



Australian Government

INVESTOR INFORMATION STATEMENT

**EXCHANGE-
TRADED
TREASURY
BONDS (eTBs)**

DATE: MARCH 2025

Contents

SECTION 1: IMPORTANT NOTICES.....	3
SECTION 2: ABOUT eTBs.....	7
SECTION 3: BENEFITS AND RISKS OF INVESTING IN eTBs.....	11
SECTION 4: TERMS AND CONDITIONS.....	16
SECTION 5: FURTHER INFORMATION.....	22
SECTION 6: DEFINITIONS AND INTERPRETATION.....	26

SECTION 1: IMPORTANT NOTICES

Purpose of this document

This document (called an **Investor Information Statement**) is an information statement for the purposes of Division 5C of Part 7.9 of the Corporations Act.

This Investor Information Statement contains information in relation to exchange-traded Treasury Bonds (**eTBs**). See Section 2 of this Investor Information Statement for a general description and summary of eTBs.

If you are considering investing in other exchange-traded Australian Government Bonds (for example, exchange-traded Treasury Indexed Bonds) you should refer to the Investor Information Statements specific to those bonds.

A financial adviser or other regulated person (as defined in section 1020AH of the Corporations Act) who provides financial product advice (as that term is defined in the Corporations Act) that consists of, or includes, a recommendation that a person who is a retail client (as defined in the Corporations Act) (the **client**) acquire an eTB must provide a copy of the current version of this Investor Information Statement and the Term Sheet for the relevant Treasury Bond to which the eTB relates (as outlined in Sections 2 and 4 of this Investor Information Statement) to the client before, or at the time of, giving the advice.

This Investor Information Statement has been prepared by the Australian Office of Financial Management (AOFM). The AOFM is not licensed in Australia to provide financial product advice in relation to eTBs. An investor in eTBs will not have cooling off rights.

The current version of this Investor Information Statement and Term Sheets for Treasury Bonds can be obtained from the Australian Government Bonds Website (www.australiangovernmentbonds.gov.au).

Definitions and interpretation

Some words and expressions in this Investor Information Statement are capitalised as they have defined meanings. Section 6 of this Investor Information Statement contains the definitions of capitalised words and expressions, as well as some general rules for interpreting this Investor Information Statement.

Currency of information

The information in this Investor Information Statement is correct as at the date of the cover page.

The distribution of this Investor Information Statement or any offer or issue of eTBs after that date does not imply that there has been no change since that date in the affairs or financial condition of the Australian Government or any other person or entity or that the information is correct at any time after that date.

This Investor Information Statement may be withdrawn, supplemented, modified or replaced at any time.

No investment advice

This Investor Information Statement does not provide financial product or investment advice and does not take into account your investment objectives, financial situation or particular needs (including your financial position, taxation position or risk appetite).

Section 3 of this Investor Information Statement contains an overview of some of the key risks of an investment in eTBs but is not intended as a complete statement of all risks that may be associated with your investment. You should seek your own professional advice on such matters from a licensed financial adviser or other professional adviser.

Other relevant documents

Each series of Treasury Bonds will have a Term Sheet. The Term Sheet sets out certain details for those Treasury Bonds (such as the Coupon Interest Rate, Coupon Interest Payment Dates and Maturity Date) which will be relevant to the payments on the corresponding eTBs.

You should carefully read this Investor Information Statement and the Term Sheet for the relevant underlying series of Treasury Bonds in full in order to make an informed decision whether to invest in eTBs.

Further information about Treasury Bonds (including the terms and conditions of Treasury Bonds) is set out in the Information Memorandum for the underlying Treasury Bonds.

The Term Sheet for each series of Treasury Bonds, the Information Memorandum and other relevant information is available through the [Australian Government Bonds Website](#).

Authorised material

Only the following material may be relied on as having been authorised by or on behalf of the Australian Government:

- information in this Investor Information Statement, the Information Memorandum and the Term Sheet for the relevant eTBs available through the [Australian Government Bonds Website](#); and
- any other material authorised in writing by the Australian Government.

Use of Investor Information Statement

This Investor Information Statement is intended for use only in connection with the offer of eTBs in Australia and must not be sent to any person outside Australia in any jurisdiction in circumstances in which the offer of eTBs or use of this Investor Information Statement would be unlawful.

Sanctions

Under Australian law, the approval or authorisation of the Minister for Foreign Affairs (the **Minister**) is required for certain transactions involving dealings with assets in connection with persons or entities linked to terrorist activities or certain proscribed countries under the *Charter of the United Nations Act 1945*, the *Charter of the United Nations (Dealing with Assets) Regulations 2008* and similar approvals and authorisations under other applicable Acts and regulations (such as those in respect of sanctions against specific countries).

The Autonomous Sanctions Regulations 2011 made under the *Autonomous Sanctions Act 2011* regulates certain payments, transactions and other dealings having a prescribed connection with designated countries, persons, entities or assets. Among other things, these regulations generally prohibit dealings with certain “designated persons or entities” by directly or indirectly making assets (including securities) available to or for their benefit without a permit.

Further, the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* states that regulations implemented under that Act may prohibit the entering into of transactions with residents of prescribed foreign countries.

