

14 December 2017

Basel III Pillar 3 Disclosures: Prudential Standard APS 330 Attachment B - Main features of capital instruments.

Bendigo and Adelaide Bank Limited (BEN) is an Authorised Deposit-taking Institution (ADI) subject to regulation by the Australian Prudential Regulation Authority (APRA). Attached is the prudential information required to be disclosed in accordance with Prudential Standard APS 330, Attachment B - Main features of capital instruments.

The prudential disclosures have been prepared for Bendigo and Adelaide Bank Limited including Rural Bank Limited (the Group).

This information has been updated following BEN's Converting Preference Shares 4 (BENPG) issue on 13 December 2017.

The disclosures provided have been prepared as at 13 December 2017.

Further information

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Table 2 - Main features of Capital Instruments as at 13 December 2017

Table 2 Main Features of Capital Instruments										
Disclosure template for main features of Regulatory Capital instruments										
	Instrument 1	Instrument 2	Instrument 3	Instrument 4	Instrument 5	Instrument 6	Instrument 7	Instrument 8	Instrument 9	
1	Issuer	Bendigo and Adelaide Bank Limited	Bendigo and Adelaide Bank Limited	Bendigo and Adelaide Bank Limited	Bendigo and Adelaide Bank Limited	Bendigo and Adelaide Bank Limited	Bendigo and Adelaide Bank Limited	Bendigo and Adelaide Bank Limited	Bendigo and Adelaide Bank Limited	Rural Bank Limited
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	BEN	BENPE	BENPF	BENPG	BENHB	BE3073	BE3085	BE4009	AU3FN0010856
3	Governing law(s) of the instrument	Victoria	Victoria	Victoria	Victoria	South Australia	South Australia	Victoria	Victoria	Victoria
	Regulatory Treatment	Instrument 1	Instrument 2	Instrument 3	Instrument 4	Instrument 5	Instrument 6	Instrument 7	Instrument 8	Instrument 9
4	Transitional Basel III rules	Common Equity Tier 1	Additional Tier 1	Additional Tier 1	Additional Tier 1	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2
5	Post-transitional Basel III rules	Common Equity Tier 1	Additional Tier 1	Additional Tier 1	Additional Tier 1	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2
6	Eligible at solo/group/group & solo	Solo and Group	Solo and Group	Solo and Group	Solo and Group	Solo and Group	Solo and Group	Solo and Group	Solo and Group	Solo
7	Instrument type (ordinary shares/preference shares/subordinated notes/other)	Ordinary shares	Preference shares	Preference shares	Preference shares	Subordinated notes	Subordinated notes	Subordinated notes	Subordinated notes	Subordinated Notes
8	Amount recognised in Regulatory Capital (Currency in mil, as of most recent reporting date)	4506.75	292.12	282.21	0.00	21.09	119.45	300.00	125.00	10.00
9	Par value of instrument	N/A	292.12	282.21	321.60	21.09	250.00	300.00	125.00	10.00
10	Accounting classification	Shareholders equity	Liability-amortised cost	Liability-amortised cost	Liability-amortised cost	Liability-amortised cost	Liability-amortised cost	Liability-amortised cost	Liability-amortised cost	Liability - Amortised Cost
11	Original date of issuance	19-December-1985	10-October-2014	15-June-2015	13-December-2017	28-August-1998	15-December-2010	29-January-2014	09-December-2016	22-June-2010
12	Perpetual or dated	Perpetual	Perpetual	Perpetual	Perpetual	Perpetual	Dated	Dated	Dated	Dated
13	Original maturity date	No maturity	No maturity	No maturity	No maturity	No maturity	15-December-2020	29-January-2024	09-December-2026	22-June-2020
14	Issuer call subject to prior supervisory approval	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No
15	Optional call date, contingent call dates and redemption amount	N/A	Optional Call Date : 30 November 2020, Redemption of \$100 per CPS2.	Optional Call Date: 15 June 2021, Redemption of \$100 per CPS3.	Optional Call Date: 13 June 2024, Redemption of \$100 per CPS4.	N/A	Subject to receiving prior written approval from APRA, the Issuer may elect (but will not be obliged) to redeem all of the Notes at par plus accrued interest (if any) after the Issue Date on any Interest Payment Date if a Regulatory Call Event occurs.	Subject to receiving prior written approval from APRA, the Issuer may elect (but will not be obliged) to redeem all of the Notes at par plus accrued interest (if any) on 29 January 2019 (the "First Call Date") and on any Business Day being an Interest Payment Date thereafter.	Subject to receiving prior written approval from APRA, the Issuer may elect (but will not be obliged) to redeem all of the Notes (subject to any earlier Conversion or Write Off (in whole or in part) following Non-Viability Loss Absorption) at par plus accrued interest (if any) on 9 December 2021 (the "First Call Date") and on any Business Day being an Interest Payment Date thereafter.	Date of Call Option: N/A, Contingent Call Dates: Yes - Regulatory, Redemption Price: \$10,000,000.00

