

Attachment B

Table 2: Main Features of Capital Instruments - Share Capital

1	Issuer	Members Equity Bank Limited
2	Unique identifier	
3	Governing law(s) of the instrument	Corporations Act 2001 (Cth)
	<i>Regulatory treatment</i>	
4	Transitional Basel III rules	Common Equity Tier 1
5	Post-transitional Basel III rules	Common Equity Tier 1
6	Eligible for solo/group/group & solo	Solo and Group
7	Instrument type	Ordinary shares
8	Amount recognised in Regulatory Capital	\$807.9 million
9	Par value of instrument	
10	Accounting classification	Shareholders' equity
11	Original date of issuance	Various dates
12	Perpetual or dated	Perpetual
13	Original maturity date	No maturity
14	Issuer call subject to prior supervisory approval	No
15	Optional call date, contingent call dates and redemption amount	
16	Subsequent call dates	
	<i>Coupons/dividends</i>	
17	Fixed or floating dividend/coupon	Floating
18	Coupon rate and any related index	
19	Existence of a dividend stopper	No
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary
21	Existence of step up or other incentive to redeem	No
22	Noncumulative or cumulative	Noncumulative
23	Convertible or non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	
25	If convertible, fully or partially	
26	If convertible, conversion rate	
27	If convertible, mandatory or optional conversion	
28	If convertible, specify instrument type convertible into	
29	If convertible, specify issuer of instrument it converts into	
30	Write-down feature	No
31	If write-down, write-down trigger(s)	
32	If write-down, full or partial	
33	If write-down, permanent or temporary	
34	If temporary write-down, description of write-up mechanism	
35	Position in subordination hierarchy in liquidation	Fully subordinated
36	Non-compliant transitioned features	No
37	If yes, specify non-compliant features	

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Table 2: Main Features of Capital Instruments - Subordinated Debt

1	Issuer	Members Equity Bank Limited
2	Unique identifier	AU3FN0024410
3	Governing law(s) of the instrument	State of Victoria
	<i>Regulatory treatment</i>	
4	Transitional Basel III rules	Tier 2
5	Post-transitional Basel III rules	Tier 2
6	Eligible for solo/group/group & solo	Solo and Group
7	Instrument type	Unsecured and Subordinated Floating Rate Notes
8	Amount recognised in Regulatory Capital	\$300 million
9	Par value of instrument	\$300 million
10	Accounting classification	Liability - amortised cost
11	Original date of issuance	19 August 2014
12	Perpetual or dated	Dated
13	Original maturity date	19 August 2024
14	Issuer call subject to prior supervisory approval	Yes
15	Optional call date, contingent call dates and redemption amount	Subject to obtaining prior written approval from APRA, the Subordinated Notes may be redeemed at par plus accrued interest (if any) at the option of the Issuer prior to the Maturity Date under certain circumstances. The Issuer may elect to redeem all or some of the Subordinated Notes at any time on the Interest Payment Date falling on or next following the 29 August 2019.
16	<i>Subsequent call dates</i>	Subject to obtaining prior written approval from APRA, the Subordinated Notes may be redeemed at par plus accrued interest (if any) at the option of the Issuer prior to the Maturity Date under certain circumstances. The Issuer may elect to redeem all or some of the Subordinated Notes at any time on the Interest Payment Date falling on or next following the 29 August 2019.
	<i>Coupons/dividends</i>	
17	Fixed or floating dividend/coupon	Floating
18	Coupon rate and any related index	3 month BBSW + 270 bps
19	Existence of a dividend stopper	No
20	Fully discretionary, partially discretionary or mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No
22	Noncumulative or cumulative	Cumulative
23	Convertible or non-convertible	Convertible
24	If convertible, conversion trigger(s)	A Non-Viability Trigger Event occurs when APRA provides a written determination to the Issuer that the conversion of or write-off of Relevant Capital Instruments in accordance with their terms or by operation of law is necessary because: 1. Without the conversion or write-off, APRA considers that the issuer would be non-viable, or 2. without a public sector injection of capital into, or equivalent capital support with respect to, the Issuer, APRA considers that the Issuer would become non-viable.

