

Infratil Terms Sheet

For the offer of Infrastructure Bonds



7 year fixed rate bond
maturing 15 December 2026
3.35% p.a.

10 year bond
maturing 15 December 2029
**3.50% p.a. (rate reset on 15 December 2020
and annually thereafter)**



Terms Sheet dated 20 August 2019

Infratil
Terms Sheet
August 2019

This Terms Sheet sets out the key terms of the offer ("**Offer**") by Infratil Limited ("**Infratil**") of up to \$200,000,000 (plus oversubscriptions of up to \$100,000,000) of bonds ("**Infrastructure Bonds**") in two separate Series:

- the first Series is an Infrastructure Bond maturing on 15 December 2026 ("**2026 Bonds**"); and
- the second Series is an Infrastructure Bond maturing on 15 December 2029 ("**2029 Bonds**").

The Infrastructure Bonds of each Series will be issued under the programme trust deed dated 11 November 1999 (as amended from time to time) between Infratil and Trustees Executors Limited as supplemented by the series supplement for that Series dated 20 August 2019 (together, "**Trust Deed**"). Unless the context requires otherwise, capitalised terms used in this Terms Sheet have the same meaning given to them in the Trust Deed.

Important Notice

The Offer by Infratil is made in reliance upon the exclusion in clause 19 of schedule 1 of the Financial Markets Conduct Act 2013 ("**FMCA**").

The Offer contained in this Terms Sheet is an offer of two Series of Infrastructure Bonds, each of which have identical rights, privileges, limitations and conditions (except for the interest rate and maturity date) as:

- Infratil's bonds maturing on 15 December 2028, which have an interest rate of 4.85% per annum (rate reset after five years) and which are currently quoted on the NZX Debt Market under the ticker code IFT270 ("**IFT270 Bonds**");
- Infratil's fixed rate bonds maturing on 15 December 2024, which have an interest rate of 4.75% per annum and which are currently quoted on the NZX Debt Market under the ticker code IFT260 ("**IFT260 Bonds**");
- Infratil's fixed rate bonds maturing on 15 June 2025, which have an interest rate of 6.15% per annum and which are currently quoted on the NZX Debt Market under the ticker code IFT250 ("**IFT250 Bonds**");
- Infratil's fixed rate bonds maturing on 15 December 2022, which have an interest rate of 5.65% per annum and which are currently quoted on the NZX Debt Market under the ticker code IFT240 ("**IFT240 Bonds**");
- Infratil's fixed rate bonds maturing on 15 June 2024, which have an interest rate of 5.50% per annum and which are currently quoted on the NZX Debt Market under the ticker code IFT230 ("**IFT230 Bonds**");
- Infratil's fixed rate bonds maturing on 15 June 2021, which have an interest rate of 4.90% per annum and which are currently quoted on the NZX Debt

Market under the ticker code IFT220 ("**IFT220 Bonds**");

- Infratil's fixed rate bonds maturing on 15 September 2023, which have an interest rate of 5.25% per annum and which are currently quoted on the NZX Debt Market under the ticker code IFT210 ("**IFT210 Bonds**"); and
- Infratil's fixed rate bonds maturing on 15 June 2022, which have an interest rate of 6.85% per annum and which are currently quoted on the NZX Debt Market under the ticker code IFT190 ("**IFT190 Bonds**"),

together the "**Quoted Bonds**".

Accordingly, the Infrastructure Bonds are the same class as the Quoted Bonds for the purposes of the FMCA and the Financial Markets Conduct Regulations 2014.

Infratil is subject to a disclosure obligation that requires it to notify certain material information to NZX Limited ("**NZX**") for the purpose of that information being made available to participants in the market and that information can be found by visiting www.nzx.com/companies/IFT.

The Quoted Bonds are the only debt securities of Infratil that are currently quoted and in the same class as the Infrastructure Bonds that are being offered.

Investors should look to the market price of the Quoted Bonds referred to above to find out how the market assesses the returns and risk premium for those bonds.

The 2026 Bonds and the 2029 Bonds have different maturity dates and interest rates (the interest rate for the 2026 Bonds is fixed for the entire term, whereas the interest rate for the 2029 Bonds is fixed for the first 15 months of the term and then resets annually – see "Interest Rate" below for more details). Investors should consider these features before deciding to invest in the Infrastructure Bonds.