To be entitled to apply for eTBs and to receive payments under eTBs you must not be a prohibited person under the laws referred to above.

Transfers

eTBs must only be sold or otherwise disposed of to another person in compliance with all applicable laws and regulations.

Privacy

The AOFM and the Registrar collect and hold personal information about eTB Holders for the purposes of administering eTBs. Holders may request access to any personal information held about them by contacting the Registrar. The release of information and the correction of any personal information held in the Register is conducted in accordance with the Privacy Policy of Computershare.

Third party material

The Australian Government does not accept responsibility for the contents of any website or document referred to in this Investor Information Statement which is maintained or published by any person other than the Australian Government. The information contained in those sources may not be up to date or correct.

eTBs are not guaranteed and you can lose money

The Australian Government does not guarantee the performance of eTBs, any underlying Treasury Bonds or any intermediary or other counterparty involved in connection with eTBs and will not compensate investors for investment losses.

Prices of eTBs will fluctuate. If you purchase an eTB for a price greater than \$100 or sell an eTB prior to its Maturity Date it is possible for capital losses to be realised.

See Section 3 of this Investor Information Statement for discussion of some of the risks of investing in eTBs.

SECTION 2: ABOUT eTBs

What are eTBs?

eTBs offer an accessible way to invest in Treasury Bonds.

Treasury Bonds are debt securities issued by the Australian Government that pay interest (referred to as Coupon Interest Payments) every 6 months at a fixed rate of interest (referred to as the Coupon Interest Rate). On the Maturity Date, the last Coupon Interest Payment and the Face Value (principal) of the Treasury Bond are paid to the holder of the Treasury Bond by the Australian Government.

Treasury Bonds are not traded on an exchange and are typically issued only to institutional and other large investors as they are traded in large parcels. However, eTBs are electronically traded and settled through the Australian Securities Exchange (**ASX**) in small or large parcels and therefore are accessible to a wider range of investors. The Clearing House Electronic Sub-register System (CHES) is an ASX computer system that manages the settlement of transactions executed on the ASX.

An eTB works as follows:

- An eTB Holder will have a beneficial interest in Treasury Bonds in the form of CHES Depositary Interests (**CDIs**). A CDI is a financial product which is a unit of beneficial ownership in the underlying security or financial product to which it relates. eTBs are a type of CDI granted over government bonds (in this case, Treasury Bonds). Further information about CDIs generally can be obtained on the ASX website at www.asx.com.au/content/dam/asx/participants/cash-market/bonds/ches-depositary-interests.pdf.
- An eTB Holder accordingly obtains an interest in the economic benefits (including Coupon Interest Payments and Face Value (i.e. principal) payments at maturity) attached to the Treasury Bonds over which the CDIs have been issued.
- A one unit holding of an eTB provides beneficial ownership of \$100 Face Value of the Treasury Bond over which it has been issued.

A list of eTBs can be viewed on the [Australian Government Bonds Website](#). If you are interested in investing in eTBs, you should contact your financial adviser or broker.

Summary of eTBs

The following is a summary of certain key characteristics of eTBs. This summary should be read together with the remainder of this Investor Information Statement and the Term Sheet for the relevant underlying Treasury Bonds.

Description	<p>A unit of beneficial ownership in an underlying Treasury Bond. Legal ownership of the underlying Treasury Bond is held by Austraclear.</p> <p>An eTB is a separate financial product to the underlying Treasury Bond and does not give you legal ownership of a Treasury Bond or an entitlement to claim against the Australian Government or any asset of the Australian Government.</p>
Holding and transaction confirmations	<p>All eTBs must be held in a CHESS Account of a sponsoring broker. Your CHESS Account has a Holder Identification Number (HIN). It is not possible to hold eTBs as an issuer sponsored holding. When you buy or sell an eTB during a month, you will receive a CHESS Holding Statement indicating the holding balance for that particular eTB at the end of the month. You will also receive a CHESS Holding Statement following the maturity of any eTB that was held.</p>
Trading and settlement	<p>eTBs are traded and settled on ASX and are subject to the ASX Operating Rules, trading hours and conventions.</p> <p>Quotation of eTBs on ASX ceases 5 Business Days before the final Record Date for the eTB, at which point the holder of the eTB is no longer able to trade the eTB on ASX (and the holder must then hold the eTB until maturity). For upcoming maturities and cessation of quotation dates, please see ASX's list of upcoming important dates for exchange-traded Australian Government Bonds (available at https://www.asx.com.au/investors/learn-about-our-investment-solutions/bonds/bonds-analysis).</p> <p>Investors should contact their financial adviser or broker to buy or sell eTBs. Brokerage charges may be incurred.</p> <p>eTBs must only be sold or otherwise disposed of to another person in compliance with all applicable laws and regulations.</p>

