell, re-offer or deliver Instruments or distribute any circular, advertisement or other offering material relating to the Instruments in any country or jurisdiction except under circumstances that will result, to the best of its knowledge and belief, in compliance with all applicable laws and regulations. The Distributor, purchaser or subscriber is not authorised to make any representation or use any information in connection with the issue, offering and sale of the Instruments other than as contained herein.

Australia: No prospectus or other disclosure document in relation to the Macquarie Instruments has been lodged with the Australian Securities and Investments Commission (“ASIC”). The Distributor, purchaser or subscriber represents and agrees that it:

- (a) has not offered or invited applications, and will not offer or invite applications, for the issue, sale or purchase of the Macquarie Instruments in Australia (including an offer or invitation which is received by a person in Australia); and
- (b) has not distributed or published, and will not distribute or publish, the Prospectus or any other offering material or advertisement relating to Macquarie Instruments in Australia, unless (i) the minimum aggregate consideration payable by each offeree is at least A\$500,000 or its equivalent in another currency (disregarding moneys lent by the offeror or its associates) or the offer or invitation otherwise does not require disclosure to investors in accordance with Part 6D.2 of the Corporations Act 2001 of Australia, and (ii) such action complies with all applicable laws and regulations and does not require any document to be lodged with ASIC.

People’s Republic of China: The Macquarie Instruments may not be offered or sold to any instrumentality of the Government of the People's Republic of China (“PRC”), any PRC corporation or any PRC national.

European Economic Area: In relation to each Member State of the European Economic Area (being the countries in the European Union plus Iceland, Norway and Liechtenstein) which has implemented the EU Prospectus Directive (2003/71/EC) (each, a “Relevant Member State”), each Distributor, purchaser or subscriber of Macquarie Instruments has represented and agreed, and each further Distributor appointed under the Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Member State (the “Relevant Implementation Date”) it has not made and will not make an offer of Instruments to the public in that Relevant Member State, except that it may, with effect from and including the Relevant Implementation Date, make an offer of Instruments to the public in that Relevant Member

State:

(a) in (or in Germany, where the offer starts within) the period beginning on the date of publication of a prospectus in relation to those Instruments which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive and ending on the date which is 12 months after the date of such publication;

(b) at any time to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;

(c) at any time to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year, (2) a total balance sheet of more than €43,000,000, and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts; or

(d) at any time in any other circumstances which do not require the publication by the Issuer of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an “offer of Instruments to the public” in relation to any Instruments in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Instruments to be offered so as to enable an investor to decide to purchase or subscribe the Instruments, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression “Prospectus Directive” means EU Prospectus Directive (2003/71/EC) and includes any relevant implementing measure in each Relevant Member State.

In Germany each Distributor, purchaser or subscriber or Macquarie Instruments further represents and agrees that it will only offer Instruments in the Federal Republic of Germany (“Germany”) in compliance with the German Securities Selling Information Memorandum Act (“SSPA”) (Wertpapier-Verkaufsprospektgesetz) or any other laws applicable in Germany governing the issue, offering or sale of securities.

Hong Kong: Each Distributor, purchaser or subscriber of Macquarie Instruments represents and agrees that (a) it has not offered or sold and may not offer or sell in Hong Kong any Macquarie Instruments, by means of any document, other than (i) in other circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap. 32) (CO), or (ii) to “professional investors” within the meaning of the Securities and Futures Ordinance (Cap. 571) (SFO) and any rules made under the SFO, or (iii) in other circumstances which do not result in the document being a “prospectus” within the meaning of the CO; and (b) it has not issued, or had in its possession for the purposes of issue, and will not issue, or have in its possession for the purposes of issue (in each case whether in Hong Kong or elsewhere), any advertisement, invitation, Information Memorandum or other offering material or document relating to the Macquarie Instruments which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to the Macquarie Instruments which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” within the meaning of the SFO and any rules under the SFO. Macquarie Bank Limited is not an authorized institution under the Banking Ordinance in Hong Kong and therefore is not subject to the supervision of the Hong Kong Monetary Authority.

