

Main Features – Floating Rate Subordinated Notes

Disclosure Template for Main Features of Regulatory Capital Instruments		
1	Issuer	Heritage Bank Limited
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	ISIN – AU3FN0027884
3	Governing law(s) of the instrument	New South Wales
<i>Regulatory treatment</i>		
4	Transitional Basel III rules	Not applicable
5	Post-transitional Basel III rules	Tier 2
6	Eligible at solo/group/group & solo	Solo
7	Instrument type (ordinary shares/preference shares/subordinated notes/other)	Subordinated Notes
8	Amount recognised in Regulatory Capital (Currency in mil, as of most recent reporting date)	\$50 million
9	Par value of instrument	\$50 million
10	Accounting classification	Liability – amortised cost
11	Original date of issuance	24 June 2015
12	Perpetual or dated	Dated
13	Original maturity date	24 June 2025
14	Issuer call subject to prior supervisory approval	Yes
15	Optional call date, contingent call dates and redemption amount	Prior to the Maturity Date, Heritage may, with the prior written approval of APRA, redeem the Notes on 24 June 2020 and every Interest Payment Date thereafter.
16	Subsequent call dates, if applicable	Not applicable, refer item 15 above
<i>Coupons/dividends</i>		
17	Fixed or floating dividend/coupon	Floating
18	Coupon rate and any related index	3 month BBSW + 350 basis points paid quarterly in arrears
19	Existence of a dividend stopper	No
20	Fully discretionary, partially discretionary or mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No
22	Noncumulative or cumulative	Cumulative
23	Convertible or non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	Not applicable
25	If convertible, fully or partially	Not applicable
26	If convertible, conversion rate	Not applicable
27	If convertible, mandatory or optional conversion	Not applicable
28	If convertible, specify instrument type convertible into	Not applicable
29	If convertible, specify issuer of instrument it converts into	Not applicable
30	Write-down feature	Yes

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31	If write-down, write-down trigger(s)	If a Non-Viability Trigger Event occurs, the Notes will be subject to write off.
32	If write-down, full or partial	Can be full or partial
33	If write-down, permanent or temporary	Permanent
34	If temporary write-down, description of write-up mechanism	Not applicable
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	In the event of a winding-up of Heritage, the claims of Holders against Heritage in respect of the Notes rank ahead of the claims of all members of Heritage other than in their capacity as depositors, and behind the claims of unsubordinated creditors.
36	Non-compliant transitioned features	No
37	If yes, specify non-compliant features	Not applicable