

Main features of Regulatory Capital instruments

The regulatory capital instruments of Holiday Coast Credit Union Ltd (the Credit union) comprise of the following:

- Retained profits;
- Redeemed share capital account;
- Asset revaluation reserve;
- General reserve for credit losses; and
- Member investment securities (MIS).

Retained profits

Represents the accumulated net earnings of the Credit Union less any dividends paid on MIS. Retained profits are primarily used by the Credit Union to be reinvested in its primary activities.

Redeemed share capital account

Under the Corporations Act 2001, member shares are legally redeemable preference shares. As such, when redeemed, a transfer is made from retained profits for the share value redeemed.

Asset revaluation reserve

The asset revaluation reserve of the Credit Union records revaluations of non-current assets such as land and buildings.

General reserve for credit losses

The general reserve for credit losses records the balance of the general provision for impairment.

Member investment securities (MIS)

MIS are fully paid irredeemable non-cumulative preference shares at \$1 each. Further information on MIS are provided in the following table.

Member investment securities (MIS)

Item Number	Item Details	
1	Issuer	Holiday Coast Credit Union Ltd
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	Not Applicable
3	Governing law(s) of the instrument	Corporations Law
	<i>Regulatory treatment</i>	
4	Transitional Basel III rules	Additional Tier 1
5	Post-transitional Basel III rules	Pending APRA review
6	Eligible at solo/group/group & solo	Solo
7	Instrument type (ordinary shares/preference shares/subordinated notes/other)	irredeemable non-cumulative preference shares
8	Amount recognised in Regulatory Capital (Currency in mil, as of most recent reporting date)	\$3.434
9	Par value of instrument	\$1.00 per member investment security
10	Accounting classification	Shareholders' equity
11	Original date of issuance	29th June 2001
12	Perpetual or dated	Perpetual
13	Original maturity date	Not Applicable
14	Issuer call subject to prior supervisory approval	No
15	Optional call date, contingent call dates and redemption amount	Not Applicable
16	Subsequent call dates, if applicable	Not Applicable
	<i>Coupons/dividends</i>	
17	Fixed or floating dividend/coupon	Floating
18	Coupon rate and any related index	Average 180 day Bill Rate (BBSW rate) for six months preceding each dividend plus a maximum margin of 2%
19	Existence of a dividend stopper	No
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary
21	Existence of step up or other incentive to redeem	No
22	Noncumulative or cumulative	Noncumulative
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

Member investment securities (MIS)

Item Number	Item Details	
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	No
31	If write-down, write-down trigger(s)	Not Applicable
32	If write-down, full or partial	Not Applicable
33	If write-down, permanent or temporary	Not Applicable
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)	Not Applicable
36	Non-compliant transitioned features	Not Applicable
37	If yes, specify non-compliant features	Not Applicable