India: The Macquarie Instruments may not be offered or sold in India, or to Prohibited Persons. By purchasing any Macquarie Instrument, any purchaser is deemed to acknowledge the foregoing, and to represent and agree that: (1) it is the ultimate beneficial holder of the Macquarie Instrument and that it is not a Prohibited Person; and (2) it will not issue or transfer any Macquarie Instrument to any Prohibited Person. “Prohibited Person” means: (a) a Non

Resident Indian, Overseas Corporate Body or Persons of Indian Origin, in each case for the purposes of the Indian Foreign Exchange Management Act 1999 and Rules and Regulations made thereunder; or (b) a person who is not (for the purposes of the Securities and Exchange Board of India (Foreign Institutional Investors) (Amendment) Regulations, 2004) regulated by any relevant regulatory authority in the place of its incorporation or establishment.

Without prejudice to the generality of any applicable law, the Macquarie Instrument holder expressly consents to the disclosure by the Issuer or its affiliates to the relevant Indian regulatory authorities, such information relating to this transaction (including, without limitation, the name of the Macquarie Instrument holder and any dates and amounts specified therein) as may be required by, or by such regulatory authorities from time to time pursuant to, applicable Indian laws and regulations (including, without limitation, Circular number IMD/CUST/8/2003 dated 8 August 2003 issued by the Securities and Exchange Board of India, and any supplemental or amending regulations or announcements thereto or replacements thereof).

Indonesia: Marketing materials for the Macquarie Instruments may not be distributed in the Republic of Indonesia and the Macquarie Instruments may not be offered or sold in the Republic of Indonesia or to Indonesian citizens wherever they are domiciled or to Indonesian entities or residents, in a manner which constitutes a public offering of the Macquarie Instruments under the laws of the Republic of Indonesia.

You should understand that you should not base your investment decision or its suitability for your investment objective solely on the information provided in the marketing materials but should consult independently with your financial and tax advisors in order to have a clear picture of the nature, benefit and risk associated with the Macquarie Instruments. Not all investment products may be suitable for your investment objective and investing in investment products offered or described in the marketing materials requires a high level of knowledge and expertise.

Japan: Each Distributor, purchaser or subscriber acknowledges that the Macquarie Instruments have not been and will not be registered under the Financial Instruments and Exchange Law of Japan. Each Distributor, purchaser or subscriber has agreed that it has not offered or sold and will not offer or sell any Macquarie Instrument, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or resale, directly or indirectly, in Japan or to a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Law of Japan and any other applicable laws, regulations and ministerial guidelines of Japan.

Korea: Each Distributor, purchaser or subscriber of Macquarie Instruments has represented and agreed, and each further Distributor appointed under the Programme will be required to represent and agree, that Instruments have not been and will not be offered, delivered or sold directly or indirectly in Korea or to any resident of Korea or to others for re-offering or resale directly or indirectly in Korea or to any resident of Korea except as otherwise permitted under applicable Korean laws and regulations. Each Distributor of Macquarie Instruments has undertaken to ensure that any securities dealer to which it sells Instruments confirms that it is purchasing such Instruments as principal and agrees with such Distributor that it will comply with the restrictions described above.

Malaysia: Each Distributor, purchaser or subscriber of Macquarie Instruments represents and agrees that it has not offered or sold or made the subject of an invitation for subscription or purchase nor may this Indicative document or any other document or material in connection with the offer or sale or invitation for subscription or purchase of such Macquarie Instrument be circulated or distributed, whether directly or indirectly to any person in Malaysia.

Philippines: Exemption from registration of this document with the Securities and Exchange Commission (“SEC”) is claimed under Section 10.1(k) of the Securities Regulation Code. Confirmation has not been obtained from the SEC that any offering and/or sale qualifies as an exempt transaction.

The securities being offered or sold herein have not been registered with the securities and exchange commission under the securities regulation code. Any future offer or sale thereof is subject to registration requirements under the code unless such offer or sale qualifies as an exempt transaction.