Salt Creek wind farm

Key Terms of the Infrastructure Bonds

Infratil
Terms Sheet
August 2019

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| Issuer: | Infratil Limited |
| Description: | Infrastructure Bonds are unsecured, unsubordinated debt securities of Infratil to be issued pursuant to the Trust Deed |
| Opening Date: | 20 August 2019 |
| Offer Amount: | The Offer is for up to \$200 million of Infrastructure Bonds in aggregate across both Series of Infrastructure Bonds (with the option to accept oversubscriptions of up to \$100 million in aggregate at Infratil's discretion). Accordingly, the maximum aggregate amount of Infrastructure Bonds being offered by Infratil is \$300 million. There is no minimum size for each Series of Infrastructure Bonds. |
| Closing Date: | 5.00pm, 20 September 2019 |
| Interest Rate: | <p>2026 Bonds: 3.35% per annum</p> <p>2029 Bonds:</p> <p>The Interest Rate of the 2029 Bonds will be fixed for the first 15 months of the term, and will then reset on 15 December 2020 and on 15 December of each subsequent year.</p> <p>First 15 months: The Interest Rate of the 2029 Bonds for the period from the Issue Date to (and including) 15 December 2020 will be 3.50% per annum.</p> <p>Subsequent years: The Interest Rate will reset on 15 December 2020 and on 15 December of each subsequent year during the term of the 2029 Bonds (each, a "Rate Reset Date"), with the new Interest Rate applying for the 12 month period from (but excluding) the Rate Reset Date to (and including) 15 December of the following year. The Interest Rate for each 12 month period will be the sum of the One Year Swap Rate on the applicable Rate Reset Date (or, if the Rate Reset Date falls on a day that is not a Business Day, on the following Business Day) plus a margin of 2.50% per annum.</p> <p>For example, for the 12 month period from (but excluding) 15 December 2020 to (and including) 15 December 2021, the Interest Rate will be the sum of the One Year Swap Rate on 15 December 2020 plus 2.50% per annum.</p> <p>Each time the Interest Rate resets, Infratil will announce the new Interest Rate via NZX on the same day (or, if the Rate Reset Date falls on a day that is not a Business Day, on the following Business Day).</p> <p>The Interest Rate of the 2029 Bonds following each reset may be higher or lower than the Interest Rate of 3.50% which applies for the first 15 months of the term, and investors should consider the risk that it may be lower when deciding whether to invest.</p> |
| One Year Swap Rate: | <p>The One Year Swap Rate means, on any day:</p> <p>(a) the mid market swap rate for an interest rate swap with a one year term as calculated by the Issuer at 11.00am on that day in accordance with market convention with reference to Bloomberg page ICNZ4 (or any successor page); or</p> <p>(b) if a rate is unable to be determined in accordance with paragraph (a) or if the Issuer forms a view, on reasonable grounds, that the rate so determined is not an accurate reflection of market rates, the average of the mean bid and offered swap rates quoted by three registered banks in New Zealand at or about 11.00am on that day for an interest rate swap with a one year term,</p> <p>in each case expressed on a quarterly basis and rounded to 2 decimal places if necessary, with 0.005 being rounded up. If the relevant rate is less than 0% per annum, the One Year Swap Rate will be deemed to be 0% per annum.</p> |

