

# **Information Memorandum**

## **AusNet Services Holdings Pty Ltd**



## **A\$500,000,000 Commercial Paper Programme**

**Guaranteed by**  
**AusNet Gas Services Pty Ltd**  
**AusNet Electricity Services Pty Ltd**  
**AusNet Asset Services Pty Ltd**  
**AusNet Transmission Group Pty Ltd**  
**AusNet Finance Pty Ltd**

**Programme Manager**

**Commonwealth Bank of Australia**

**Dealers**  
**Australia and New Zealand Banking Group Limited**  
**Commonwealth Bank of Australia**  
**National Australia Bank Limited**  
**Westpac Banking Corporation**

**14 September 2016**

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## **INTRODUCTION**

This document is the Information Memorandum issued by AusNet Services Holdings Pty Ltd (ABN 97 086 006 859) ('Issuer') dated 14 September 2016 for a Commercial Paper Programme ('Programme') established by the Issuer and guaranteed by AusNet Gas Services Pty Ltd, AusNet Electricity Services Pty Ltd, AusNet Asset Services Pty Ltd, AusNet Transmission Group Pty Ltd and AusNet Finance Pty Ltd ('Guarantors') under which the Issuer may issue Commercial Paper in the form of dematerialised securities ('Notes') to Australian residents up to a maximum aggregate amount of A\$500,000,000 (which amount may be increased from time to time by the Issuer subject to the consent of the Dealers (as described below in the section headed 'Summary of the Programme' of this Information Memorandum) ('Dealers')). This Programme is constituted by the Issuer Deed Poll dated 9 June 2006 executed by the Issuer as amended and restated including by a deed poll dated 14 September 2016, and as amended from time to time ('Issuer Deed Poll').

## **IMPORTANT NOTICE**

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This Information Memorandum is issued solely in relation to the Programme. It has been prepared by and issued with the authority of the Issuer for the purpose of providing certain information about the Issuer and Guarantors and information about the Notes to investors considering subscribing for Notes. It is not a disclosure document or a prospectus. It does not constitute an invitation to apply for, or an offer for subscription or purchase of, any securities.

### **Documents**

This Information Memorandum is to be read in conjunction with all documents which are deemed to be incorporated by reference (see "Documents incorporated by reference" below). This Information Memorandum shall, unless otherwise expressly stated, be read and construed on the basis that such documents are so incorporated and form part of this Information Memorandum. References to "Information Memorandum" are to this Information Memorandum and to any other document incorporated by reference collectively and to any of them individually.

### **No independent verification**

The only role of the Programme Manager and the Dealers in the preparation of this Information Memorandum has been to confirm to the Issuer that their respective descriptions under the heading "Directory" are accurate as at the Preparation Date (as defined below).

Apart from the foregoing, none of the Programme Manager, the Dealers or the Registrar (each as defined under "Summary of Programme" below) has independently verified the information contained in this Information Memorandum. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by any such person as to the accuracy or completeness of this Information Memorandum or any further information supplied by the Issuer in connection with the Programme. The Programme Manager acts in this Programme in its capacity as manager of the Programme, and not in any capacity as a fiduciary.

### **Independent advice**

This Information Memorandum contains only summary information concerning the Notes. It is not intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Issuer, the Programme Manager, the Dealers and the Registrar that any recipient of this Information Memorandum or any other financial statements purchase any Notes

or any rights in respect of any Notes. Each investor contemplating purchasing any Notes or any rights in respect of any Notes under the Programme should make (and shall be taken to have made) its own independent investigation of the financial condition and affairs of, and its own appraisal of the creditworthiness of, the Issuer.

No advice is given in respect of the taxation treatment of investors in connection with investment in any Notes and each investor is advised to consult its own professional adviser.

### **Currency of information**

This Information Memorandum supersedes any prior Information Memorandum relating to Notes that predates it, and such prior Information Memorandum is hereby withdrawn.

Neither the delivery of this Information Memorandum nor any offer for sale or sale made in connection with this Information Memorandum at any time is a representation or warranty by the Issuer that:

- (a) there has been no change since the Preparation Date in the affairs or financial condition of the Issuer;
- (b) the information contained in this Information Memorandum, including (without limitation) information in documents incorporated by reference, concerning the Issuer or the Group is correct at any time subsequent to the Preparation Date; or
- (c) any other information supplied in connection with the Programme is correct as of any time subsequent to the Preparation Date.

The Programme Manager, the Dealers and the Registrar expressly do not undertake to review the financial condition or affairs of the Issuer or the Group during the life of the Programme. Investors should review, amongst other things, the documents incorporated in this Information Memorandum by reference when deciding whether or not to purchase any Notes.

### **No authorisation**

No person has been authorised to give any information or make any representations not contained in or consistent with this Information Memorandum in connection with the Issuer, the Programme or the issue or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, any of the Dealers, the Programme Manager or the Registrar.

### **Selling and Distribution Restrictions**

The distribution of this Information Memorandum and the offer for sale or sale of the Notes may be restricted by law in certain jurisdictions. The Issuer, the Group, the Programme Manager, the Dealers and the Registrar do not represent that this document may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Programme Manager, the Dealers or the Registrar which would permit a public offering of any Notes or distribution of this Information Memorandum in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or

sold, directly or indirectly, and neither this Information Memorandum nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations and the Dealers have represented that all offers and sales by them will be made on the same terms. Persons into whose possession this Information Memorandum or any Notes come must inform themselves about, and observe, any such restrictions.

This Information Memorandum is not a “prospectus” or other “disclosure document” for the purposes of the Corporations Act and no prospectus or other disclosure document (as defined in the Corporations Act) in relation to the Notes has been, or will be, lodged or registered with the Australian Securities and Investments Commission or ASX Limited (or its financial market, the Australian Securities Exchange).

Notes will not be offered to persons outside Australia. No person may either (directly or indirectly) make an offer (including without limitation an invitation for an offer) of Notes for issue or sale, nor distribute this Information Memorandum, in Australia to any resident of Australia, unless:

- (i) the aggregate consideration payable by each offeree is at least A\$500,000 (disregarding amounts, if any, lent by the Issuer or other persons offering the Notes or their respective associates (within the meaning of those expressions in Part 6D.2 of the Corporations Act) or the offer does not otherwise require disclosure to investors under Parts 6D.2 or 7.9 of the Corporations Act;
- (ii) the offer does not constitute an offer to a “retail client” for the purposes of Chapter 7 of the Corporations Act;
- (iii) such action:
  - a. complies with applicable laws, regulations and directives in Australia and any other relevant jurisdiction;
  - b. such action does not require any document to be lodged with Australian Securities and Investments Commission or ASX Limited (or its financial market, the Australian Securities Exchange); and
  - c. does not require the preparation, registration, lodgement or approval of a prospectus or corresponding or similar disclosure document relating to the Notes or the Issuer, or any other action or steps (including any filings with or by any government agency or regulatory authority), in any jurisdiction.