Singapore: This document has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly each Distributor, purchaser or subscriber of Macquarie Instruments represents and agrees that it has not offered or sold or made the subject of an invitation for subscription or purchase nor may this Indicative document or any other document or material in connection with the offer or sale or invitation for subscription or purchase of such Instruments be circulated or distributed, whether directly or indirectly, to persons in Singapore other than under circumstances in which such offer or sale does not constitute an offer or sale of the Macquarie Instruments to the public in Singapore; or to any member of the public in Singapore other than (1) to an institutional investor falling within section 274 of the Securities and Futures Act (Chapter 289 of Singapore), or (2) to an accredited investor or other persons falling within section 275 of the Securities and Futures Act; or (3) pursuant to and in accordance with the conditions of any other applicable provision of the Securities and Futures Act. Macquarie Bank Limited does not hold a licence under the Banking Act, Chapter 19 of Singapore and therefore is not subject to the supervision of the Monetary Authority of Singapore.

South Africa: Each Distributor, purchaser or subscriber of Macquarie Instruments has represented and agreed, and each further Distributor appointed under the Programme will be required to represent and agree, that it has not offered or sold and will not offer or sell in South Africa, by means of any document, any Instruments (a) other than to persons permitted to acquire the Instruments under South African law, whether as a principal or an agent; or (b) in circumstances which would constitute an offering to the public within the meaning of the Companies Act, No. 61 of 1973, and that any document by means of which it offers the Instruments will not be generally distributed or circulated in South Africa and will be for the sole consideration and exclusive use of the persons permitted to acquire the Instruments under South African law to whom it is issued or passed on.

Switzerland: Macquarie Instruments may only be purchased by professional investors in Switzerland and may only be offered for sale in Switzerland by either (a) a dealer not conducting business in Switzerland or (b) a securities dealer licensed by the Federal Banking Commission.

Taiwan: No action will be taken by any Distributor, purchaser or subscriber that would, or is intended to, permit a public offer of Macquarie Instruments in any country or jurisdiction, including but not limited to Taiwan. Accordingly each distributor, purchaser or subscriber agrees that it will not, directly or indirectly, offer or sell any Macquarie Instrument or distribute or publish any offering circular, prospectus, form of application, advertisement or other document or information in any country or jurisdiction except under circumstances that will, to the best of its knowledge and belief having made all reasonable enquiries, result in compliance with any applicable laws, statutes, directives, circulars and regulations (“Applicable Laws”). Each distributor, purchaser or subscriber acquires any Notes purchased by it in trust for customers without a view to any resale, distribution or other disposition of the Notes in whole or in part in any transaction that would be in violation of any Applicable Laws.

Thailand: No Securities Offering is allowed in Thailand unless Securities and Exchange

Commission (SEC) approval is granted in accordance with its rules and regulations. Except a Securities offering which falls into the following categories:

- 1) Securities Offered with a total value not exceeding 20 Million TBH (Thai Baht) over the last 12 months; or
- 2) Securities Offered to a number of persons/institutions not exceeding the number of 35 over the last 12 months, or 3) Securities Offered to exclusively Institutional Investors (as defined by SEC) regardless of the total value or number of investors.

United Arab Emirates (UAE): This document has not been approved by the UAE Central Bank and the Issuer has not received any authorisation from the UAE Central Bank to market or sell Macquarie Instruments within the UAE. No services relating to this document may be rendered in the UAE. This document is not intended for distribution to persons in the UAE except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or otherwise in circumstances which have not resulted and will not result in an offer to the public in the UAE.

United Kingdom: A person must not communicate an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000 (as amended) (“FSMA”)) unless (a) such person is an authorised person or the content of the communication is approved by an authorised person in compliance with section 21 of the FSMA, or (b) in circumstances in which section 21 of the FSMA does not apply.