<p>Face Value</p>	<p>The Face Value is the principal or par value of an underlying Treasury Bond on which Coupon Interest Payments are calculated.</p> <p>A one unit holding of an eTB provides beneficial ownership of \$100 Face Value of the underlying Treasury Bond over which it has been issued.</p>
<p>Coupon Interest Rate</p>	<p>The Coupon Interest Rate on an underlying Treasury Bond is set when the bond is first issued by the Australian Government and remains fixed for the life of the bond. For example, a Treasury Bond with a 5% Coupon Interest Rate will pay investors a fixed amount of \$5 a year on each \$100 Face Value amount in instalments of \$2.50 every 6 months. These instalments are called Coupon Interest Payments.</p> <p>The Coupon Interest Rate is different to the yield to maturity of a bond. The yield to maturity of a bond is the rate of return on a bond (expressed as an annual rate) if purchased at the current market price and held until the Maturity Date, with all Coupon Interest Payments reinvested at the same yield – see further “Yield to maturity” below.</p>
<p>Coupon Interest Payments</p>	<p>Coupon Interest Payments are made on an underlying Treasury Bond every 6 months. If the Coupon Interest Payment Date is not a Business Day, the payment will be made on the next Business Day. Payment of Coupon Interest Payment entitlements of eTB Holders will be administered by the Registrar. An eTB Holder is not entitled to additional interest for payment after the relevant Coupon Interest Payment Date.</p> <p>The Australian Government’s preferred method of payment to all investors is by direct credit into an Australian dollar bank account with a financial institution in Australia. Australian, United States, Great Britain, New Zealand and Canadian resident investors must nominate a valid Australian bank account, otherwise payments will be withheld until such time as a valid bank account is nominated. Payments to investors that reside outside the above-mentioned jurisdictions will be made by paper cheque where a valid bank account has not been nominated. Investors are required to supply their payment instructions no later than the Record Date in order to receive their payment.</p>

Yield to maturity	<p>The yield to maturity is the rate of return on a Treasury Bond if the bond is purchased at the current market price and held until its maturity date, with all Coupon Interest Payments reinvested at the same yield. Further information on yields to maturity for eTBs is available through the ASX Australian Government Bonds course (available at https://www.asx.com.au/investors/investment-tools-and-resources/online-courses/australian-government-bonds-course).</p>
Term and Maturity Date	<p>The Face Value of an underlying Treasury Bond is repayable on the Maturity Date. An eTB Holder has no right to require early repayment of all or any part of the Face Value prior to the Maturity Date. If the Maturity Date is not a Business Day, the Face Value will be paid on the next Business Day.</p> <p>Payment of Face Value entitlements of eTB Holders will be administered by the Registrar. An eTB Holder is not entitled to additional interest or other amounts for payment after the relevant Maturity Date.</p>
Use of proceeds	<p>The Australian Government receives the proceeds of the issue of underlying Treasury Bonds and may use these proceeds for any purpose of the Australian Government.</p> <p>If you acquire an eTB, you acquire a beneficial interest in a Treasury Bond and your upfront payment will be used to acquire that beneficial interest.</p>
Terms and conditions	<p>See Section 4 of this Investor Information Statement for a summary of the material terms and conditions relating to eTBs.</p>

SECTION 3: BENEFITS AND RISKS OF INVESTING IN eTBs

Before investing in eTBs, you should consider whether they are a suitable investment for you. This should include consideration of benefits and risks.

This section lists some of the potential benefits and risks of an investment in eTBs. It is not a complete statement of all the potential benefits and risks. Risks will vary between investors.

You should obtain your own professional advice as to whether eTBs are a suitable investment for you considering your own investment objectives, financial situation, risk appetite and needs.

Benefits of investing in eTBs

Some of the benefits associated with investing in eTBs are:

Regular income	An interest in semi-annual Coupon Interest Payments made by the Australian Government.
Fixed interest rate	The opportunity to earn entitlements to interest at a fixed rate for the life of the investment.
Liquidity	eTBs can be sold at the market price at any time the ASX market is open (if there are buyers) until 5 Business Days before the final Record Date (at which point the eTB Holder is no longer able to trade the security on ASX). See further "Trading and settlement" in Section 2 of this Investor Information Statement.
Diversification	eTBs provide an opportunity to diversify an investment portfolio.

Risks of investing in eTBs

There are risks associated with investing in eTBs. Some of these risks are:

You may realise capital losses	The market price of eTBs will vary over time in response to a variety of influences, particularly in response to changes in interest rates. In general, if interest rates increase the price of an eTB is likely to fall. Conversely, if interest rates fall the price of an eTB is likely to increase. If eTBs are purchased for a price greater than \$100 or sold prior to their Maturity Date it is possible for capital losses to be realised.
---------------------------------------	---