This Information Memorandum does not, and is not intended to, constitute an offer or invitation by or on behalf of the Issuer, the Group, the Programme Manager, the Dealers or the Registrar to any person to subscribe for, purchase or otherwise deal in any Notes nor is it intended to be used for the purpose of or in connection with offers or invitations to subscribe for, purchase or otherwise deal in any Notes.

### **Updated Information Memorandum**

The Issuer may agree with any Dealer that the Notes may be issued in a form not contemplated by this Information Memorandum, in which event an updated or supplementary information

memorandum, if appropriate, will be made available by the Issuer and/or any Dealer prior to the issue of such Notes, which will describe the effect of the agreement reached in relation to such Notes.

### **References to credit ratings**

There are references in this Information Memorandum to credit ratings. A credit rating does not constitute investment or financial advice and is not a recommendation to buy, sell or hold the Notes and may be subject to revision, suspension or withdrawal at any time by the relevant rating agency.

Each rating should be evaluated independently of any other rating. Credit ratings, and information about credit ratings, are for distribution only to a person:

- (a) who is not a “retail client” within the meaning of section 761G of the Corporations Act and is also a sophisticated investor, professional investor or other investor in respect of whom disclosure is not required under Part 6D.2 or 7.9 of the Corporations Act; and
- (b) who is otherwise permitted to receive credit ratings in accordance with applicable law in any jurisdiction in which the person may be located.

Anyone who is not such a person is not entitled to receive this Information Memorandum and anyone who receives this Information Memorandum must not distribute it to any person who is not entitled to receive it.

### **Documents incorporated by reference**

The following documents are incorporated in and taken to form part of this Information Memorandum:

- all amendments, supplements and updates to this Information Memorandum prepared by the Issuer from time to time;
- the most recently published:
  - audited annual consolidated financial accounts; and
  - reviewed interim consolidated financial accounts,of the Group;
- announcements made by AusNet Services on the ASX; and
- all other documents issued by the Issuer and stated to be incorporated in this Information Memorandum by reference.

Any statement contained in this Information Memorandum or in any of the documents incorporated by reference in, and forming part of this Information Memorandum, shall be regarded as updated, modified or superseded for the purpose of this Information Memorandum to the extent that a statement contained in any document subsequently incorporated by reference (including where announced on the Australian Securities Exchange) updates, modifies or

supersedes such statement.

Copies of documents incorporated by reference are available for inspection from the Issuer and the Programme Manager at their respective offices specified in the “Directory”. Announcements made by AusNet Services on the ASX, the most recently published audited annual consolidated accounts of the Group and the most recently published reviewed interim consolidated accounts of the Group are also available at [www.ausnetservices.com.au](http://www.ausnetservices.com.au) and [www.asx.com.au](http://www.asx.com.au).

### **Preparation Date**

In this Important Notice section, “**Preparation Date**” means:

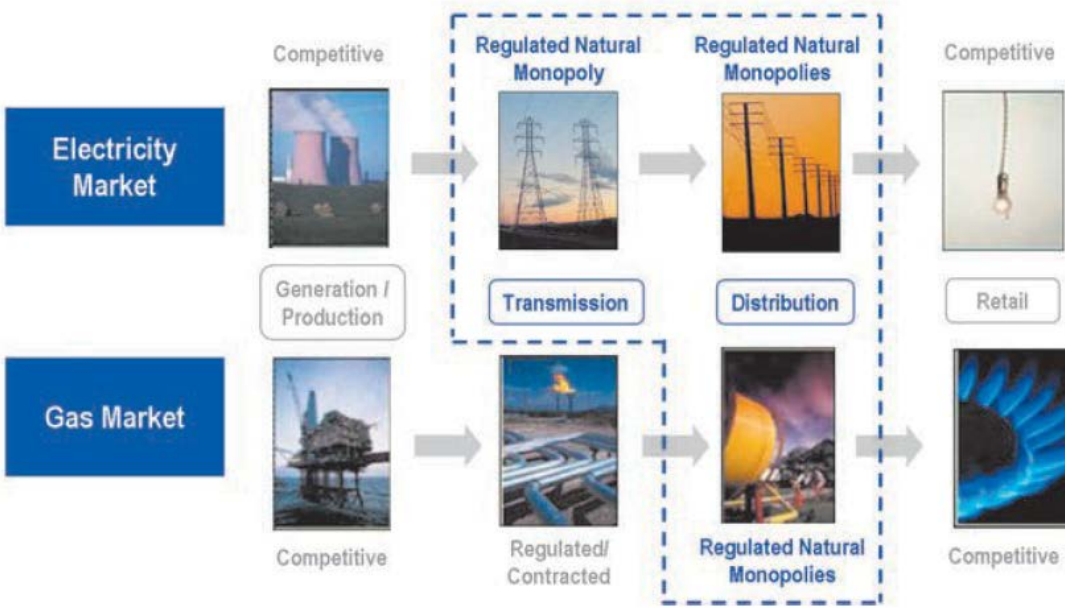
- in relation to this Information Memorandum, the date indicated on its face or, if the Information Memorandum has been amended or supplemented, the date indicated on the face of that amendment or supplement;
- in relation to the financial accounts in attachment 1, the date up to or as at the date on which the accounts relate;
- in relation to financial accounts incorporated in this Information Memorandum, the date up to or as at the date on which the accounts relate; and
- in relation to any other item of information incorporated in, or which is to be read in conjunction with, this Information Memorandum, the date indicated on its face as being its date of release.

**ISSUER PROFILE**

**Overview of AusNet Services**

AusNet Services Ltd (“AusNet Services”) and its subsidiaries (the “Group”) is a diversified energy infrastructure business that owns and operates the primary regulated Victorian electricity transmission network (“AusNet Services Electricity Transmission Network”), as well as an electricity distribution network in eastern Victoria and a gas distribution network in western Victoria. The Group has also a portfolio of unregulated infrastructure assets and provides specialised utility related solutions, focusing on asset intelligence, metering, telecommunication services, energy use, energy storage, energy efficiency and other niche services.

The following diagram shows the industry segments in which AusNet Services’ regulated businesses operate.



