



HERBERT  
SMITH  
FREEHILLS

EXECUTION VERSION

**30 July 2014**

**TREASURY CORPORATION OF VICTORIA**  
as Issuer

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**DEED OF COVENANT**

**RELATING TO TREASURY CORPORATION OF  
VICTORIA U.S.3,000,000,000 EURO MEDIUM  
TERM NOTE PROGRAMME GUARANTEED BY  
THE GOVERNMENT OF VICTORIA**

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Herbert Smith Freehills LLP

**This Deed of Covenant** is made on 30 July 2014 by **Treasury Corporation of Victoria** (the "**Issuer**"), in favour of the Relevant Account Holders (as defined below) from time to time.

**Whereas:**

- (A) The Issuer proposes, from time to time, to issue Euro Medium Term Notes ("**Notes**") pursuant to a dealer agreement dated 30 July 2014, as amended and supplemented from time to time, between it and the Dealers therein (the "**Dealer Agreement**"). The Notes in bearer form will, upon issue, be represented by temporary Global Notes and upon exchange permanent Global Notes and the Notes in registered form will, upon issue, be represented by a Global Certificate.
- (B) In certain circumstances, Global Notes may become void in whole or in part as provided therein.
- (C) The Issuer and the Agents have entered into an agency agreement dated 30 July 2014 (as amended and supplemented from time to time, the "**Agency Agreement**") for the purpose of providing for the issue and payment in respect of Notes issued pursuant to the Dealer Agreement (as defined above).
- (D) Pursuant to the Dealer Agreement, the maximum aggregate principal amount of Notes which may be outstanding at any one time under it between the same parties has been fixed at U.S.\$3,000,000,000 and such amount may be further increased without any additional documentation being executed.
- (E) The Issuer has agreed to execute this Deed in favour of the Relevant Account Holders of Euroclear and Clearstream, Luxembourg, for the purpose of protecting the interests of the Relevant Account Holders in the event of the Global Note (as defined below) becoming void. This Deed of Covenant relates only to Notes issued on or after the date hereof.
- (F) The Issuer wishes to make arrangements for the protection of the interests of Relevant Account Holders (as defined below) in the event of any such Global Note or Global Certificate so becoming void.

**Now this Deed witnesses** as follows:

1. **DEFINITIONS**

1.1 In this Deed and the Recitals hereto, unless the context otherwise requires:

"**Clearing System Operator**" means Clearstream, Luxembourg, Euroclear or any other person who falls within the definition of "**Alternative Clearing System**" in the Conditions relating to any Global Note or Global Certificate;

"**Direct Rights**" means the rights referred to in Clause 2.1;

"**Entry**" means any entry relating to any Global Note (or, if part only of the Global Note becomes void, to the relevant part of it) which is or has been made in the securities account of any account holder with any Clearing System Operator in respect of Notes represented by such Global Note;

"**Global Certificate**" means a Certificate representing Registered Notes of one or more Tranches of the same Series that are registered in the name of a nominee for Euroclear, Clearstream, Luxembourg and/or any other clearing system;

"**Global Note**" means any temporary Global Note, permanent Global Note or Global Certificate issued pursuant to the Agency Agreement on or after the date hereof;

"**Notes**" means euro medium term notes of the Issuer which are in the form of Global Notes, Definitive Notes or both;

"**Principal Amount**" means, in respect of any Entry, the principal amount of the Notes to which such Entry relates;

"**Relevant Account Holder**" means any account holder with any Clearing System Operator which at the Relevant Time has credited to its securities account with such Clearing System Operator an Entry or Entries in respect of the relevant Global Note (or, if part only

of the Global Note becomes void, in respect of the relevant part), except for any Clearing System Operator in its capacity as an account holder of the other Clearing System Operator;

"**Relevant Time**" means, in respect of any Global Note, the time when such Note becomes void in whole or in part, as the case may be;

"**Termination Date**" means the first date on which no further Notes may be issued under the Agency Agreement and complete performance of the obligations contained in this Deed and in all Global Notes outstanding from time to time occurs; and

"**Tranche**" means in relation to a Series, those notes of that Series which are issued on the same date.

- 1.2 Terms defined in or for the purposes of the Agency Agreement, the Dealer Agreement and/or the Global Notes shall have the same meanings in this Deed, except where the context requires otherwise or where a different meaning is attributed to the relevant term in this Deed.

## 2. **DIRECT RIGHTS**

- 2.1 If and whenever any Global Note becomes void in whole or in part in accordance with its terms, then each Relevant Account Holder shall acquire against the Issuer all rights ("**Direct Rights**") which the Relevant Account Holder in question would have had if, immediately before the Relevant Time, it had been the holder of Definitive Notes issued on the Issue Date of the Global Note in an aggregate principal amount equal to the Principal Amount of the relevant Entry including without limitation the right to receive all payments due at any time in respect of such Definitive Notes other than payments corresponding to any already made under the Global Note.
- 2.2 No further action shall be required on the part of any person in order for Direct Rights to be acquired as contemplated by sub-clause 2.1 above and for each Relevant Account Holder to have the benefit of, and to enforce, rights corresponding to all the provisions of the terms and conditions of the relevant Definitive Notes as if they had been specifically incorporated into this Deed other than the right to receive payments corresponding to any already made under the relevant Global Note.