<p>There is no guarantee you will be able to sell your eTBs if you need to</p>	<p>While eTBs are capable of being traded on ASX when the market is open (subject to quotation ceasing 5 Business Days before the final Record Date - see further “Trading and settlement” in Section 2 of this Investor Information Statement), your ability to sell your eTBs at your desired price will depend on there being buyers willing to pay that price. Accordingly, it may not be possible for you to sell your eTBs as and when you need to and for your desired price.</p> <p>The Australian Government has no obligation to offer to purchase eTBs on the market or otherwise.</p>
<p>You cannot require your eTBs to be repaid early</p>	<p>eTBs are fixed term investments. If you wish to exit from your investment before the Maturity Date you may seek to sell your eTBs on the ASX market, (subject to quotation ceasing 5 Business Days before the final Record Date - see further “Trading and settlement” in Section 2 of this Investor Information Statement). However, you have no right under the terms of the eTBs to require repayment of your eTBs before the Maturity Date. This is the case even if, for some reason, you do not receive scheduled Coupon Interest Payments on your eTBs on time. You should not see eTBs as an alternative to or substitute for a deposit product.</p>
<p>The Australian Government may convert holdings of eTBs to the underlying Treasury Bonds</p>	<p>The Australian Government may at any time, subject to a minimum period of 3 months' notice, convert holdings of eTBs to the underlying Treasury Bonds directly registered in the Commonwealth Stock Register. If this occurred, investors would continue to receive the same Coupon Interest Payments and Face Value amounts they were entitled to with the eTBs but would not be able to sell their investment on ASX.</p> <p>For example, the Australian Government could decide to convert holdings of eTBs to the underlying Treasury Bonds if the agreement between the Australian Government and ASX for the trading of Australian Government Bonds on ASX were terminated.</p>

The Australian economy and the financial position of the Australian Government may be affected by a wide variety of factors that could influence the price or performance of eTBs

Australia has an advanced and sophisticated economy that is influenced by both domestic and international circumstances, including prevailing market, trade and geopolitical conditions.

The revenues and financial position of the Australian Government are interconnected with the performance of the Australian economy generally and could be influenced by numerous domestic and international factors including taxation or other revenue receipts, the level of government expenditure, employment levels, interest rates, inflation, exchange rates and currency fluctuations, housing markets, the performance of key areas of industry or commerce, environmental conditions, natural disasters, climate change, diseases and pandemic, civil or military unrest or conflict, terrorism, domestic or international political or regulatory changes, obligations under treaties and international agreements and various other factors many of which cannot be predicted. It is also not possible to predict what particular effects any such factors will have (if any) on the overall condition of the Australian economy or the position of the Australian Government.

See also “The effects of climate change may influence the price or performance of eTBs” below for a discussion of specific climate change and environmental risks.

It is extremely unlikely that the Australian Government would be unable to make payments on the underlying Treasury Bonds. However, a material change in the financial position of the Australian Government could affect:

- the price that potential purchasers of eTBs are willing to pay
- the number of potential purchasers willing to buy eTBs.

This could affect your ability to sell your eTBs when you want to and at the price you require.

For information about the Australian Government’s financial position, projections and forecasts see the paragraph “Where to find further information about the Australian Government’s financial position” in Section 5 of this Investor Information Statement.

The effects of climate change may influence the price or performance of eTBs

Climate change is a systemic risk that presents significant risks for Australia's economy, regions, industries and communities.

Climate change is expected to have a range of physical impacts on Australia and the world, including but not limited to extreme weather events (such as drought conditions, heat waves, bushfires and severe floods) occurring with increased frequency, increasing weather volatility, longer-term changes in climatic conditions, biodiversity loss and ecosystem degradation. There remains uncertainty as to the extent and consequences of these physical impacts on Australia and the world. The full impact of these events can be widespread and may not be immediately apparent.

In addition, the global transition to net zero emissions will:

- require significant investment by governments and the private sector
- result in other changes, such as to industries and jobs, including to adopt low-emission technologies.

These transition risks are likely to impact the structure of the economy and, in turn, the tax base.

The physical and transition consequences of climate change are very likely to have fiscal impacts and may, in turn, impact the value of, or the number of potential purchasers for, eTBs. Uncertainty around the magnitude and timing of the physical impacts of climate change and the global transition to net zero emissions translates to uncertainty about the timing, nature and scale of these fiscal impacts.

However, it is expected that the fiscal impacts may include (among other things):

- increased demand for disaster relief payments and infrastructure repairs
- changes in property and asset values
- interruptions or other changes in business operations, supply chains or market access.

<p>Changes of law, regulation and policy may affect eTBs</p>	<p>Changes to laws, regulations and policies could directly or indirectly impact eTBs (including as to their taxation treatment) or their value or liquidity in the secondary market. The Australian Government is not bound to consider the interests of eTB Holders in connection with any actual or proposed change of law, regulation, policy, intention or opinion.</p>
<p>Counterparties may not perform their obligations</p>	<p>An eTB does not give you legal ownership of a Treasury Bond or a direct right against the Australian Government to receive payments.</p> <p>Your receipt of payments, as well as communications and other matters relating to your holding of eTBs, will depend, among other things, on the performance of other entities through which payments, communications and other actions in connection with the underlying Treasury Bonds and eTBs are held, made or administered (such as the Austraclear System, the Depository Nominee and the Registrar of the eTBs).</p> <p>If any of these entities failed to comply with their obligations in connection with the eTBs (for any reason, such as due to insolvency or systems, technology, administrative or operational failures) you may not receive payments on your eTB, there may be delays in receiving those payments or other adverse consequences may arise.</p> <p>The Australian Government does not guarantee the performance by any person in connection with Treasury Bonds or eTBs.</p>

SECTION 4: TERMS AND CONDITIONS

Before investing, you should review and become familiar with the following:

- the terms and conditions applying to the eTBs. These terms and conditions and a summary of the material terms of the underlying Treasury Bonds are set out below. Full terms and conditions of the underlying Treasury Bonds are contained in the Information Memorandum available through the [Australian Government Bonds Website](#); and
- the key commercial terms (for example the Coupon Interest Rate, Coupon Interest Payment Dates and Maturity Date) for the specific series of Treasury Bonds underlying the eTBs you are planning to invest in, which are detailed in the Term Sheet for the Treasury Bonds available on the [Australian Government Bonds Website](#).

