

Australian Unity Bonds – Offer Specific Terms

Australian Unity Limited (ABN 23 087 648 888) (the “Issuer”)

Series B Australian Unity Bonds – Tranche 1

Issue of A\$230,000,000 (with the ability to raise more or less) Floating Rate Australian Unity Bonds due 15 December 2020 by the Issuer (“Series B Australian Unity Bonds – Tranche 1”)

The date of these Offer Specific Terms is 17 November 2015. These Offer Specific Terms will be updated on the Issue Date to confirm the principal amount.

These Offer Specific Terms (as referred to in the Offer Specific Prospectus dated 17 November 2015 (“**Offer Specific Prospectus**”) and the Base Prospectus dated 9 November 2015 (“**Base Prospectus**”)) relate to the Series B Australian Unity Bonds – Tranche 1.

These Offer Specific Terms are supplementary to, and should be read in conjunction with, the terms and conditions of the Australian Unity Bonds (“**Conditions**”) contained in the Base Prospectus and the Trust Deed relating to the Australian Unity Bonds between the Issuer and Australian Executor Trustees Limited (ABN 84 007 869 794) dated 9 November 2015 (the “**Trust Deed**”).

The Series B Australian Unity Bonds – Tranche 1 are unsecured notes for the purposes of section 283BH of the Corporations Act.

Unless otherwise indicated, terms defined in the Conditions have the same meaning in these Offer Specific Terms.

The particulars to be specified in relation to the Series B Australian Unity Bonds – Tranche 1 are as follows:

1	Issuer	:	Australian Unity Limited (ABN 23 087 648 888)
2	Type of Bond	:	Floating Interest Rate
3	Joint Lead Managers	:	Australia and New Zealand Banking Group Limited (ABN 11 005 357 522), Evans and Partners Pty Ltd (ABN 85 125 338 785) and National Australia Bank Limited (ABN 12 004 044 937)
4	Registrar	:	Link Market Services Limited (ABN 54 083 214 537)
5	Series particulars	:	Series B Australian Unity Bonds – Tranche 1
6	Principal amount of Tranche	:	A\$230,000,000 (with the ability to raise more or less)
7	Issue Date	:	15 December 2015
8	Face Value	:	A\$100 per Australian Unity Bond

- 9 Maturity Date : 15 December 2020
- 10 Interest particulars : (a) The Floating Interest Rate provisions of Condition 2.4 apply.
- (b) The Market Rate is the Bank Bill Rate.
- (c) The Margin is 2.80 percent per annum.
- (d) The Interest Commencement Date is the Issue Date.
- (e) The Interest Payment Dates are 14 January, 14 April, 14 July and 14 October in each year.
- (f) The Business Day Convention is Following Business Day Convention.
- (g) The Day Count Fraction is Actual/365 (Fixed).
- 11 Gearing (Condition 4.2) : (a) Applicable
- (b) The Covenant Gearing Ratio must not be greater than 50 percent.
- 12 Financial Indebtedness (Condition 4.3(e)) : For the purposes of clause 4.3(e) of the Conditions, the following Financial Indebtedness is specified:
- (a) any present or future Retirement Village Investment Notes issued by Australian Unity Finance Limited (AUFL) provided the recourse of the holders of those notes is limited to the assets of AUFL and Australian Unity Retirement Living Investments Limited
- (b) the \$30,000,000 subordinated capital notes issued by Australian Unity Health Limited (AUHL) (and any other subordinated capital notes issued by AUHL on the same or similar terms provided the outstanding aggregate principal amount does not exceed \$50,000,000 (including the \$30,000,000 on issue as at the date hereof)
- (c) \$5.1 million in loans between Grand United Centenary Centre Limited and Australian Unity Retirement Living Management Pty Limited dated 31 August 2012
- (d) \$49,000,000 Facility Agreement – Carlton Residential Aged Care Facility dated 26 June 2012 between Australian Unity Retirement Development Management Pty Ltd in its capacity as responsible entity for the Australian

Unity Carlton Aged Care Trust,
Australian Unity Care Services Pty
Limited, Australian Unity Aged Care
Investments Pty Ltd and Australia and
New Zealand Banking Group Limited

13 Stock Exchange : ASX

Confirmed by the Issuer:



For and on behalf of Australian Unity Limited