AusNet Services is a public company which is listed on the Australian Securities Exchange (“ASX”) and has a secondary listing on the Singapore Exchange Securities Trading Limited (SGX-ST). The ASX code is “AST” and the SGX-ST code is “AUSNET SERVICES (AZI.SI)”.

**Group Financing Structure**

The structure of the Group is summarised in the following chart. Operating subsidiaries of AusNet Services operate the Group’s electricity transmission business and its electricity and gas distribution businesses.

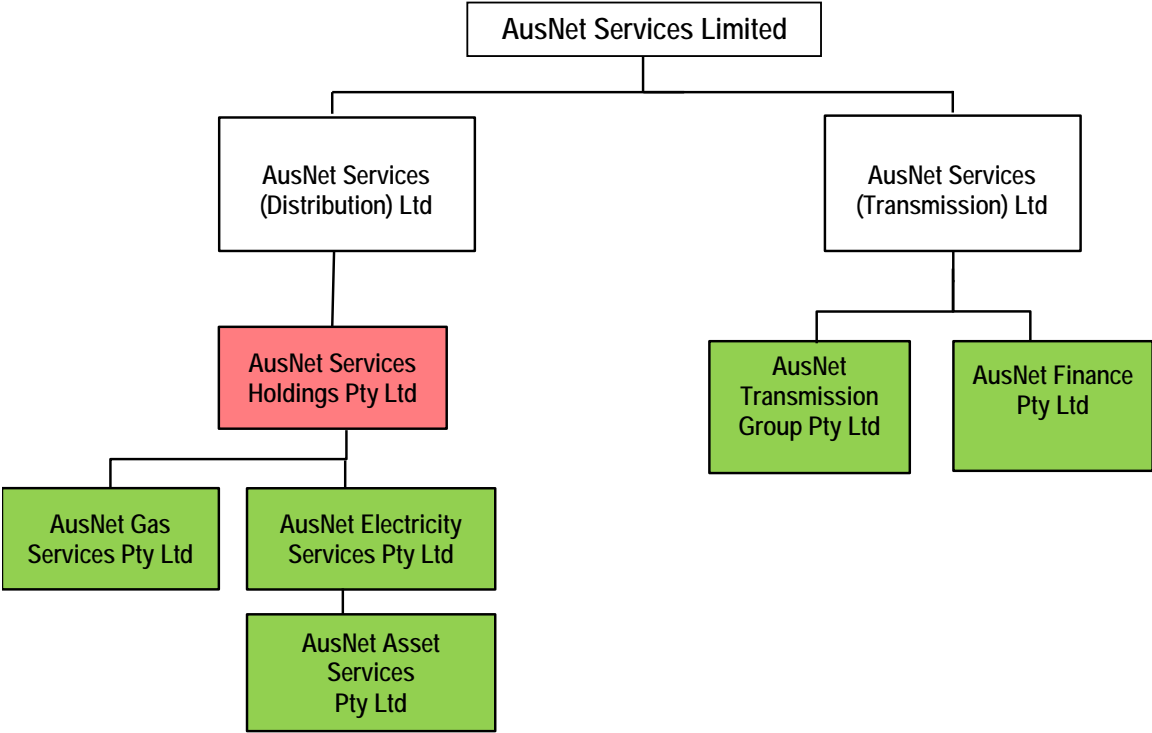
The Issuer is shown in the colour red and the initial Guarantors are shown in the colour green. The chart does not show the AusNet Services Finance Trust, several intermediate holding companies and some minor subsidiaries with no substantial assets.

As detailed below, the Programme will form part of the external financing of the Group. The Issuer is AusNet Services Holdings Pty Ltd and the initial Guarantors are AusNet Gas Services Pty Ltd, AusNet Electricity Services Pty Ltd, AusNet Asset Services Pty Ltd, AusNet



Transmission Group Pty Ltd and AusNet Finance Pty Ltd.

The financing structure is set out below:



Source: AusNet Services Group

Notes

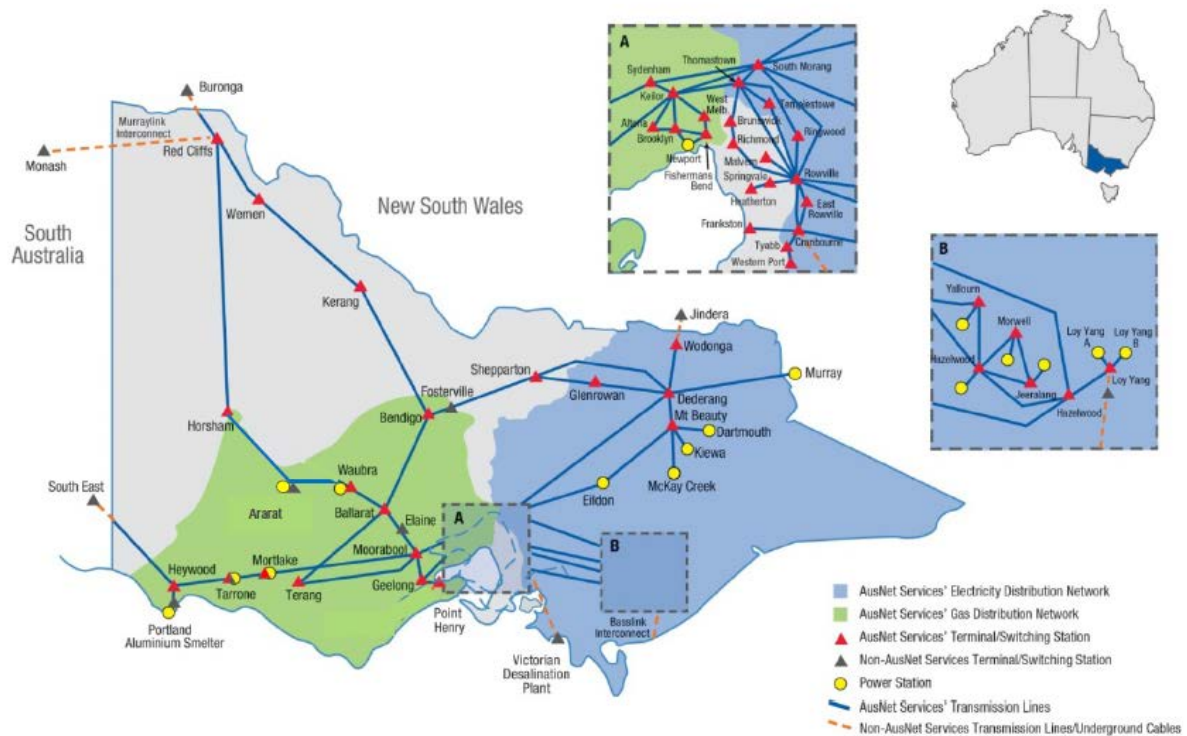
[\(1\)](#) AusNet Services Finance Trust, several intermediate holding companies and some minor subsidiaries with no substantial assets are not shown in the chart.