The terms and conditions of this Investor Information Statement will be taken to modify the terms and conditions applying to the underlying series of Treasury Bonds the subject of an eTB to the extent that any term or condition contained in this Investor Information Statement is inconsistent with the terms and conditions applying to those Treasury Bonds.

Security type	A CHESS Depository Interest. A one unit holding of an eTB provides beneficial ownership of \$100 Face Value of the Treasury Bond over which it has been issued.
Depository Nominee	CHESS Depository Nominees Pty Ltd (ABN 75 071 346 506) has been appointed the Depository Nominee and holds an interest in the Treasury Bonds over which eTBs have been issued through the Austraclear System.
Registrar	Computershare
Currency	Australian dollars
Minimum investment amount	One unit. Holdings of eTBs may only be in whole units.
Coupon Interest Rate, Coupon Interest Payment Dates and Maturity Date	<p>The Coupon Interest Rate, Coupon Interest Payment Dates and Maturity Date are those applicable to the specific series of Treasury Bonds over which the eTB has been issued.</p> <p>Term Sheets containing these details for each specific series of Treasury Bonds can be downloaded at the Australian Government Bonds Website.</p>

<p>Coupon Interest Payments</p>	<p>Coupon Interest Payments on Treasury Bonds are made semi-annually at half the annual amount in arrears on each Coupon Interest Payment Date up to and including the Maturity Date.</p> <p>Coupon interest will cease to accrue on Treasury Bonds from the Maturity Date.</p> <p>The first Coupon Interest Payment will be for a full semi-annual period.</p> <p>If the Coupon Interest Payment Date is not a Business Day, payment will be made on the next Business Day without payment of additional interest.</p> <p>Coupon Interest Payments will be rounded to the nearest cent (0.5 cent being rounded up).</p> <p>For upcoming Coupon Interest Payment Dates, please see ASX's list of upcoming important dates for exchange-traded Treasury Bonds (available at https://www.asx.com.au/investors/learn-about-our-investment-solutions/bonds/bonds-analysis).</p>
<p>Coupon Interest Payment entitlements and ex-interest settlement dates</p>	<p>eTB Holders registered at the Record Date (the close of business 8 calendar days prior to the Coupon Interest Payment Date) will be entitled to the next Coupon Interest Payment. If this day is not a Business Day, the preceding Business Day is the Record Date.</p> <p>The ex-interest settlement period for eTBs is the period after the Record Date up to and including the next Coupon Interest Payment Date. Buyers of eTBs in transactions settled during the ex-interest settlement period are not entitled to the next Coupon Interest Payment.</p> <p><u>Example 1:</u> The 2.75% 21 May 2041 Treasury Bond makes a Coupon Interest Payment on Wednesday, 21 May 2025. The Record Date for this Coupon Interest Payment is Tuesday, 13 May 2025.</p> <p><u>Example 2:</u> The 1.00% 21 December 2030 Treasury Bond makes a Coupon Interest Payment on Monday, 21 December 2026. The Record Date for this Coupon Interest Payment is Friday, 11 December 2026. This is 10 calendar days prior to the Coupon Interest Payment Date since the date 8 calendar days prior to the Coupon Interest Payment Date falls on a weekend.</p>

<p>Title and transfer</p>	<p>Subject to the ASX Settlement Operating Rules (available at www.asx.com.au/about/regulation/rules-guidance-notes-and-waivers/asx-settlement-operating-rules-guidance-notes-and-waivers). All transfers including off market transfers must be processed through an ASX Settlement Participant.</p>
<p>Fees</p>	<p>Coupon Interest Payments and repayments on the Maturity Date will be made free of any fees, charges, deductions or levies of the Australian Government, except to the extent required by law.</p>
<p>Conversion and Exchange Change</p>	<p>Only designated market makers appointed by ASX or the Australian Government may apply for Treasury Bonds lodged in the Austraclear System to be converted to eTBs and for eTBs to be converted to Treasury Bonds in the Austraclear System. The Australian Government may at any time:</p> <ol style="list-style-type: none"> a. convert holdings of eTBs to the underlying Treasury Bonds directly registered in the Commonwealth Stock Register and make any arrangements it considers appropriate to make or allow that conversion to occur (Conversion) b. make arrangements to allow for interests in Treasury Bonds equivalent to eTBs to be traded on an exchange other than ASX in addition to or in place of ASX (Exchange Change). <p>A Conversion or Exchange Change will take place on a date set by the Australian Government. The date will be at least 3 months after notice of the Conversion or Exchange Change is sent to eTB Holders.</p> <p>Each eTB Holder, for valuable consideration, irrevocably appoints each of AOFM and its officers (each an Authorised Person) severally to be the attorney of the eTB Holder and the agent of the eTB Holder with power in the name and on behalf of the eTB Holder to sign all documents and transfers, give all instructions to any person and do any other thing as may in the Authorised Person's opinion be necessary or desirable to be done in order to effect a Conversion or Exchange Change and may delegate its power and authority to any other person appointed by it in writing.</p>

