

Series No.: 1

Tranche No.: 1



Members Equity Bank Limited
(ABN 56 070 887 679)

Programme for the Issuance of Capital Notes

Issue of
A\$200,000,000 Perpetual Capital Notes
("Capital Notes")

The date of this Pricing Supplement is 27 November 2017 ("**Pricing Supplement**").

This Pricing Supplement (as referred to in the Information Memorandum dated 14 November 2017 ("**Information Memorandum**") in relation to the above Programme) relates to the Tranche of Capital Notes referred to above. It is supplementary to, and should be read in conjunction with the terms and conditions of the Capital Notes contained in the Information Memorandum ("**Terms**") and the Note Deed Poll dated 14 November 2017 made by the Issuer. Unless otherwise indicated, terms defined in the Conditions have the same meanings in this Pricing Supplement.

The Capital Notes qualify as Additional Tier 1 Capital of Members Equity Bank Limited ("**Issuer**") under the prudential standards and guidelines made by the Australian Prudential Regulation Authority ("**APRA**") and applicable to the Issuer. The Capital Notes will be Written-off if a Non-Viability Trigger Event occurs.

This Pricing Supplement does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation, and no action is being taken to permit an offering of the Capital Notes or the distribution of this Pricing Supplement in any jurisdiction where such action is required.

The particulars to be specified in relation to the Tranche of Capital Notes referred to above are as follows:

1 Issuer : Members Equity Bank Limited (ABN 56 070 887 679)

2	Type of Notes	:	Perpetual, non-cumulative, subordinated, unsecured debt obligations constituting Additional Tier 1 Capital of the Issuer which are Floating Rate Notes (Condition 4.4)
3	Method of distribution	:	Syndicated Issue
4	Arranger	:	Members Equity Bank Limited (ABN 56 070 887 679)
5	Dealers	:	Members Equity Bank Limited (ABN 56 070 887 679) National Australia Bank Limited (ABN 12 004 044 937) Westpac Banking Corporation (ABN 33 007 457 141)
6	Registrar	:	Austraclear Services Limited (ABN 28 003 284 419)
7	Status of the Capital Notes	:	Subordinated (ranking ahead only of Members Equity Bank Shares and any other instruments constituting Common Equity Tier 1 Capital of the Issuer) The Capital Notes do not constitute deposit liabilities of the Issuer for the purposes of the Banking Act 1959 (Cth).
8	If to form a single Series with an existing Series, specify date on which all Capital Notes of the Series become fungible, if not the Issue Date	:	Not applicable.
9	Aggregate principal amount of Capital Notes	:	A\$200,000,000
10	Issue Date	:	28 November 2017
11	Issue Price / Purchase Price	:	A\$200,000,000
12	Currency	:	Australian dollars
13	Denomination and Face Value	:	A\$10,000
14	Record Date	:	Terms apply
15	Distribution Rate	:	As per Condition 4.4
16	Distribution Commencement Date, if not Issue Date	:	Not applicable
17	Distribution Payment Dates	:	Each 28 February, 28 May, 28 August and 28 November, subject to adjustment in accordance with the Business Day Convention

18	Business Day Convention	:	Following Business Day Convention
19	Margin	:	5.25% per annum
20	Fixed Coupon Amount	:	Not applicable
21	Day Count Fraction	:	Not applicable (Clause 4.4 of the Terms applies)
22	Rounding	:	As per Terms
23	Optional Redemption by the Issuer	:	Clause 6.1(b) of the Terms is applicable. For the purposes of clause 6.1(b) of the Terms, the first date on which the Issuer may Redeem the Capital Notes is 28 November 2022 <i>The Issuer must obtain the prior written approval of APRA before Redeeming Capital Notes. Such approval may or may not be given.</i>
24	Specify any other conditions to exercise of option (which are not set out in Terms)	:	Not applicable
25	Early Redemption on occurrence of Tax Event	:	Clause 6.1(a) (Tax Event) of the Terms is applicable
26	Early Redemption on occurrence of Regulatory Event	:	Clause 6.1(a) (Regulatory Event) of the Terms is applicable
27	Additional or alternate newspapers	:	Not applicable
28	Other relevant terms and conditions or amendments to Terms	:	Not applicable As provided in the Information Memorandum, the Capital Notes will not be issued unless the aggregate consideration payable by each offeree is at least A\$500,000 (disregarding moneys lent by the offeror or its associates) or the offer or invitation does not otherwise require disclosure to investors in accordance with Parts 6D.2 or 7.9 of the Corporations Act 2001 of Australia (" Corporations Act ").
29	Clearing System(s)	:	Austraclear System, Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme
30	ISIN	:	AU3FN0039459
31	Common Code	:	172816711
32	Selling Restrictions	:	As per Information Memorandum
33	Other amendments	:	On page 3 of the Information Memorandum under the heading "Terms of issue", the words "maturity date" are deleted.

CONFIRMED

For and on behalf of
Members Equity Bank Limited

By: 

Name: GARY JACKSON

Title: CFO

Date: 27.11.17