Audited annual consolidated financial accounts for the period ended 31 March 2016 and auditor reviewed interim consolidated financial accounts for the period ended 30 September 2015 for the Group are shown in attachment 1.

**Overview of Assets**

A large proportion of AusNet Services' revenue is regulated, providing predictable and stable revenues and cashflows. Regulated revenues are subject to regulatory periods. These periods are generally five years and are staggered, which lowers earnings volatility.

A map of AusNet Services' assets is shown below:



## Electricity Transmission Network

AusNet Services' primary electricity transmission network is regulated by the AER and consists of approximately 6,700 km of transmission lines operating at extra high voltages that carry electricity from power stations to electricity distributors and large customers throughout Victoria. The Victorian transmission network is centrally located amongst the five eastern States of Australia that form the National Electricity Market and provides key links between the electricity transmission networks of South Australia, New South Wales and Tasmania.

## Electricity Distribution Network

AusNet Services' electricity distribution network is regulated by the AER and carries electricity from the Victorian transmission network to substations for distribution to connected electricity customers in eastern metropolitan Melbourne and the eastern part of Victoria. The network spans an area of approximately 80,000 square kilometers.

## Advanced Metering Infrastructure

The Victorian Government mandated the rollout of smart electricity meters in Victoria. It also established a range of functional and service level specifications for the program, as well as a framework for the regulated recovery of costs associated with the program pursuant to the AMI Cost Recovery Order in Council which allows for the recovery of prudent costs of implementing the AMI program. From 2016, AMI metering charges are regulated under the Electricity Distribution Price Review.

## **Gas Distribution Network**

AusNet Services' gas distribution network is regulated by the AER and carries natural gas from the transmission network across 60,000 square kilometres of central and western Victoria. The gas distribution network is approximately 10,800 km in length and AusNet Services also owns approximately 180 km of gas transmission pipelines.

## **Commercial Energy Services**

The Commercial Energy Services (CES) business delivers the Group's current unregulated activities and the growth of such activities for AusNet Services. The business can broadly be divided into two: Infrastructure Services and Select Solutions. Select Solutions has three areas of focus: Asset Intelligence, Telecommunications and Metering. These three divisions, along with Infrastructure Services, form the four portfolios of the CES division of AusNet Services.

Infrastructure Services represents AusNet Services' ownership and operation of a portfolio of unregulated infrastructure assets. These investments consist primarily of network infrastructure assets which fall outside the economically regulated asset base. The investments are made through directly negotiated agreements, pursuant to which AusNet Services typically receives revenue over the productive life of the asset in exchange for the network service and infrastructure provided.

Select Solutions provides unregulated services on behalf of the CES division. Its three portfolios, Asset Intelligence, Telecommunications and Metering, provide services to utilities, government, telecommunication providers, energy and water retailers including industrial and commercial type customers. These services include network and contestable metering, geospatial services, data analytics, asset inspection and technical services (such as chemical testing and asset condition monitoring) as well as the leasing of communications infrastructure and space on the Group's sites and assets.

## **SUMMARY OF THE PROGRAMME**

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*The following is a brief summary only and should be read in conjunction with the rest of this Information Memorandum and, in relation to any Notes, in conjunction with the Issuer Deed Poll. Terms defined in the Issuer Deed Poll have the same meaning when used in this summary.*

- Issuer:** AusNet Services Holdings Pty Ltd (ABN 97 086 006 859).
- Guarantors:** AusNet Gas Services Pty Ltd (ABN 43 086 015 036)  
AusNet Electricity Services Pty Ltd (ABN 91 064 651 118)  
AusNet Asset Services Pty Ltd (ABN 27 075 826 881)  
AusNet Transmission Group Pty Ltd (ABN 78 079 798 173)  
AusNet Finance Pty Ltd (ABN 69 092 341 690)  
Guarantors may be added and removed in accordance with the Guarantee Deed Poll provided that the Total Assets of the Guarantors and the Issuer make up at least 90% of the Total Group Assets.
- Programme:** A programme allowing the issuance of Dematerialised Securities (as defined in the Austraclear Regulations) as specified in the Issuer Deed Poll.
- Programme Limit:** A\$500,000,000. The Programme Limit may be increased with the consent of the Programme Manager from time to time.
- Programme Manager:** Commonwealth Bank of Australia (ABN 48 123 123 124).
- The Issuer may terminate the appointment of the Programme Manager and appoint another financial institution to act as Programme Manager from time to time. A Programme Manager may be removed upon written notice from the Issuer.
- Dealers:** Australia and New Zealand Banking Group Limited (ABN 11 005 357 522)  
Commonwealth Bank of Australia (ABN 48 123 123 124)  
National Australia Bank Limited (ABN 12 004 044 937)  
Westpac Banking Corporation (ABN 33 007 457 141)
- Additional Dealers may be appointed from time to time by the Issuer. Dealers may be removed upon written notice from the Issuer.
- Registrar:** Austraclear Services Limited (ABN 28 003 284 419) (**Austraclear**)
- Status:** The Notes will be direct, unsubordinated and unsecured obligations of the Issuer.
- Guarantee:** Note Holders have the benefit of a guarantee and indemnity from the Guarantors dated 14 September 2016 (as may be acceded to from time to time by additional guarantors).

This is a summary of only part of the Guarantee. A copy of the

Guarantee is available for inspection during normal office hours at the office of the Issuer and the Programme Manager at their respective addresses specified in the "Directory" section of this Information Memorandum.