Early repayment and purchase by Australian Government	<p>The Australian Government does not have the right to repay eTBs or Treasury Bonds over which eTBs have been issued before the Maturity Date of the Treasury Bonds. However, the Australian Government may at any time offer to purchase eTBs from holders. Any eTBs purchased by the Australian Government may be held, resold or cancelled.</p>
Payments	<p>Coupon Interest Payments and repayment of the Face Value at maturity in respect of Treasury Bonds the subject of eTBs will be made by or on behalf of the Australian Government to eTB Holders.</p> <p>The Australian Government's preferred method of payment to all investors is by direct credit into an Australian dollar bank account with a financial institution in Australia. Australian, United States, Great Britain, New Zealand and Canadian resident investors must nominate a valid Australian bank account; otherwise payments will be withheld until such time as a valid bank account is nominated. Payments to investors that reside outside the above-mentioned jurisdictions will be made by paper cheque where a valid bank account has not been nominated. Investors are required to supply their payment instructions no later than the Record Date in order to receive their payment.</p> <p>If any date for payment is not a Business Day, payment will be postponed to the first following Business Day. No additional interest is payable in respect of any delay in payment.</p>
Participation rights	<p>No meetings of eTB Holders are required for any purpose. eTB Holders do not have any rights to consent to matters relating to Treasury Bonds.</p>
Governing law	<p>eTBs are subject to the law in force in New South Wales. Treasury Bonds over which eTBs have been issued are subject to the law in force in the Australian Capital Territory.</p>
Modifications	<p>The terms of eTBs and the underlying Treasury Bonds may be modified without the consent of eTB Holders as described in Section 5 of this Investor Information Statement.</p>

Communications

Notices by the Australian Government in respect of eTBs may be given by such means as the Australian Government decides (which may include being given electronically or being sent in the post). Accordingly, the Australian Government can choose how it will communicate with you regarding your eTBs and may communicate with different eTB Holders using different methods.

The Australian Government intends to generally provide communications electronically via Computershare's Investor Centre (and to notify you by email when a new communication is available in the Investor Centre) but may decide to provide communications to certain investors via post or other means.

The [Australian Government Bonds Website](#) may provide updates from time to time on how the Australian Government intends to communicate with you (or particular types of eTB Holders).

See "Who to contact about my eTB holdings" below for further details on how to change your contact details.

Who to contact about my eTB holdings

In the first instance you should contact your financial adviser or broker.

Computershare has been engaged to maintain the Register of eTB Holders and provide services to investors in relation to their holdings, including lodging queries and disputes.

Changes to your registration details (such as payment instructions and change of address) for your investment holdings in eTBs must be made through Computershare's Investor Centre. Investor Centre is an online portal that empowers investors to securely access, enquire and update their accounts. Investor Centre is available at www.computershare.com/investorcentre.

Alternatively, you may make changes to your registration details via your CHESS sponsoring broker. The Registrar can be contacted at:

Telephone

+61 3 9415 4026

1800 674 428 (within Australia)

Email

austgovtbonds@computershare.com.au

Mail

Australian Government Bond Registrar
Computershare Investor Services Pty Limited
GPO Box 2975
Melbourne VIC 3001 AUSTRALIA

The Australian Government is not a member of the Australian Financial Complaints Authority (**AFCA**). Complaints regarding your eTBs can be made to Computershare.

SECTION 5: FURTHER INFORMATION

Australian taxation information

The following is a summary of the Australian withholding tax treatment under the *Income Tax Assessment Act 1936*, the *Income Tax Assessment Act 1997* and the *Taxation Administration Act 1953*, at the date of this Investor Information Statement, of Coupon Interest Payments by the Australian Government on the eTBs and certain other Australian tax matters.

The summary is not exhaustive and, in particular, does not deal with the position of certain classes of eTB Holders (including, without limitation, dealers in securities, custodians or other third parties who hold eTBs on behalf of any person). It also does not deal with how eTB Holders may otherwise be taxed in respect of the eTBs, including in respect of Coupon Interest Payments.

The actual taxation consequences of acquiring, holding and disposing of eTBs will vary depending on the particular circumstances of the holder. Therefore, a prospective holder of eTBs is encouraged to consult a professional tax adviser in relation to their specific circumstances.

Interest withholding tax

Interest withholding tax applies to interest payments (within the meaning of section 128A(1AB) of the *Income Tax Assessment Act 1936*) to an eTB Holder who is:

- a. an Australian resident for income taxation purposes who derives the Coupon Interest Payments in carrying on business at or through a permanent establishment outside Australia; or
- b. a non-resident for income taxation purposes who does not derive the Coupon Interest Payments in carrying on business at or through a permanent establishment in Australia, unless an exemption applies.

