

18 June 2015

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

Bendigo and Adelaide Bank is an Authorised Deposit-taking Institution (ADI) subject to regulations by Australian Prudential 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.

This information has been updated following the Convertible Preference Shares 3 (CPS3) issue on 15 June 2015 and the redemption of the Bendigo Preference Shares (BENPB) on 15 June 2015.

The disclosures provided have been prepared as at 15 June 2015.

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Further information

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Table 2 - Main features of Capital Instruments as at 15 June 2015

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
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
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	BEN	BENPD	BENPE	BENPF	BENHB	BE3073	BE3085
3	Governing law(s) of the instrument	Victoria	Victoria	Victoria	Victoria	South Australia	South Australia	Victoria
Regulatory Treatment		Instrument 1	Instrument 2	Instrument 3	Instrument 4	Instrument 5	Instrument 6	Instrument 7
4	Transitional Basel III rules	Common Equity Tier 1	Additional Tier 1	Additional Tier 1	Additional Tier 1	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
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
7	Instrument type (ordinary shares/preference shares/subordinated notes/other)	Ordinary shares	Preference shares	Preference shares	Preference shares	Subordinated notes	Subordinated notes	Subordinated notes
8	Amount recognised in Regulatory Capital (Currency in mil, as of most recent reporting date)	4212.35	268.87	292.12	Nil as at 31 December 2014, most recent reporting date.	21.09	203.78	300.00
9	Par value of instrument	N/A	268.87	292.12	282.21	21.09	250.00	300.00
10	Accounting classification	Shareholders equity	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	01-November-2012	10-October-2014	15-June-2015	28-August-1998	15-December-2010	29-January-2014
12	Perpetual or dated	Perpetual	Perpetual	Perpetual	Perpetual	Perpetual	Dated	Dated
13	Original maturity date	No maturity	No maturity	No maturity	No maturity	No maturity	15-December-2020	29-January-2024
14	Issuer call subject to prior supervisory approval	No	Yes	Yes	Yes	Yes	Yes	Yes

Table 2 Main Features of Capital Instruments continued

Regulatory Treatment		Instrument 1	Instrument 2	Instrument 3	Instrument 4	Instrument 5	Instrument 6	Instrument 7
15	Optional call date, contingent call dates and redemption amount	N/A	Optional Call Date : 13 December 2017, Redemption of \$100 per CPS.	Optional Call Date : 30 November 2020, Redemption of \$100 per CPS2.	Optional Call Date: 15 June 2021, Redemption of \$100 per CPS3.	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 29 January 2019 (the "First Call Date") and on any Business Day being an Interest Payment Date thereafter.
16	Subsequent call dates, if applicable	N/A	Bendigo and Adelaide Bank may also elect at its option to Exchange all or some CPS after a Tax Event or a Regulatory Event, and may elect at its option to Convert all CPS following the occurrence of an Acquisition Event.	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.	N/A	N/A	Subject to receiving prior written approval from APRA, the Issuer may also 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").
Coupons/Dividends		Instrument 1	Instrument 2	Instrument 3	Instrument 4	Instrument 5	Instrument 6	Instrument 7
17	Fixed or floating dividend/coupon	Fixed	Floating	Floating	Floating	Floating	Floating	Floating
18	Coupon rate and any related index	N/A	180 Day BBSW + 5.00% Margin	180 Day BBSW + 3.20% Margin	180 Day BBSW + 4.00% Margin	90 Day BBSW + 1.00% Margin	3 month BBSW + 4.00% Margin	3 month BBSW + 2.80% Margin
19	Existence of a dividend stopper	Fully discretionary	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary	Fully discretionary	Fully discretionary	Fully discretionary	Mandatory	Mandatory	Mandatory
21	Existence of step up or other incentive to redeem	N/A	No	No	No	No	No	No
22	Noncumulative or cumulative	Noncumulative	Noncumulative	Noncumulative	Noncumulative	Noncumulative	Noncumulative	Cumulative
23	Convertible or non-convertible	Nonconvertible	Convertible	Convertible	Convertible	Nonconvertible	Nonconvertible	Convertible

Table 2 Main Features of Capital Instruments continued

Coupons/Dividends	Instrument 1	Instrument 2	Instrument 4	Instrument 5	Instrument 5	Instrument 7	Instrument 7	
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	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.
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
26	If convertible, conversion rate	N/A	Conversion into Ordinary Shares: Conversion is into approximately \$102.56 worth of Ordinary Shares per CPS based on the \$100 CPS 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 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).	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.
27	If convertible, mandatory or optional conversion	N/A	Mandatory	Mandatory	Mandatory	N/A	N/A	Mandatory

Table 2 Main Features of Capital Instruments continued								
Coupons/Dividends	Instrument 1	Instrument 2	Instrument 3	Instrument 4	Instrument 5	Instrument 6	Instrument 7	
28	If convertible, specify instrument type convertible into	N/A	Ordinary Shares	Ordinary Shares	Ordinary Shares	N/A	N/A	Ordinary Shares
29	If convertible, specify issuer of instrument it converts into	N/A	BEN	BEN	BEN	N/A	N/A	BEN
30	Write-down feature	N/A	Yes	Yes	Yes	N/A	No	Yes
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. If Conversion is prevented for any reason the CPS would be written down in accordance with the terms of BEN CPS.	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. If Conversion is prevented for any reason the CPS2 would be Written Off.	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. 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.	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.
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	May be written down in full or partially
33	If write-down, permanent or temporary	N/A	Permanent	Permanent	Permanent	NA	NA	Permanent
34	If temporary write-down, description of write-up mechanism	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)	N/A	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
36	Non-compliant transitioned features	N/A	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

Further details of the main features of Capital Instruments included in the Group's Regulatory Capital can be found at:
<http://www.bendigoadelaide.com.au/public/shareholders/prospectus.asp>
<http://www.ruralbank.com.au/about-us/about-rural-bank/investor-information>