- Form of Notes:** Notes will be issued in the form of a Dematerialised Security (as that term is defined in the Austraclear Regulations).
- No certificate or other evidence of title will be issued to Note Holders unless the Issuer determines that certificates should be available or it is required to do so pursuant to any applicable law or Austraclear Regulations.
- The terms and conditions for the Notes are contained in the Issuer Deed Poll, as modified and supplemented from time to time.
- The Notes may be described as 'CP', 'Notes', 'EPNs' or by any other marketing name.
- Governing law:** The Notes and all related documentation will be governed by the laws of Victoria.
- Use of proceeds:** The net proceeds of any issue of Notes will be used by the Issuer for general corporate purposes.
- Currencies:** All Notes will be denominated in Australian Dollars.
- Programme Term:** The term of the Programme continues until terminated by the Issuer giving 30 days' notice to the Programme Manager and the Dealers, or earlier by agreement between all the parties to it.
- Stamp duty:** Any stamp duty incurred at the time of issue of the Notes will be for the account of the Issuer. Any stamp duty incurred on a transfer of Notes will be for the account of the relevant investors. As at the date of this Information Memorandum, no Australian stamp duty is payable on the issue of the Notes or any transfer of Notes for full market value.
- Taxes:** Investors should obtain their own taxation advice regarding the taxation status of investing in Notes.
- Tax file number:** The Issuer will deduct tax from payments of interest or amounts in the nature of interest at the highest marginal tax rate plus the Medicare levy if an Australian resident investor has not supplied an appropriate tax file number or exemption details.
- Rating:** As at the date of this Information Memorandum, Notes issued under the Programme have been rated A-2 by Standard & Poor's as specified on the Standard & Poor's website. A credit rating is not a recommendation to buy, sell or hold the Notes and may be subject to revision, suspension or withdrawal at any time by the relevant rating agency.

- Issue Date:** As agreed between the Issuer and the Dealers.
- Title:** No certificate or other evidence of title will be issued to Note Holders unless the Issuer has determined that certificates should be available or it is required to do so pursuant to any applicable law or Austraclear Regulations.
- The person in whose Security Record (as maintained by Austraclear) a Note appears at any time will be treated by the Issuer and by all other persons as the absolute owner, at that time, of the Note.
- Austraclear:** The Dealer Agreement for the Programme provides that the Notes are to be transacted through the Austraclear System.
- The Issuer will apply to Austraclear for approval of the Notes to be traded on the settlement system operated by Austraclear. Approval by Austraclear is not a recommendation or endorsement by Austraclear of the Notes.
- Transfer procedures:** Unless a Note has been removed from the Austraclear System in accordance with the Austraclear Regulations, a Note may be transferred only:
- (a) to Members;
  - (b) in accordance with the Austraclear Regulations; and
  - (c) provided:
    - (i) the consideration payable by each offeree is at least A\$500,000 or the transfer is otherwise effected in a manner does not require disclosure to investors under Parts 6D.2 or 7.9 of the Corporations Act;
    - (ii) the transfer is not to a "retail client" for the purpose of Chapter 7 of the Corporations Act; and
    - (iii) such action:
      - (A) complies with applicable laws, regulations and directives in Australia and any other relevant jurisdiction;
      - (B) does not require any document to be lodged or registered with the Australian Securities and Investments Commission or ASX Limited (or its financial market, the Australian Securities Exchange); and
      - (C) does not require the preparation, registration, lodgement or approval of a prospectus or corresponding or similar document relating to the

Notes or the Issuer, or any other action or steps (including any filings with or by any government agency or regulatory authority), in any jurisdiction.

See section titled “Selling and Distribution Restrictions” in Important Notice and below for more information.

**Payments:** Payment will be made by transfer to a Note Holder’s relevant account in accordance with Austraclear Regulations.

**Listing:** The Notes will not be listed on any stock exchange.

**Selling and Distribution**

**Restrictions:** The offering for sale or the sale of Notes and the distribution of this Information Memorandum and other material in relation to any Notes may be restricted by law in certain jurisdictions and investors should inform themselves about them and observe any such restrictions. See section titled “Selling and Distribution Restrictions” in the “Important Notice” above for more information.

**Tenor:** Notes will be issued with a minimum tenor of seven days (or such shorter period as may be agreed) and a maximum tenor of 364 days.

## **ISSUER DEED POLL**

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*The following is the Issuer Deed Poll which sets out terms and conditions applicable to the Notes.*

*The Notes will be unsecured debt obligations of the Issuer owing under the Issuer Deed Poll and will take the form of Dematerialised Securities.*

*Each Note Holder and subject to clause 2.10 of the Issuer Deed Poll, any person claiming through or under a Note Holder (if any) is deemed to have notice of and is bound by the Issuer Deed Poll, the Information Memorandum, and Guarantee. Copies of each of these documents are available for inspection by the holder of any Note at the offices of the Issuer at its specified address in the section headed 'Directory' of this Information Memorandum.*



# Operative provisions

## 1. Defined terms & interpretation

### 1.1 Defined terms

In this document:

**Agency Agreement** means the document entitled 'The ASX Austraclear Registry and IPA Services Agreement' between the Registrar and the Issuer dated 16 March 2010.

**Austraclear** means Austraclear Limited (ABN 94 002 060 773).

**Austraclear Regulations** means the regulations known as the 'Austraclear Regulations' established by Austraclear for the conduct of the Austraclear System, the most recent version being Version 1.10 dated 1 December 2015 (as may be amended and replaced from time to time).

**Austraclear System** has the meaning given to "System" in Austraclear Regulations.

**Authorised Officer** means:

- (a) in respect of the Issuer or any Guarantor, any director or secretary, or any person from time to time nominated as an Authorised Officer by the Issuer by a notice to the Note Holders accompanied by certified copies of signatures of all new persons so appointed; and
- (b) in respect of a Note Holder, a director, secretary or an officer whose title contains the word "director", "chief", "manager", "head" or "president" or a person performing the functions of any of them.

**Corporations Act** means the Corporations Act 2001 (Cth).

**Dealer** means a person who is at any time a Dealer under the Dealer Agreement.

**Dealer Agreement** means the amended and restated dealer agreement dated on or about the date of this deed poll between the Issuer, the Programme Manager and others (as may be amended and replaced from time to time).

**Dematerialised Security** has the meaning given to it in the Austraclear Regulations.

**Excluded Subsidiary** means AusNet Holdings General Partner Pty Ltd ABN 16 086 014 931 and any member of the Group which becomes a member of the Group after the date of this deed poll and which, in the Issuer's reasonable opinion (based on a written legal opinion from the Issuer's counsel that is addressed and delivered to the Programme Manager, and is in a form and substance satisfactory to the Programme Manager), is prohibited from becoming a Guarantor by the terms of a contractual obligation applying to it at the time it becomes a member of the Group (other than a contractual obligation created in anticipation of such entity becoming a member of the Group), however, where such member of the Group is no longer prohibited from becoming a Guarantor under the Guarantee by the terms of a contractual obligation, that member of the Group will cease to be an Excluded Subsidiary:

- (a) 45 days after the date of the next annual general meeting of the relevant entity which is the listed parent company of such member of the Group, if the accession of that member of the Group as a Guarantor under the Guarantee would otherwise contravene financial assistance provisions in Part 2J.3 of the Corporations Act or related party transactions provisions in Part 2E.1 of the Corporations Act; or

- (b) in other cases, 45 days from the date that the member of the Group is no longer prohibited from becoming a Guarantor.