Coupon Interest Payments on eTBs are eligible for exemption from non-resident interest withholding tax provided the eTBs have been issued in a manner that satisfies the “public offer test” in section 128F of the *Income Tax Assessment Act 1936*. Unless otherwise announced at the time of issue, the eTBs are intended to be issued in a manner that satisfies the “public offer test” and Coupon Interest Payments are to be “interest” (within the meaning of section 128A(1AB) of the *Income Tax Assessment Act 1936*).

eTBs must not be purchased by an Offshore Associate of the Australian Government other than one acting in the capacity of a dealer, manager or underwriter in relation to the placement of the eTBs or in the capacity of a clearing house, custodian, funds manager or responsible entity of an Australian registered scheme.

In addition, Australia has signed a number of double tax treaties with foreign jurisdictions which effectively prevent interest withholding tax from applying to certain recipients.

ABN/TFN withholding tax

eTB Holders are not required to provide their Tax File Number (TFN) or ABN. However, if the eTB Holder does not provide a TFN or ABN and does not claim an exemption from providing a TFN or ABN, an amount may be withheld from certain payments equal to the top marginal rate of income tax plus the Medicare Levy. Assuming the requirements of section 128F of the *Income Tax Assessment Act 1936* are satisfied with respect to the eTBs, then this requirement should not apply to payments of interest (within the meaning of section 128A(1AB) of the *Income Tax Assessment Act 1936*) to an eTB Holder who is not an Australian resident and who does not derive the payment in carrying on business at or through a permanent establishment in Australia.

Garnishee directions issued by the Commissioner of Taxation

The Commissioner of Taxation may give a direction requiring a third party to deduct from any payment to an eTB Holder any amount in respect of Australian tax payable by the eTB Holder. If the Australian Government is served with a valid direction, then the Australian Government will comply with that direction and make any deduction required by that direction.

No additional amounts payable

For the avoidance of doubt, in the event that any payment made by the Australian Government in respect of eTBs is made subject to deduction or withholding for or on account of any taxes, duties, assessments or governmental charges of any nature, no additional amounts will be payable by the Australian Government in respect of such deduction or withholding.

U.S. Foreign Account Tax Compliance Act

Under sections 1471 through 1474 of the *U.S. Internal Revenue Code of 1986* (**FATCA**), a 30% withholding (**FATCA withholding**) may be required if (i)(A) an investor does not provide information sufficient for any non-U.S. financial institution (**FFI**) through which payments on the eTBs are made to determine the eTB Holder's status under FATCA, or (B) an FFI to or through which payments on the eTBs are made is a "non-participating FFI"; and (ii) the eTBs are treated as debt for U.S. federal income tax purposes and the payment is made in respect of eTBs issued or modified after the date that is 6 months after the date on which final regulations defining the term "foreign passthru payment" are filed with the U.S. Federal Register, or the eTBs are treated as equity for U.S. federal income tax purposes or do not have a fixed term, whenever issued.

FATCA withholding is not expected to apply on payments made before the date that is 2 years after the date on which final regulations defining the term "foreign passthru payment" are filed with the U.S. Federal Register.

Reporting Australian Financial Institutions (**RAFIs**) under the Australia–U.S. FATCA Intergovernmental Agreement dated 28 April 2014 (**Australian IGA**) must comply with specific due diligence procedures. In general, these procedures seek to identify account holders and provide the Australian Taxation Office (**ATO**) with information on financial accounts held by U.S. persons and recalcitrant account holders. The ATO is required to provide such information to the U.S. Internal Revenue Service. Consequently, eTB Holders may be requested to provide

certain information and certifications to any financial institutions through which payments on the eTBs are made. A RAFI that complies with its obligations under the Australian IGA will not be subject to FATCA withholding on amounts it receives and will not be required to deduct FATCA withholding from payments it makes, other than in certain prescribed circumstances.

In the event that any amount is required to be withheld or deducted from a payment on the eTBs as a result of FATCA, no additional amounts will be paid by the Australian Government to eTB Holders as a result of the deduction or withholding.

Organisation for Economic Co-operation and Development (OECD) Common Reporting Standard

The OECD Common Reporting Standard for Automatic Exchange of Financial Account Information (CRS) requires certain financial institutions to report information regarding certain accounts (which may include the eTBs) to their local tax authority and follow related due diligence procedures. eTB Holders may be requested to provide certain information and certifications to ensure compliance with the CRS. A jurisdiction that has signed a CRS Competent Authority Agreement may provide this information to other jurisdictions that have signed the CRS Competent Authority Agreement. The Australian Government has enacted legislation amending, among other things, the Taxation Administration Act 1953 to give effect to the CRS.

Modifications

The Australian Government may, without the consent of eTB Holders or holders of the underlying Treasury Bonds, modify any of the conditions or provisions of the Investor Information Statement or Information Memorandum in respect of the underlying Treasury Bonds which:

- a. in its opinion is of a formal, minor or technical nature or is made to correct a manifest error; or
- b. which is made to comply with mandatory provisions of law; or
- c. any other modification provided that such modification is not in the opinion of the Australian Government materially prejudicial to the interests of eTB Holders or holders of the underlying Treasury Bonds.

Where to find further information about the Australian Government's financial position

The website www.budget.gov.au has current and past Australian Government Budget Papers and updates to the economic and fiscal outlook.