25	If convertible, fully or partially	May convert fully or partially
26	If convertible, conversion rate	<p>Conversion Number for each Subordinated Note = Face Value of the Subordinated Note / Book Value subject to the conversion number being no greater than the 'Maximum Conversion Number' Where: Book Value means the book value of each Ordinary Share most recently calculated by the Issuer prior to that date, provided that where the book value is zero or less than zero the Conversion Number for each relevant Subordinated Note will be the Maximum Conversion Number for that Subordinated Note</p> <p>'Maximum Conversion Number' for each Subordinated Note = Face Value / 0.20 x Issue Date Book Value Where: Issue Date Book Value means the book value of each Ordinary Share most recently calculated by the Issuer prior to the issue date for the Subordinated Note.</p>
27	If convertible, mandatory or optional conversion	Mandatory
28	If convertible, specify instrument type convertible into	Common Equity Tier 1
29	If convertible, specify issuer of instrument it converts into	Members Equity Bank Limited
30	Write-down feature	Yes
31	If write-down, write-down trigger(s)	<p>A Non-Viability Trigger Event occurs when APRA provides a written determination to the Issuer that the conversion of or write-off of Relevant Capital Instruments in accordance with their terms or by operation of law is necessary because:</p> <ol style="list-style-type: none"> 1. Without the conversion or write-off, APRA considers that the issuer would be non-viable, or 2. without a public sector injection of capital into, or equivalent capital support with respect to, the Issuer, APRA considers that the Issuer would become non-viable.
32	If write-down, full or partial	May be written down in full or partial
33	If write-down, permanent or temporary	Permanent
34	If temporary write-down, description of write-up mechanism	
35	Position in subordination hierarchy in liquidation	Senior notes
36	Non-compliant transitioned features	No
37	If yes, specify non-compliant features	

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Table 2: Main Features of Capital Instruments - Additional Tier 1 (28 November 2017)

1	Issuer	Members Equity Bank Limited
2	Unique identifier	AU3FN0039459
3	Governing law(s) of the instrument	Victoria, Australia
	<i>Regulatory treatment</i>	
4	Transitional Basel III rules	Additional Tier 1
5	Post-transitional Basel III rules	Additional Tier 1
6	Eligible for solo/group/group & solo	Solo and Group
7	Instrument type	Subordinated notes
8	Amount recognised in Regulatory Capital	AUD \$198.4 million
9	Par value of instrument	AUD \$200 million
10	Accounting classification	Shareholders' equity
11	Original date of issuance	28 November 2017
12	Perpetual or dated	Perpetual
13	Original maturity date	No maturity
14	Issuer call subject to prior supervisory approval	Yes
15	Optional call date, contingent call dates and redemption amount	<p>Members Equity Bank has the right (but not an obligation) to Redeem the Capital Notes. Unless a Tax Event or a Regulatory Event occurs, Members Equity Bank will only have a right to Redeem the Capital Notes on or after the fifth anniversary of the date of issue of the Capital Notes.</p> <p>Members Equity Bank may also elect to Redeem all or some Capital Notes following the occurrence of a Tax Event or a Regulatory Event. The Capital Notes may not be Redeemed on the occurrence of a Non-Viability Trigger Event.</p> <p>Members Equity Bank may only Redeem the Capital Notes if it has received APRA's prior written approval (which may or may not be given). APRA must be satisfied that, before or concurrently with Redemption:</p> <p>a) the Capital Notes will be replaced with a capital instrument which is of the same or better quality (for the purposes of the Prudential Standards) than the Capital Notes, and the replacement must be done under conditions that are sustainable for Members Equity Bank's income capacity; or</p> <p>b) having regard to the capital position of Members Equity Bank and the ME Group, Members Equity Bank does not have to replace the Capital Notes.</p>
16	Subsequent call dates	Fifth anniversary of the issue date, or any subsequent distribution payment date. (Distribution payment dates occur quarterly).
	<i>Coupons/dividends</i>	
17	Fixed or floating dividend/coupon	Floating
18	Coupon rate and any related index	3 month BBSW mid + 525 bps, quarterly in arrears
19	Existence of a dividend stopper	Yes
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary
21	Existence of step up or other incentive to redeem	No
22	Noncumulative or cumulative	Non-cumulative
23	Convertible or non-convertible	Non-convertible

24	If convertible, conversion trigger(s)	
25	If convertible, fully or partially	
26	If convertible, conversion rate	
27	If convertible, mandatory or optional conversion	
28	If convertible, specify instrument type convertible into	
29	If convertible, specify issuer of instrument it converts into	
30	Write-down feature	Yes
31	If write-down, write-down trigger(s)	<p>Capital Notes must be Written-off if a Non-Viability Trigger Event occurs. A Non-Viability Trigger Event means the earlier of:</p> <p>a) the issuance of a notice in writing by APRA to Members Equity Bank that the conversion or write-off of Relevant Securities is necessary because, without it, APRA considers that Members Equity Bank would become non-viable; or</p> <p>b) a determination by APRA notified to Members Equity Bank that without a public sector injection of capital (or equivalent capital support), Members Equity Bank would become non-viable.</p> <p>If a Non-Viability Trigger Event occurs, Members Equity Bank must convert or write-off some or all Relevant Securities (and in the case of Capital Notes, must write-off some or all Capital Notes). Where the Capital Notes are Written-off, all rights of Holders will be terminated with effect on and from the date of the Non-Viability Trigger Event.</p>
32	If write-down, full or partial	May be written down in full or partial
33	If write-down, permanent or temporary	Permanent
34	If temporary write-down, description of write-up mechanism	
35	Position in subordination hierarchy in liquidation	<p>a) ahead of common equity;</p> <p>b) equally without any preference among themselves for each series and with the holders of Equal Ranking Instruments; and</p> <p>c) behind the claims of subordinated Tier 2 instruments and Senior Creditors of Members Equity Bank.</p>
36	Non-compliant transitioned features	No
37	If yes, specify non-compliant features	