Table 2 Main Features of Capital Instruments continued

Regulatory Treatment	Instrument 1	Instrument 2	Instrument 3	Instrument 4	Instrument 5	Instrument 6	Instrument 7	Instrument 8	Instrument 9	
16	Subsequent call dates, if applicable	N/A	Bendigo and Adelaide Bank may also elect at its option to Exchange all or some CPS2 after a Tax Event or a Regulatory Event, and may elect at its option to Convert all CPS2 following the occurrence of an Acquisition Event.	Bendigo and Adelaide Bank may also elect at its option to Exchange all or some CPS3 after a Tax Event or a Regulatory Event, and may elect at its option to Convert all CPS3 following the occurrence of an Acquisition Event.	Bendigo and Adelaide Bank may also elect at its option to Exchange all or some CPS4 after a Tax Event or a Regulatory Event, and may elect at its option to Convert all CPS4 following the occurrence of an Acquisition Event.	N/A	N/A	Subject to receiving prior written approval from APRA, the Issuer may elect (but will not be obliged) to redeem all of the Notes at par plus accrued interest (if any) on any Business Day being an Interest Payment Date after 29 January 2019 (the "First Call Date").	Subject to receiving prior written approval from APRA, the Issuer may elect (but will not be obliged) to redeem all of the Notes (subject to any earlier Conversion or Write Off (in whole or in part) following Non-Viability Loss Absorption) at par plus accrued interest (if any) on 9 December 2021 (the "First Call Date") and on any Business Day being an Interest Payment Date thereafter.	N/A
Coupons/Dividends	Instrument 1	Instrument 2	Instrument 3	Instrument 4	Instrument 5	Instrument 6	Instrument 7	Instrument 8	Instrument 9	
17	Fixed or floating dividend/coupon	N/A	Floating	Floating	Floating	Floating	Floating	Floating	Floating	Floating
18	Coupon rate and any related index	N/A	180 Day BBSW + 3.20% Margin	180 Day BBSW + 4.00% Margin	90 Day BBSW + 3.75% Margin	90 Day BBSW + 1.00% Margin	3 month BBSW + 4.00% Margin	3 month BBSW + 2.80% Margin	3 month BBSW + 2.80% Margin	3 month BBSW + 4.25% Margin
19	Existence of a dividend stopper	Fully discretionary	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	N/A
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary	Fully discretionary	Fully discretionary	Fully discretionary	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory
21	Existence of step up or other incentive to redeem	N/A	No	No	No	No	No	No	No	No
22	Noncumulative or cumulative	Noncumulative	Noncumulative	Noncumulative	Noncumulative	Noncumulative	Noncumulative	Cumulative	Cumulative	Non-Cumulative
23	Convertible or non-convertible	Nonconvertible	Convertible	Convertible	Convertible	Nonconvertible	Nonconvertible	Convertible	Convertible	Nonconvertible
24	If convertible, conversion trigger(s)	N/A	Mandatory Conversion Optional Conversion Conversion or write-down on Capital Trigger Event or a Non-Viability Trigger Event	Mandatory Conversion Optional Conversion Conversion or write-down on Capital Trigger Event or a Non-Viability Trigger Event	Mandatory Conversion Optional Conversion Conversion or write-down on Capital Trigger Event or a Non-Viability Trigger Event	N/A	N/A	Non-Viability Trigger Event: A Non-Viability Trigger Event will occur if APRA has provided a written determination to the Issuer that the conversion or write-off of relevant Tier 1 and Tier 2 instruments of the Issuer is necessary because without (1) the conversion or write-off, or (2) 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.	Non-Viability Trigger Event: A Non-Viability Trigger Event occurs when APRA has provided a written determination (Non-Viability Determination) to the Issuer that: (i) the conversion or write-off of Relevant Capital Instruments of the Issuer is necessary because without the conversion or write-off APRA considers that the Issuer would become non-viable; or (ii) without a public sector injection of capital, or equivalent support, APRA determines that the Issuer will become non-viable.	N/A