**Group** means AusNet Services Ltd ABN 45 603 317 559 and its Subsidiaries.

**Guarantee** means the deed poll guarantee and indemnity dated on or about the date of this deed poll executed by each Guarantor.

**Guarantor** means each person described as such in the Guarantee and includes, for the avoidance of doubt, each person who accedes as a new Guarantor under the terms of the Guarantee.

**Issuer** means AusNet Services Holdings Pty Ltd ABN 97 086 006 859.

**Maturity Date** means, in relation to a Note, the day on which the Note is or is due to mature.

**Member** has the meaning given to it in the Austraclear Regulations.

**Note** means an unsecured debt obligation of the Issuer owing under and constituted by this deed poll to a Note Holder and taking the form of a Dematerialised Security which is recorded electronically in accordance with the Austraclear Regulations or, if Withdrawn, in the form of a paper security.

**Note Holder** means, in relation to a Note at any time, the person in whose Security Record the Note then appears or who is holding a Withdrawn Note.

**Principal Amount** means, in respect of a Note, the principal amount which is payable in respect of the Note on its Maturity Date.

**Programme** means the Issuer's uncommitted revolving programme for the issuance of Notes under the Transaction Documents.

**Programme Manager** means Commonwealth Bank of Australia (ABN 48 123 123 124) in its capacity as administration manager of the Programme, or such other person appointed by the Issuer from time to time in accordance with the Dealer Agreement (and who has consented to act) as programme manager in relation to the Programme.

**Registrar** means Austraclear Services Limited (ABN 28 003 284 419).

**S&P** means Standard & Poor's Financial Services LLC, a division of McGraw Hill Financial and its successors or affiliates.

**Security Record** has the meaning given to it in the Austraclear Regulations.

**Subsidiary** of an entity means:

- (a) of another entity which is a subsidiary of the first within the meaning of that term in the Corporations Act;
- (b) any other entity which is a subsidiary or otherwise controlled by the first within the meaning of any approved accounting standard.

**Total Assets** means, in relation to any entity, the aggregate value of all current and non-current assets on a consolidated basis and after eliminating all inter-company transactions.

**Total Group Assets** means the aggregate value of all current and non-current assets of the Group on a consolidated basis and after eliminating all inter-company transactions minus the aggregate value of the Total Assets of any Excluded Subsidiaries.

**Transaction Documents** means this deed poll, the Dealer Agreement, the Guarantee, the Agency Agreement, each Note and any other document evidencing terms and conditions of any Note, or any of them or all of them, as the case requires.

**Withdraw** has the meaning given to it in the Austraclear Regulations.

## **1.2 Interpretation**

In this document, the following rules apply unless the context requires otherwise.

- (a) The singular includes the plural and the converse.
- (b) A gender includes all genders.
- (c) Where a word or phrase is defined, its other grammatical forms have a corresponding meaning.
- (d) Headings are for convenience only and do not affect interpretation.
- (e) A reference to a person, corporation, trust, partnership, unincorporated body or other entity includes any of the foregoing.
- (f) A reference to a clause, annexure or schedule is a reference to a clause of, or annexure or schedule of this document.
- (g) A reference to a party to this document or another agreement or document includes the party's successors and permitted substitutes and assigns.
- (h) A reference to an agreement or document is to the agreement or document as amended, novated, supplemented or replaced from time to time.
- (i) A reference to legislation or to a provision of legislation includes a modification or re-enactment of it, legislative provisions substituted for it and a regulation or statutory instrument issued under it.
- (j) A reference to writing includes a facsimile transmission and any means of reproducing words in a tangible and permanently visible form.
- (k) A reference to conduct includes, without limitation, an omission, statement or undertaking, whether or not in writing.
- (l) A reference to time is a reference to Eastern Standard Time, unless the context otherwise requires.
- (m) A reference to 'dollars' 'AUD', 'A\$' or '\$' is to the lawful currency of Australia.
- (n) A reference to an amount for which a person is contingently liable includes an amount which that person may become actually or contingently liable to pay if a contingency occurs, whether or not that liability will actually arise.
- (o) A reference to an asset includes any real or personal, present or future, tangible or intangible property or asset and any right, interest, revenue or benefit in, under or derived from the property or asset. A reference to an asset does not include a liability.
- (p) A reference to an Act, Statute or any other law is, unless otherwise stated, a reference to an Australian Act, Statute or law.

## **1.3 Determination, statement or certificate**

Except where otherwise provided any determination, statement or certificate by the auditors of the Issuer is, in the absence of manifest error, prima facie evidence of each thing determined, stated or certified unless it is proven wrong.

#### **1.4 This deed poll only an amendment and restatement**

For the avoidance of doubt, the Issuer confirms that this deed poll simply amends and restates the original version of this deed poll entered into on 25 July 2007 (which in turn was an amendment and restatement of the original version of this deed poll entered into on 9 June 2006).

## **2. Notes**

### **2.1 Creation of Notes**

The Issuer may, at any time, create Notes upon the terms and conditions of this deed poll.

### **2.2 Obligations under Notes**

- (a) The obligations of the Issuer to each Note Holder under a Note are constituted by, and specified in, this deed poll.
- (b) A Note is a debt obligation of the Issuer under this deed poll and takes the form of a Dematerialised Security.

### **2.3 Form and denomination**

Each note is issued in the form of a Dematerialised Security and in Australian dollars and in denominations as are determined by the Issuer from time to time. The aggregate consideration payable to the Issuer on issue of any Notes must be a minimum of \$500,000 (disregarding the amounts, if any, lent by the Issuer or other persons offering the Notes or their respective associates (within the meaning of those expressions in Part 6D.2 of the Corporations Act)) or otherwise in a manner which does not require disclosure to be made under Parts 6D.2 or 7.9 of the Corporations Act.

### **2.4 Issue of Notes**

A Note is issued when it has been validly Deposited (as defined in the Austraclear Regulations) by the Issuer in the Austraclear System, and Austraclear has recorded such Deposit in the Security Record of the Issuer, in accordance with the Austraclear Regulations.

### **2.5 Upon Entry**

- (a) Upon Entry (as defined in the Austraclear Regulations) of a Note into the Issuer's Security Record, the Issuer will be entitled to transfer or hold the Note.
- (b) For the purposes of the Austraclear Regulations, a Note which is a Dematerialised Security will be an 'EPN' (as defined in the Austraclear Regulations).