This document is only being distributed to and is only directed at (i) persons who are outside the United Kingdom, (ii) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “Order”), (iii) high net-worth companies, unincorporated associations and other bodies within the categories described in Article 49(2) of the Order and (iv) persons receiving this document and an invitation or inducement to participate in the offer from an authorised person in compliance with section 21 of FSMA, (all such persons together being referred to in this paragraph as “relevant persons”). The Notes are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire any Notes will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

United States: The Macquarie Instruments have not been, and will not be, registered under the Securities Act. Subject to certain exceptions, Macquarie Instruments, or interests therein, may not at any time be offered, sold, resold or delivered, directly or indirectly, in the United States or to, or for the account or benefit of, any U.S. person or to others for offering, sale or resale in the United States or to any such U.S. person. Offers and sales of Macquarie Instruments, or interests therein, in the United States or to U.S. persons would constitute a violation of United States securities laws unless made in compliance with the registration requirements of the Securities Act or pursuant to an exemption there from. As used herein, “**United States**” means the United States of America (including the States and the District of Columbia), its territories, its possessions and other areas subject to its jurisdiction; and “**U.S. person**” means any national or resident of the United States, including any corporation, partnership or other entity created or organised in or under the laws of the United States or of any political subdivision thereof, any estate or trust the income of which is subject to United States income taxation regardless of its source, and any other U.S. person as such term is defined in Regulation S under the Securities Act.

Other than Macquarie Bank Limited ABN 46 008 583 542 (MBL), any Macquarie entity noted on this page is not an authorised deposit-taking institution for the purposes of the Banking Act (Cth) 1959, and their obligations do not represent deposits or other liabilities of Macquarie Bank Limited ABN 46 008 583 542. Macquarie Bank Limited does not guarantee

or otherwise provide assurance in respect of the obligations of the above listed entities, unless noted otherwise.

6. PAYMENTS

(a) Method of Payment

For so long as the Instruments are represented by the Global Instrument, all payments in settlement of the Instruments will be made to the bearer of the Global Instrument against presentation for endorsement and, if no further payment falls to be made in respect of the Instruments, surrender of the Global Instrument to the Paying Agent at its specified office, subject to Condition 5(b) and to any fiscal or other laws or regulations applicable thereto.

All payments in settlement of each Definitive Instrument will be made to the bearer against presentation and surrender of the Definitive Instrument at the specified office of the Paying Agent subject in all cases to Condition 5(b) and to any fiscal or other laws or regulations applicable thereto.

Payments in settlement of a Global Instrument will be made by transfer to the bearer's account held with Clearstream or Euroclear. Payments in settlement of a Definitive Instrument will be made by transfer to a [] account maintained by the payee with a bank in a jurisdiction acceptable to the Issuer. If any day for payment in respect of the Instruments is not a Business Day and a day on which payments can be made in the ordinary course in the relevant currency, transfer instructions shall not be given in respect thereof until the next following day that is a Business Day and a day on which payments can be made in the ordinary course in the relevant currency. No interest or other payment will be made as a consequence of the day on which the Global Instrument or Definitive Instrument, as the case may be, may be presented for payment under this Condition falling after the due date.

(b) Payments subject to fiscal laws and costs

All payments by the Issuer in respect of the Instruments are subject in all cases to any applicable fiscal or other laws and regulations. In the event of withholding tax being imposed, the Issuer is under no obligation to gross-up any amounts payable under these Conditions and Instrumentholders will only be entitled to the net amount after deduction of any such withholding.

7. REPRESENTATIONS AND ACKNOWLEDGEMENTS

THE INSTRUMENTHOLDER (BEING, IN THE CASE OF A INSTRUMENT HELD BY A NOMINEE OR HELD IN A CLEARANCE SYSTEM, THE BENEFICIAL OWNER OF THE INSTRUMENT) BY PURCHASING THE INSTRUMENTS OR AN INTEREST IN THE INSTRUMENTS, CONFIRMS THAT ALL OF THE FOLLOWING STATEMENTS WITH RESPECT TO IT ARE TRUE AND CORRECT ON THE DATE OF THE ISSUE OF THE INSTRUMENTS AND THE INSTRUMENTHOLDER ACKNOWLEDGES THAT THE ISSUER HAS RELIED ON SUCH CONFIRMATION AND UNDERSTANDING IN ISSUING THE INSTRUMENTS.