Table 2 Main Features of Capital Instruments continued

Coupons/Dividends	Instrument 1	Instrument 2	Instrument 3	Instrument 4	Instrument 5	Instrument 6	Instrument 7	Instrument 8	Instrument 9
25 If convertible, fully or partially	N/A	May convert fully or partially	May convert fully or partially	May convert fully or partially	N/A	N/A	May convert fully or partially	May convert fully or partially	N/A
26 If convertible, conversion rate	N/A	Conversion into Ordinary Shares: Conversion is into approximately \$101.01 worth of Ordinary Shares per CPS2 based on the \$100 CPS2 Issue Price and the volume weighted average price (subject to certain adjustments and calculated in accordance with the Term).	Conversion into Ordinary Shares: Conversion is into approximately \$101.01 worth of Ordinary Shares per CPS3 based on the \$100 CPS3 Issue Price and the volume weighted average price (subject to certain adjustments and calculated in accordance with the Term).	Conversion into Ordinary Shares: Conversion is into approximately \$101.01 worth of Ordinary Shares per CPS4 based on the \$100 CPS4 Issue Price and the volume weighted average price (subject to certain adjustments and calculated in accordance with the Term).	N/A	N/A	The Conversion Number is calculated according to the following formula, subject to the Conversion Number being no greater than the Maximum Conversion Number: 1. Conversion Number for each Note = Nominal Amount / ((1-0.01) x VWAP); 2. VWAP refers to the VWAP of BEN ordinary shares over the latest period of 5 business days on which trading of BEN ordinary shares took place before (but not including) the conversion date; and 3. Nominal Amount means \$10,000. Maximum Conversion Number is the Nominal Amount / (20% x Issue Date VWAP). Issue Date VWAP refers to the VWAP of BEN ordinary shares over the 20 business days on which trading of BEN ordinary shares took place before (but not including) issue date of the Notes.	The Conversion Number is calculated according to the following formula, subject to the Conversion Number being no greater than the Maximum Conversion Number: 1. Conversion Number for each Note = Nominal Amount / ((1-0.01) x VWAP); 2. VWAP refers to the VWAP of BEN ordinary shares over the latest period of 5 business days on which trading of BEN ordinary shares took place before (but not including) the conversion date; and 3. Nominal Amount means \$10,000. Maximum Conversion Number: Nominal Amount / (20% x Issue Date VWAP). Issue Date VWAP refers to the VWAP of BEN ordinary shares over the 20 business days on which trading of BEN ordinary shares took place before (but not including) Settlement Date of the Notes.	N/A
27 If convertible, mandatory or optional conversion	N/A	Mandatory	Mandatory	Mandatory	N/A	N/A	Mandatory	Mandatory	N/A
28 If convertible, specify instrument type convertible into	N/A	Ordinary Shares	Ordinary Shares	Ordinary Shares	N/A	N/A	Ordinary Shares	Ordinary Shares	N/A
29 If convertible, specify issuer of instrument it converts into	N/A	BEN	BEN	BEN	N/A	N/A	BEN	BEN	N/A
30 Write-down feature	N/A	Yes	Yes	Yes	N/A	No	Yes	Yes	No