### **2.6 Status of Notes**

Notes constitute direct, unsubordinated and unsecured obligations of the Issuer. Notes will rank at least equally with all other unsecured and unsubordinated obligations of the Issuer, except obligations mandatorily preferred by law.

## **2.7 Ownership of Notes**

- (a) The person in whose Security Record a Note appears at any time will be treated by the Issuer and by all other persons as the absolute owner, and the only absolute owner, at that time of the Note. No person in whose Security Record the Note has previously appeared is entitled to assert against the Issuer or the relevant Note Holder for the time being and from time to time any rights, benefits or entitlements in respect of the Note.
- (b) Neither the Issuer nor any other person is bound or compelled in any way to recognise (whether or not it has notice of the interest or the right concerned) any legal, equitable, contingent, future, partial or other interest in any Note or (except as otherwise required by law) any other right in respect of the Note except an absolute right of ownership in the relevant Note Holder.

## **2.8 No certificates**

Except to the extent required by law, the Austraclear Regulations and clause 2.9:

- (a) no certificates in respect of Notes will be issued by the Issuer; and
- (b) no Note Holder has any right to call for, or to be given, a certificate in respect of any Note.

## **2.9 Withdraw**

If a Note is Withdrawn from the Austraclear System in accordance with the Austraclear Regulations, the Issuer will provide the relevant Note Holder with a physical security in respect of the debt obligation in accordance with the Austraclear Regulations.

# **3. Rights and Obligations of Note Holders**

## **3.1 Deed poll**

This document is executed as a deed poll. Accordingly:

- (a) each Note Holder has, subject to performance of its obligations, the benefit of, and is entitled to enforce, this deed poll even though it is not a party to it, or is not in existence at the time this deed poll is executed by the Issuer;
- (b) each Note Holder may enforce its rights under this deed poll in respect of Notes owned by it independently from each other Note Holder; and
- (c) each Note Holder and, subject to clause 2.7(b), any person claiming through a Note Holder (if any) is bound by this deed poll. Notes are issued on the condition that, and the Transaction Documents are or will be entered into on the basis that, each Note Holder and, subject to clause 2.7(b) each person claiming through each Note Holder (if any) is taken to have notice of, is bound by and complies with all the provisions of this deed poll.

## **3.2 Payment to Note Holders**

- (a) The Issuer:
  - (i) undertakes to each Note Holder to pay to that Note Holder, in respect of each Note owned by that Note Holder, in accordance with this deed poll and the Austraclear Regulations:

- (A) the Principal Amount of the Note on its Maturity Date; and
- (B) any other amount which may be payable in respect of the Note issued by it when due in accordance with this deed poll; and
- (ii) acknowledges for the benefit of each Note Holder that it is indebted to that Note Holder in respect of the Note held by it upon the terms and conditions of this deed poll and the Austraclear Regulations.
- (b) The Issuer's undertakings and acknowledgements in clause 3.2(a) become effective in respect of a Note and the relevant Note Holder from the date of transfer of the Note to the Security Record of the Note Holder in accordance with the Austraclear Regulations.
- (c) Payment made in accordance with clauses 3.2(a) and 3.2(b) constitutes satisfaction of the monies payable to a Note Holder and constitutes a good discharge to the Issuer and the Guarantor despite any notice it may have (whether express or otherwise) of the right, title, interest or claim of any other person to or in that money or the Note in relation to which the payment is made.
- (d) Any payment made by or on behalf of the Issuer to the Registrar for the account of a Note Holder constitutes for all purposes an absolute and unconditional release and discharge of the Issuer, to the extent of such payment, of all obligations and indebtedness in respect of the Note in relation to which payment is made.
- (e) If required by any laws, statutes, regulations, by laws, ordinances and subordinate legislation in any jurisdiction with which the Issuer must comply, the Issuer is authorised to make any deductions required to comply with those instruments (including, without limitation, under either Subdivision 12-F of Schedule 1 to the *Taxation Administration Act 1953* or, to the extent it is still operative, section 221YL of the *Income Tax Assessment Act 1936*) and the Issuer will not be under any obligation to reimburse or compensate a Note Holder for the deducted amount.
- (f) Where a Note is held jointly, moneys payable in respect of that Note will be paid to the relevant Note Holders in their joint names unless all joint Note Holders request otherwise.

### **3.3 Transfer of Notes**

Unless a Note has been Withdrawn, a Note may be transferred only:

- (a) to Members;
- (b) in accordance with the Austraclear Regulations; and
- (c) provided:
  - (i) the consideration payable by each offeree is at least A\$500,000 or the transfer is effected in a manner which does not require disclosure to investors under Parts 6D.2 or 7.9 of the Corporations Act;
  - (ii) the transfer is not to a "retail client" for the purpose of Chapter 7 of the Corporations Act; and
  - (iii) such action:

- (A) complies with applicable laws, regulations and directives in Australia and any other relevant jurisdiction;
  - (B) does not require any document to be lodged or registered with the Australian Securities and Investments Commission or ASX Limited (or its financial market, the Australian Securities Exchange); and
  - (C) does not require the preparation, registration, lodgement or approval of a prospectus or corresponding or similar document relating to the Notes or the Issuer, or any other action or steps (including any filings with or by any government agency or regulatory authority), in any jurisdiction.
- (d) A transferee will be treated as the Note Holder in relation to a Note from the date of transfer of the Note to the Security Record of the transferee in accordance with the Austraclear Regulations.

## **4. Redemption and Purchase**

### **4.1 Purchase**

The Issuer may at any time purchase with the agreement of the relevant Note Holder any Note in any manner. A Note purchased by or for the account of the Issuer may be cancelled or resold at the option of the Issuer.

### **4.2 Cancellation**

All Notes redeemed by the Issuer, or which are purchased by the Issuer and which the Issuer elects to cancel, shall be cancelled forthwith and may not be reissued or resold and all liabilities and obligations of the Issuer in connection with a Note so redeemed or cancelled are discharged.

## **5. Guarantee**

Notes are issued with the benefit of the Guarantee.

## **6. 90% Rule**

Subject to clause 12.1 and clause 12.2 of the Guarantee, the Issuer must ensure that at all times the Total Assets of the Issuer and the Guarantors are not less than 90% of the Total Group Assets.