- (a) The Instrumentholder is a sophisticated institutional investor and has such knowledge and experience in financial and business matters and expertise in assessing credit risk, that it is capable of evaluating merits, risks and suitability of investing in the Instruments and that it is relying exclusively on its own sources of information and credit analysis with respect to the Instruments and the Shares and the country in
-

which the Company is incorporated or formed and/or all other relevant persons or entities existing in that country and the Instruments.

- (b) The Instrumentholder has itself been, and will at all times continue to be, solely responsible for making its own independent appraisal of and investigation into the business, financial condition, prospects, creditworthiness, status and affairs of the Issuer and the Company.
 - (c) The Instrumentholder's purchase of the Instruments is lawful under the laws of the jurisdiction of its incorporation and the jurisdiction in which it operates (if different), and that such purchase will not contravene any law, regulation or regulatory policy applicable to it.
 - (d) The Instrumentholder's purchase of the Instruments (i) is fully consistent with its financial needs, objectives and condition, (ii) complies with and is fully consistent with all investment policies, guidelines and restrictions applicable to it, and (iii) is a fit, proper and suitable investment for it, notwithstanding the clear and substantial risks inherent in investing in or holding the Instruments.
 - (e) The Instrumentholder has not relied and will not at any time rely, on the Issuer or other member of the Issuer's group of companies (the "**Group**" and each a "**Group company**") in connection with its determination as to the legality or the associated merits or risks of its purchase of the Instruments or as to the other matters referred to in Condition 6(d) above, or to provide it with any information relating to, or to keep under review on its behalf, the business, financial conditions, prospects, creditworthiness, status of affairs of the Company or conducting any investigation or due diligence into the Company.
 - (f) In issuing the Instruments, the Issuer is not making, and has not made, any representations whatsoever as to the Company or any information contained in any document filed by the Company with any exchange or with any governmental entity regulating the purchase and sale of securities.
 - (g) The Instrumentholder acknowledges that the Instruments are not and do not represent or convey any interest in, a direct or indirect obligation of the Company and that the Issuer is not an agent of the holder for any purpose.
 - (h) The Issuer and each Group company may accept deposits from, make loans or otherwise extend credit to, and generally engage in any kind of commercial or investment banking business with the Company or its affiliates or any other person or entity having obligations relating to the Company and may act with respect to such business without accountability to the holder in the same manner as if the Instruments did not exist, regardless of whether any such action might have an adverse effect on the holder.
 - (i) The Issuer and any Group company may have existing or future business relationships with the Instrumentholder (including, but not limited to, lending, depositary, risk management, advisory and banking relationships), and will pursue actions and take steps that it deems or they deem necessary or appropriate to protect its or their interests arising therefrom without regard to the consequences for the Instrumentholder.
 - (j) The Issuer and each Group company may, whether by virtue of the types of relationships described above or otherwise, at the date hereof or at any time hereafter be in possession of information in relation to the Company which is or may be
-

material in the context of the Instruments and which is or may not be known to the general public or the purchaser. The issuance of the Instruments does not create any obligation on the part of the Issuer or any Group company to disclose to the holder of the Instruments any such relationship or information (whether or not confidential) and neither the Issuer nor any other Group company shall be liable to the holder by reason of such non-disclosure.

- (k) The Instrumentholder is purchasing the Instruments as principal for its own account, and/or for the account of its clients for whom the Instrumentholder is acting as an authorised representative, for investment purposes and not with a view to, or for resale in connection with, any distribution or any disposition thereof, and no other person, other than the Instrumentholder and/or such clients, has or will have a direct or indirect beneficial interest in the Instruments, other than by virtue of such person's direct or indirect beneficial interest in the Instrumentholder and/or such clients.
- (l) Having been sent a term sheet with respect to the Instruments on or prior to the Issue Date, the initial holder of the Instruments has read the term sheet and, having been given an opportunity to comment on the term sheet, it understands the terms and conditions of the Instruments and, in particular, that settlement of the Instruments may be made at an amount which may be more or less than the nominal amount be redeemed at par, and it shall be bound by and deemed to have notice of the terms and conditions of the Instruments including the risk factors and potential conflicts of interest contained therein.