Table 2 Main Features of Capital Instruments continued

Coupons/Dividends	Instrument 1	Instrument 2	Instrument 3	Instrument 4	Instrument 5	Instrument 6	Instrument 7	Instrument 8	Instrument 9
31 If write-down, write-down trigger(s)	N/A	APRA notifies the Issuer in writing that: conversion or write-off of Additional Capital Instruments is necessary because, without it, APRA considers that Bendigo and Adelaide Bank would become non-viable.	APRA notifies the Issuer in writing that: conversion or write-off of Additional Capital Instruments is necessary because, without it, APRA considers that Bendigo and Adelaide Bank would become non-viable.	APRA notifies the Issuer in writing that: conversion or write-off of Additional Capital Instruments is necessary because, without it, APRA considers that Bendigo and Adelaide Bank would become non-viable.	N/A	N/A	A Non-Viability Trigger Event will occur if APRA has provided a written determination to the Issuer that the conversion or write-off of relevant Tier 1 and Tier 2 instruments of the Issuer is necessary because without (1) the conversion or write-off, or (2) 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.	Upon a Non-Viability Trigger Event occurring, BEN must convert some or all of the relevant Tier 1 and Tier 2 instruments (including the Notes) into BEN ordinary shares in accordance with APRA's written determination. If this occurs, holders of the Notes will, for each Note converted, receive the Conversion Number of BEN ordinary shares, subject to the Maximum Conversion Number. Investors will be required to provide specified information (including their CHES account details) by the conversion date in order to receive BEN ordinary shares on conversion.	N/A
		If Conversion is prevented for any reason the CPS2 would be Written Off.	If Conversion is not effected within five Business Days after a Capital Trigger Conversion Date or Non-Viability Conversion Date (as applicable) for any reason (including an Inability Event), the CPS3 would be Written Off.	If Conversion is not effected within five Business Days after a Capital Trigger Conversion Date or Non-Viability Conversion Date (as applicable) for any reason (including an Inability Event), the CPS4 would be Written Off.				If conversion is not possible or does not occur as specified in the Conditions, the Notes (including all rights under the Notes) will be immediately Written-Off and the rights of holders of Notes will be immediately and irrevocably terminated within 5 days of the Conversion Date, with any such Write-Off to be taken as having effect on and from the Conversion Date. If the Issuer fails to issue BEN ordinary shares when it is required to do so, the remedies of holders of Notes will be limited to seeking an order for specific performance (noting that when Notes are Written-Off, no rights to conversion will	
32 If write-down, full or partial	N/A	May be written down partially	May be written down partially	May be written down partially	N/A	N/A	Maybe written down in full or partially	Maybe written down in full or partially	N/A
33 If write-down, permanent or temporary	N/A	Permanent	Permanent	Permanent	NA	NA	Permanent	Permanent	N/A
34 If temporary write-down, description of write-up mechanism	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
35 Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)		Senior obligations (ranking higher): Preferred and secured debt, Unsubordinated and unsecured debt, Subordinated and unsecured debt.	Senior obligations (ranking higher): Preferred and secured debt, Unsubordinated and unsecured debt, Subordinated and unsecured debt.	Senior obligations (ranking higher): Preferred and secured debt, Unsubordinated and unsecured debt, Subordinated and unsecured debt.	Senior Notes	Senior Notes	Senior Notes	Senior Notes	Senior Notes
36 Non-compliant transitioned features	N/A	No	No	No	No	No	No	No	No
37 If yes, specify non-compliant features	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A