## 3. **EVIDENCE**

- 3.1 The records of each Clearing System Operator shall, in the absence of manifest error, be conclusive evidence of the identity of the Relevant Account Holders, the number of Entries credited to the securities account of each Relevant Account Holder with such Clearing System Operator at the Relevant Time and the Principal Amount of an Entry. For the purposes of this Clause a statement issued by a Clearing System Operator stating:
- 3.1.1 the name of the Relevant Account Holder to or in respect of which it is issued; and
- 3.1.2 the Principal Amount of the Entry credited to the securities account of such Relevant Account Holder with such Clearing System Operator as at the opening of business on the first day on which the Clearing System Operator is open for business following the Relevant Time shall, in the absence of manifest error, be conclusive evidence of the records of such Clearing System Operator at the Relevant Time.
- 3.2 In the event of a dispute, in the absence of manifest error, the determination of the Relevant Time by a Clearing System Operator shall be final and conclusive for all purposes in connection with the Relevant Account Holders with securities accounts with such Clearing System Operator.

## 4. **COUNTERPARTS OF THIS DEED**

Executed originals of this Deed have been delivered to the Fiscal Agent and shall be held to the exclusion of the Issuer until the Termination Date. The Issuer covenants with each

Relevant Account Holder to produce or procure that there is produced an executed original hereof on demand to such Relevant Account Holder and allow it to take copies thereof on demand at any reasonable time. Any Relevant Account Holder may, in any proceedings relating to this Deed, protect and enforce its rights arising out of this Deed in respect of any Entry to which it is entitled upon the basis of a statement by a Clearing System Operator as provided in Clause 3 and a copy of this Deed certified as being a true copy by a duly authorised officer of any Clearing System Operator or the Fiscal Agent without the need for production in such proceedings or in any court of the actual records or this Deed. Any such certification shall be binding, except in the case of manifest error or as may be ordered by any court of competent jurisdiction, upon the Issuer and all Relevant Account Holders. This Clause shall not limit any right of any Relevant Account Holder to the production of the originals of such records or documents in evidence.

**5. TITLE TO ENTRIES**

- 5.1 Any Relevant Account Holder may protect and enforce its rights arising out of this Deed in respect of any Entry to which it is entitled in its own name without the necessity of using the name of or obtaining any authority from any predecessor in title.
- 5.2 Any Relevant Account Holder is entitled to receive payment of the Principal Amount of its Entry (or, in the case of any Entry relating to a Global Note which is stated on its face to be Zero Coupon, such other sum as may be payable in accordance with Condition 7(d) and of all other sums referable to its Direct Rights to the exclusion of any other person and payment in full by the Issuer to such Relevant Account Holder shall discharge the Issuer from all obligations in respect of such Entry and such Direct Rights.

**6. AMENDMENT**

The Issuer shall not amend, vary, terminate or suspend this Deed or its obligations hereunder until after the Termination Date.

**7. PAYMENTS**

- 7.1 All payments by the Issuer under this Deed or by the Government of Victoria (the "**Guarantor**") will be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of the Commonwealth of Australia or any political subdivision thereof, or any authority therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments or governmental charges is required by law. In the event of any such withholding or deduction (whether from a payment by the Issuer or the Guarantor) the Issuer will pay such additional amounts as may be necessary in order that the net amounts received by the Relevant Account Holder after such withholding or deduction shall equal the respective amounts of principal and interest which would have been receivable by such Relevant Account Holder in the absence of such withholding or deduction, provided that, despite anything else herein, the Issuer and the Guarantor may make deductions on account of present and future taxes, duties, assessments or governmental charges from amounts payable and no additional amounts shall be payable:
- 7.1.1 to a Relevant Account Holder (or to a third party on behalf of a Relevant Account Holder) where such Relevant Account Holder or any person holding a Note or Coupon or an interest in the relevant Note or Coupon is an associate of the Issuer for the purposes of Section 128F of the Income Tax Assessment Act 1936 (except as permitted under sections 128F(5) and (6)) of Australia or a resident of the Commonwealth of Australia or has some connection with Australia other than the mere holding of the Note or interest therein or receipt of principal or interest in respect thereof;
- 7.1.2 to a Relevant Account Holder or to a third party on behalf of the Relevant Account Holder who could lawfully avoid (but has not avoided) such deduction or withholding by complying or procuring that any third party comply with any

statutory notification requirements or by making or by procuring that any third party make a declaration of non-residence or other similar claims for exemption to any tax authority;