8. PAYING AGENT AND CALCULATION AGENT

- (a) The initial Paying Agent is Macquarie Bank Limited and its initial specified office is listed below. The Issuer reserves the right at any time to vary or terminate the appointment of any Paying Agent and appoint additional or other Paying Agents, PROVIDED THAT it will always maintain a Paying Agent. Notice of any change in any Paying Agent or its specified office will promptly be given to the Instrumentholders in accordance with Condition 10.
- (b) The initial Calculation Agent is Macquarie Bank Limited and its determinations and calculations in respect of the Instruments shall be conclusive and shall be binding in the absence of manifest error. The Instrumentholders shall (in the absence as aforesaid) not be entitled to proceed against the Calculation Agent in connection with the exercise or non-exercise by it of its obligations, duties and discretions pursuant to these Conditions. The Issuer reserves the right at any time to vary or terminate the appointment of the Calculation Agent PROVIDED THAT it will always maintain a Calculation Agent.

9. REPLACEMENT OF THE INSTRUMENTS

Should any Instrument be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Paying Agent upon payment by the claimant of the expenses incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. A mutilated or defaced Instrument must be surrendered before a replacement will be issued.

10. PRESCRIPTION

Claims in respect of payments and the Share Amount in respect of the Instrument will become void unless presented for payment or delivery within a period of ten years after the date upon which payment or delivery becomes due.

11. NOTICES

So long as the Instruments are represented by a Global Instrument all notices regarding the Instruments may be given by the delivery of the relevant notices to Clearstream, Luxembourg and Euroclear for communication by them to Accountholders. Any such notice shall be deemed to have been given on the day on which such notice was given to Clearstream, Luxembourg and Euroclear.

If a Global Instrument is exchanged for Definitive Instruments, as a condition to such exchange, each Instrumentholder will be required to give to the Issuer an address to which notices concerning the Instruments may be validly given. Upon any transfer of a Definitive Instrument, the new holder of such Definitive Instrument must provide to the Issuer at its specified office an address to which notices concerning such Definitive Instrument may be validly given. Until the Issuer is informed of any new address as aforesaid it shall be entitled to deliver notices concerning such Definitive Instrument to the last address notified to it as aforesaid, and any notice so given shall be deemed validly given notwithstanding that the relevant Definitive Instrument may have been transferred. Any such notice shall be deemed to have been given on the day when delivered or if delivered after 5.00 p.m. (Hong Kong time) on any day or on any date on which commercial banks were not open for business in Hong Kong, the first day thereafter on which commercial banks are open for business in Hong Kong.

12. MODIFICATIONS

Should any of the provisions contained in these Conditions be or become invalid, the validity of the remaining provisions shall not be affected in any way.

The Issuer may modify these Conditions without the consent of the Instrumentholders for the purpose of curing any ambiguity or correcting or supplementing any provision contained herein in any manner which the Issuer may deem necessary or desirable PROVIDED THAT such modification is not materially prejudicial to the interest of the Instrumentholders. Notice of any such modification will be given to the Instrumentholders in accordance with Condition 10 but failure to give, or non-receipt of, such notice will not affect the validity of such modifications.

13. ASSIGNMENT

Notwithstanding any other provision of the Instruments, the Issuer may, without the consent of the Instrumentholders, designate any Group Company to assume or undertake in lieu of the Issuer any right or obligation which the Issuer may have under the Instruments, to purchase, sell, receive or deliver securities, provided that such designation shall not relieve the Issuer of any liability for failure of performance by such designee. The Issuer shall be discharged of its obligations to the holder to the extent of the performance by such designee.

14. GOVERNING LAW

The Instruments shall be governed by, and construed in accordance with, English law.

Specified Office of the Paying Agent

**No. 1 Martin Place
Sydney
NSW 2000
Australia**