Monthly financial statements for the Australian Government are available at www.finance.gov.au/publications/commonwealth-monthly-financial-statements

Annual consolidated financial statements for the Australian Government are available at www.finance.gov.au/publications/commonwealth-consolidated-financial-statements

Forward-looking statements and projections are not guarantees of future performance and actual results or outcomes may vary materially from such statements and projections.

Where to find further information about eTBs

Further information about eTBs and Treasury Bonds is available on the [Australian Government Bonds Website](#).

Who to contact and method of communications

Refer to "Communications" and "Who to contact about my eTB holdings" in Section 4 of this Investor Information Statement for more information.

SECTION 6: DEFINITIONS AND INTERPRETATION

Definitions

The following definitions apply throughout this Investor Information Statement unless the context requires otherwise:

“ABN” means Australian Business Number.

“ASX” means ASX Limited (ABN 98 008 624 691) or the financial market operated by it, as the context requires.

“ASX Operating Rules” means the operating rules of ASX, available at: www.asx.com.au/about/regulation/rules-guidance-notes-and-waivers/asx-operating-rules-guidance-notes-and-waivers.

“ASX Settlement” means ASX Settlement Pty Limited (ABN 49 008 504 532).

“ASX Settlement Operating Rules” means the operating rules of ASX Settlement.

“Austraclear” means Austraclear Limited (ABN 94 002 060 773) (an ASX subsidiary) or, where applicable, a related entity of Austraclear Limited.

“Austraclear System” means the system for the settlement and related depository services of debt securities operated by Austraclear.

“Australian Government Bonds Website” means the website located at www.australiangovernmentbonds.gov.au.

“Australian Office of Financial Management” or **“AOFM”** means the Australian Government agency with responsibility for management and administration of Australian Government debt.

“Business Day” means a day not being a Saturday or Sunday on which banks are open for general banking business in Sydney.

“CHESS” means the Clearing House Electronic Sub-register System operated by ASX Settlement and another ASX subsidiary.

“CDI” means a CHESSE Depository Interest issued under the ASX Settlement Operating Rules.

“Commonwealth” means Commonwealth of Australia.

“Computershare” means Computershare Investor Services Pty Limited (ABN 48 078 279 277).

“Corporations Act” means the *Corporations Act 2001*.

“Coupon Interest Payments” means, for Treasury Bonds, the interest payments paid or due to be paid on the Coupon Interest Payment Date.

“Coupon Interest Payment Date” means a date, as specified on the [Australian Government Bonds Website](#), on which a Coupon Interest Payment is due to be made in respect of a specific series of Treasury Bonds (as set out in the Term Sheet for those Treasury Bonds) and includes the Maturity Date.

“Coupon Interest Rate” means the interest rate (expressed as a percentage per annum) payable in respect of a specific series of Treasury Bonds (as set out in the Term Sheet for those Treasury Bonds).

“Depository Nominee” means the entity appointed under the ASX Settlement Operating Rules to hold beneficial title to Treasury Bonds that are, or are to be, held in the form of eTBs. CHESSE Depository Nominees Pty Ltd (ABN 75 071 346 506) has been appointed the Depository Nominee for eTBs.

“Dollars” and **“\$”** means the lawful currency of Australia.

“eTB” means exchange-traded Treasury Bond or a CDI issued over Treasury Bonds.

“eTB Holder” means in respect of any eTB, the person whose name from time to time is entered into the Register as the holder of that eTB.

“Face Value” means the principal or par value of a Treasury Bond on which Coupon Interest Payments are calculated.

“Maturity Date” means the date on which a Treasury Bond is to be repaid (as set out in the Term Sheet for the relevant Treasury Bond).

“Offshore Associate” means an associate (as defined in section 128F of the *Income Tax Assessment Act 1936*) that is either a non-resident of Australia that does not acquire the Treasury eTBs in carrying on a business at or through a permanent establishment in Australia or, alternatively, a resident of Australia that acquires the eTBs in carrying on a business at or through a permanent establishment outside of Australia.

“Record Date” means the close of business on the eighth day before the relevant Coupon Interest Payment Date or Maturity Date or, if this is not a Business Day, the preceding Business Day.

“Register” means the eTB register and “registered” has a corresponding meaning.

“Registrar” means Computershare or such other person appointed by the Commonwealth to maintain a register in respect of eTBs and perform such payment and other duties specified in that agreement.

“Term Sheet” means an information statement that can be obtained at the Australian Government Bonds Website, which contains details of the Coupon Interest Rate, Coupon Interest Payment Dates, Maturity Date and other information for a specific series of Treasury Bonds.

Interpretation

In this Investor Information Statement:

- The words **“including”**, **“for example”** or **“such as”** when introducing an example, do not limit the meaning of the words to which the example relates to that example or examples of a similar kind.
- A reference to a person includes an individual, company, corporation, body corporate, body politic, partnership, trust or any other type of entity.
- A reference to a law (including a provision of legislation) is a reference to that law as amended, consolidated, supplemented or replaced and includes a reference to any regulation, rule, statutory instrument, by-law or other subordinate legislation.
- Where a word or phrase is defined, its other grammatical forms have a corresponding meaning.