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Table 2: Main Features of Capital Instruments - Additional Tier 1 (5th December 2018)

1	Issuer	Members Equity Bank Limited
2	Unique identifier	AU3FN0046215
3	Governing law(s) of the instrument	Victoria, Australia
	<i>Regulatory treatment</i>	
4	Transitional Basel III rules	Additional Tier 1
5	Post-transitional Basel III rules	Additional Tier 1
6	Eligible for solo/group/group & solo	Solo and Group
7	Instrument type	Subordinated notes
8	Amount recognised in Regulatory Capital	AUD \$100 million
9	Par value of instrument	AUD \$100 million
10	Accounting classification	Shareholders' equity
11	Original date of issuance	5 December 2018
12	Perpetual or dated	Perpetual
13	Original maturity date	No maturity
14	Issuer call subject to prior supervisory approval	Yes
15	Optional call date, contingent call dates and redemption amount	<p>Members Equity Bank has the right (but not an obligation) to Redeem the Capital Notes. Unless a Tax Event or a Regulatory Event occurs, Members Equity Bank will only have a right to Redeem the Capital Notes on or after the fifth anniversary of the date of issue of the Capital Notes.</p> <p>Members Equity Bank may also elect to Redeem all or some Capital Notes following the occurrence of a Tax Event or a Regulatory Event. The Capital Notes may not be Redeemed on the occurrence of a Non-Viability Trigger Event.</p> <p>Members Equity Bank may only Redeem the Capital Notes if it has received APRA's prior written approval (which may or may not be given). APRA must be satisfied that, before or concurrently with Redemption:</p> <p>a) the Capital Notes will be replaced with a capital instrument which is of the same or better quality (for the purposes of the Prudential Standards) than the Capital Notes, and the replacement must be done under conditions that are sustainable for Members Equity Bank's income capacity; or</p> <p>b) having regard to the capital position of Members Equity Bank and the ME Group, Members Equity Bank does not have to replace the Capital Notes.</p>
16	Subsequent call dates	Fifth anniversary of the issue date, or any subsequent distribution payment date. (Distribution payment dates occur quarterly).
	<i>Coupons/dividends</i>	
17	Fixed or floating dividend/coupon	Floating
18	Coupon rate and any related index	3 month BBSW mid + 500 bps, quarterly in arrears
19	Existence of a dividend stopper	Yes
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary
21	Existence of step up or other incentive to redeem	No
22	Noncumulative or cumulative	Non-cumulative
23	Convertible or non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	
25	If convertible, fully or partially	
26	If convertible, conversion rate	

27	If convertible, mandatory or optional conversion	
28	If convertible, specify instrument type convertible into	
29	If convertible, specify issuer of instrument it converts into	
30	Write-down feature	Yes
31	If write-down, write-down trigger(s)	<p>Capital Notes must be Written-off if a Non-Viability Trigger Event occurs. A Non-Viability Trigger Event means the earlier of:</p> <p>a) the issuance of a notice in writing by APRA to Members Equity Bank that the conversion or write-off of Relevant Securities is necessary because, without it, APRA considers that Members Equity Bank would become non-viable; or</p> <p>b) a determination by APRA notified to Members Equity Bank that without a public sector injection of capital (or equivalent capital support), Members Equity Bank would become non-viable.</p> <p>If a Non-Viability Trigger Event occurs, Members Equity Bank must convert or write-off some or all Relevant Securities (and in the case of Capital Notes, must write-off some or all Capital Notes). Where the Capital Notes are Written-off, all rights of Holders will be terminated with effect on and from the date of the Non-Viability Trigger Event.</p>
32	If write-down, full or partial	May be written down in full or partial
33	If write-down, permanent or temporary	Permanent
34	If temporary write-down, description of write-up mechanism	
35	Position in subordination hierarchy in liquidation	<p>a) ahead of common equity;</p> <p>b) equally without any preference among themselves for each series and with the holders of Equal Ranking Instruments; and</p> <p>c) behind the claims of subordinated Tier 2 instruments and Senior Creditors of Members Equity Bank.</p>
36	Non-compliant transitioned features	No
37	If yes, specify non-compliant features	