- 7.1.3 in respect of any demand made more than 30 days after the date upon which demand may first be made hereunder, except to the extent that the Relevant Account Holder would have been entitled to such additional amount on making such demand on the thirtieth such day.
- 7.2 The Issuer hereby covenants to and agrees with the Relevant Account Holders that:
- 7.2.1 its payment obligations under this Deed will be direct, unconditional and unsecured obligations of the Issuer and will be ranked by the Issuer *pari passu* with all other outstanding unsecured and unsubordinated obligations of the Issuer, present or future, for money borrowed or raised, save for such exceptions as may be provided by applicable law; and
  - 7.2.2 it will pay promptly, and in any event before any penalty becomes payable, any stamp, documentary, registration or similar duty or tax payable in the United Kingdom, the United States of America, the Commonwealth of Australia or any political subdivision or taxing authority thereof or therein, in connection with the entry into, performance, enforcement or admissibility in evidence of this Deed and/or an amendment of or waiver in respect thereof, and shall indemnify each of the Relevant Account Holders against any liability with respect to or resulting from any delay in paying or omission to pay any such tax.

## 8. CURRENCY INDEMNITY

- 8.1 Any amount received or recovered by any Relevant Account Holder in respect of any sum expressed to be due to it from the Issuer under this Deed in respect of a Note in a currency (the currency in which the relevant payment is made being referred to as the "**Relevant Currency**") other than the currency in which such sum is payable (the "**Currency of Account**") whether as a result of, or of the enforcement of, a judgment or order of a court or tribunal of any jurisdiction, in the dissolution of the Issuer or otherwise, shall only constitute a discharge to the Issuer to the extent of the amount in the Currency of Account which the Relevant Account Holder is able to purchase from a bank or dealer authorised to deal in foreign exchange, with the amount in the Relevant Currency so received or recoverable on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so).
- 8.2 If that amount in the Currency of Account is less than the amount in the Currency of Account due to the recipient under this Deed, the Issuer shall indemnify the Relevant Account Holder against any loss sustained by it as a result. In any event, the Issuer shall indemnify the Relevant Account Holder against the cost of making any such purchase. The Relevant Account Holder shall provide to the Issuer details of relevant exchange rates and dates used by it in computing any such loss as aforesaid, but no proof or evidence of any actual loss may be required.
- 8.3 These indemnities constitute separate and independent obligations from the other obligations in this Deed, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by any Relevant Account Holder and shall continue in full force and effect despite any judgment, order, claim or proof for a liquidated amount in respect of any sum due under this Deed or any judgment or order.

## 9. GENERAL

- 9.1 This Deed shall be deposited with and held by the Fiscal Agent until the Termination Date and for so long thereafter as any claim made against the Issuer by any Relevant Account Holder in relation to this Deed shall not have been fully adjudicated, settled or discharged.
- 9.2 The Issuer hereby acknowledges the right of every Relevant Account Holder to the production of this Deed.

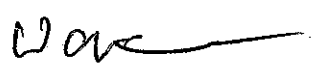
- 9.3 The Issuer hereby acknowledges and covenants that the benefit of the obligations binding upon it contained in this Deed are owed to, and shall be for the benefit of, each and every Relevant Account Holder severally.
- 9.4 Each Relevant Account Holder shall be entitled severally to enforce the said obligations against the Issuer.
- 9.5 The Issuer may not assign or transfer all or part of its rights or obligations hereunder.
- 9.6 The illegality, invalidity or unenforceability of any provision of this Deed under the law of any jurisdiction shall not affect its legality, validity or enforceability under the law of any other jurisdiction nor the legality, validity or enforceability of any other provision.
- 9.7 This Deed shall apply to Notes issued on or after the date hereof.

10. **GOVERNING LAW AND JURISDICTION**

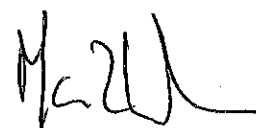
This Deed and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law and, for the benefit of each Relevant Account Holder, the Issuer hereby submits to the exclusive jurisdiction of the courts of England for all purposes in connection with the Notes and the Coupons and any non-contractual obligations arising out of or in connection with them and irrevocably appoints the Agent-General for the State of Victoria in London to accept service of process on its behalf in connection with proceedings commenced in the courts of England. If for any reason such process agent ceases to be able to act as such or no longer has an address in London the Issuer shall appoint another person with an address in London to accept such service. The Issuer will procure that, until the Termination Date, a person with an address in London shall be appointed to accept such service.

This deed is delivered on the date stated at the beginning.

Executed as a Deed by TREASURY )  
 CORPORATION OF VICTORIA by being )  
 signed sealed and delivered by its attorney(s) )  
 pursuant to a Power of Attorney dated )  
 7 April 2014 who certify/certifies having )  
 received no notice of revocation of the Power of )  
 Attorney )



**Bill Whitford**  
**Managing Director**



**Mark W. Engeman**  
**Deputy Managing Director**  
**Corporation Secretary**

In the presence of:



**EUAN F. MACALLAN**  
 Level 12, 1 Collins Street, Melbourne, Vic 3000  
 An Australian Legal Practitioner (within the  
 meaning of the Legal Profession Act 2004)