## **7. General**

### **7.1 Austraclear System**

The Issuer will not be responsible for any loss occasioned by the failure of the Austraclear System or the failure of any person (except the Issuer) to perform its obligations under the Austraclear Regulations or otherwise and the Issuer will have no obligation or liability for any loss incurred as a result of the occurrence of an event referred to in regulation 8A.7 of

the Austraclear Regulations.

## 7.2 Severability of provisions

Any provision of this deed poll which is prohibited or unenforceable in any jurisdiction is ineffective as to that jurisdiction to the extent of the prohibition or unenforceability. That does not affect the validity or enforceability of that provision in any other jurisdiction.

## 7.3 Notices

All notices, requests, demands, approvals, consents or other communications:

(a) to the Issuer in connection with this document:

(i) must be given by the party or an Authorised Officer of the relevant Note Holder or by a solicitor or other lawyer acting for that party;

(ii) must be in writing and in English addressed to the Issuer at:

Address: C/o AusNet Services

Level 31, 2 Southbank Boulevard  
Melbourne, Vic 3006

Attention: Alastair Watson, Manager – Treasury

Email: Treasury@ausnetservices.com.au

or such other address or email address as the Issuer may notify to the Note Holder; and

(iii) will be taken to be made:

(A) when delivered to such address (in the case of delivery in person or by post); or

(B) the earlier of:

(I) when the sender receives an automated message confirming delivery; or

(II) 2 hours after the time sent (as recorded on the device from which the sender sent the email) unless the sender receives an automated message that the email has not been delivered,

(in the case of delivery by email)

(III)

(b) to Note Holders in connection with this document may be given by an Authorised Officer of, or solicitor or other lawyer acting for, the Issuer and must be:

(i) published in The Australian Financial Review (or another English language newspaper in general circulation in Australia), in which case such notice will be deemed to have been given on the date the notice is first published; or

(ii) despatched by prepaid ordinary post (airmail if posted to a place outside Australia) to the Note Holders at their registered addresses. That notice is taken to be received on the third (seventh, if posted to a place outside Australia) day after posting.



#### **7.4 Governing law and jurisdiction**

This deed poll and all Notes are governed and construed under the laws of Victoria. The Issuer and, by purchasing a Note or Notes each Note Holder, submit to the non-exclusive jurisdiction of the courts exercising jurisdiction there.

#### **7.5 Attorneys**

Each attorney signing this document under a power of attorney certifies, by the attorney's signature that the attorney has no notice of the revocation of the power of attorney.

#### **7.6 Miscellaneous**

- (a) A provision of or a right created under this deed poll may not be waived or varied except in writing signed by the person or persons to be bound.
- (b) Any person may give conditionally or unconditionally or withhold its approval or a consent in its absolute discretion unless this deed poll expressly provides otherwise.
- (c) A single or partial exercise of a right, power or remedy will not preclude any further or other exercise of that or of another right, power or remedy.
- (d) Any present or future legislation which operates to vary the obligations or rights of any person in connection with this deed poll is excluded except to the extent that its exclusion is prohibited or rendered ineffective by law.
- (e) The rights and remedies provided in this deed poll are cumulative and not exclusive of any rights or remedies provided by law independently of this deed poll.

## Glossary

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### 1.1 Terms defined in the Issuer Deed Poll

Terms defined in the Issuer Deed Poll have the same meaning when used in this Information Memorandum.

### 1.2 Other defined terms

The following definitions apply in this Information Memorandum:

<b>AER</b>	Australian Energy Regulator
<b>AMI</b>	Advanced Metering Infrastructure
<b>ASX or Australian Securities Exchange</b>	ASX Limited or its financial market, the Australian Securities Exchange
<b>ASIC</b>	Australian Securities and Investments Commission
<b>Corporations Act Group</b>	<i>Corporations Act 2001</i> (Cth) of Australia As defined in the Issuer Deed Poll
<b>SGX or SGX-ST or Singapore Exchange or Singapore Stock Exchange</b>	Singapore Exchange Securities Trading Limited or the securities exchange which it operates, as the context requires
<b>AusNet Services Distribution</b>	AusNet Services Distribution Ltd (ABN 37 108 788 245)
<b>AusNet Services</b>	AusNet Services Ltd (ABN 45 603 317 559)
<b>AusNet Services Transmission</b>	AusNet Services (Transmission) Ltd (ABN 48 116 124 362)
<b>AusNet Electricity Services</b>	AusNet Electricity Services Pty Ltd (ABN 91 064 651 118)
<b>AusNet Transmission Group</b>	AusNet Transmission Group Pty Ltd (ABN 78 079 798 173)

## DIRECTORY

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### Issuer

### Initial Registrar for Notes

#### **AusNet Services Holdings Pty Ltd**

Level 31  
2 Southbank Boulevard, South Bank  
Melbourne Vic 3006

Telephone: (61 3) 9695 6363  
Facsimile: (61 3) 8635 7524  
Attention: Assistant Treasurer

#### **Austraclear Services Limited**

Level 4  
20 Bridge Street  
Sydney NSW 2000

Telephone: (61 2) 8298 8476  
Facsimile: (61 2) 9256 0456  
Attention: Manager, Clearing and Settlements  
Operations

### **Programme Manager**

#### **Commonwealth Bank of Australia**

Level 24 Tower 1  
Darling Park  
201 Sussex Street  
Sydney, NSW 2000

Telephone: (61 2) 9117 0047  
Facsimile: (61 2) 9118 1255  
Attention: Director, DCM Origination  
Email: Tabitha.Chang@cba.com.au

## Dealers

### **Australia and New Zealand Banking Group Limited**

Level 7

100 Queen Street

Melbourne, Vic 3000

Telephone: (61 3) 9095 0030

Facsimile: (61 2) 9227 1113

Attention: Manager, Short Dated  
Securities

### **Commonwealth Bank of Australia**

Level 24 Tower 1

Darling Park

201 Sussex Street

Sydney, NSW 2000

Telephone: (61 2) 9118 1255

Facsimile: (61 2) 9118 1002

Attention: Director, DCM Origination

Email: [Tabitha.Chang@cba.com.au](mailto:Tabitha.Chang@cba.com.au)

### **Westpac Banking Corporation**

Level 2

Westpac Place

275 Kent Street

Sydney NSW 2000

Telephone: (61 2) 8253 4574

Facsimile: (61 2) 8254 6937

Attention: Executive Director, Debt  
Securities

### **National Australia Bank Limited**

Level 30

500 Bourke Street

Melbourne Vic 3000

Telephone: (613) 9277 3344

Facsimile: (613) 8641 3922

Attention: Senior Distribution Manager, Debt  
Markets Institutional Sales