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| Maturity Date: | 2026 Bonds: 15 December 2026 2029 Bonds: 15 December 2029 |
| Interest Payment Dates: | 15 March, 15 June, 15 September and 15 December of each year until and including the Maturity Date (commencing on 15 December 2019). |
| Interest Payments: | <p>Other than for the first Interest Payment Date, Infratil will pay interest in arrear in equal amounts on each Interest Payment Date. The Interest Rate which applies in respect of each Interest Payment Date of the 2029 Bonds will be fixed for the first 15 months of the term, and then reset on 15 December 2020 and on 15 December of each subsequent year (see "Interest Rate" above for more details).</p> <p>Interest payable on each Infrastructure Bond on the first Interest Payment Date will accrue at the Interest Rate from (and including) the date on which your subscription moneys have been banked into the trust account operated in respect of the Offer to (but excluding) the first Interest Payment Date.</p> <p>In addition, if the Infrastructure Bonds are redeemed on a day that is not an Interest Payment Date (see "Right to Redeem Early" and "Early Redemption Events" below), the amount of interest that will be payable to you will be adjusted to reflect the number of days in the interest period in which the interest accrued.</p> |
| First Interest Payment to Original Subscriber: | Interest payable on the first Interest Payment Date will be paid by Infratil to the original subscriber of an Infrastructure Bond regardless of any transfer of the Infrastructure Bond prior to the first Interest Payment Date. |
| Interest Suspension and Dividend Stopper: | <p>Infratil may suspend the payment of interest where an Interest Suspension Event exists. If the payment of interest is suspended:</p> <ul style="list-style-type: none">(a) interest will continue to accrue (without compounding) and will be paid by Infratil when the Interest Suspension Event ceases to exist; and(b) Infratil will not pay or make any distribution to shareholders or provide any financial assistance for the acquisition of shares in Infratil. |
| Interest Suspension Events: | <p>In summary, an Interest Suspension Event may occur if:</p> <ul style="list-style-type: none">(a) the interest payment would be likely to breach the solvency test in section 4 of the Companies Act 1993;(b) the interest payment would be likely to result in a breach of the terms or conditions of other financial indebtedness incurred by Infratil or certain of its subsidiaries; or(c) the interest payment would be likely to result in a breach of any other legal obligation by Infratil or certain of its subsidiaries. |

Right to Redeem Early:

Infratil has the right to redeem all or some of the Infrastructure Bonds of each Series prior to the Maturity Date for that Series by giving you no less than 5 Business Days' notice. Infratil may only exercise this right if:

- (a) the Supervisor has not declared the relevant Series of Infrastructure Bonds due and payable because an event of default as described in clause 8.1 of the Trust Deed exists; and
- (b) the notice of early redemption is given at a time prior to the day falling 25 Business Days before the Maturity Date.

You have no right of early redemption except following an Early Redemption Event.

Early Redemption Events:

In summary, an Early Redemption Event may occur if:

- (a) an event of default as described in clause 8.1 of the Trust Deed occurs; or
- (b) certain takeover offers are made in respect of the shares in Infratil.

In general terms, the events of default include non-payment for 14 days or more and the occurrence of certain insolvency related events in relation to Infratil.

Liabilities to Assets Covenant:

Infratil has agreed for the benefit of Bondholders that, on the last day of each financial year and financial half-year of Infratil (and in certain other circumstances), Borrowed Money Indebtedness of the Issuer Group (being Infratil and certain of its 100% owned subsidiaries) will not exceed 50% of Tangible Assets of Infratil and its subsidiaries as at that date.

Ranking of Infrastructure Bonds:

The Infrastructure Bonds are unsecured and unsubordinated debt obligations of Infratil. This means that in a liquidation of Infratil your rights and claims as a Bondholder:

- (a) will rank **after** the claims of (i) secured creditors of Infratil (if any), and (ii) creditors of Infratil who are preferred by law (e.g. the Inland Revenue Department in respect of unpaid tax);
- (b) will rank **equally** with the claims of all other unsecured, unsubordinated creditors of Infratil; and
- (c) will rank in **priority** to the claims of (i) subordinated creditors of Infratil (if any) (being creditors who have agreed to accept a lower priority in respect of their claims in a liquidation of Infratil), and (ii) shareholders.

Infratil is a holding company with investments in various companies. **Bondholders have no claims against, or recourse to the assets of, any of those companies.** Infratil's ability to make timely payments on the Infrastructure Bonds is dependent on the returns it receives from its investments, its capital structure and the quality of its management.

In a liquidation of the Infratil group, creditors of Infratil's subsidiaries and associates (including lenders) would have a prior claim to the assets of those companies ranking ahead of the claim of Infratil's liquidator (claiming as shareholder in the companies). Only the residual assets of the companies, after the claims of the companies' creditors have been satisfied, would be available to Infratil's liquidator and therefore Infratil's creditors (including Bondholders).

No Guarantee:

The Infrastructure Bonds are not guaranteed by any member of the Infratil group or any other person.

Issue Price:

\$1.00 per Infrastructure Bond (being the Face Value).

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| Issue Dates: | 20 September 2019 and 24 September 2019 |
| Expected Date of Initial Quotation on the NZX Debt Market: | 20 September 2019 |
| Minimum Application Amount: | \$5,000 and multiples of \$1,000 thereafter. The minimum application amount applies separately in respect of each Series. |
| ISIN: | 2026 Bonds: NZIFTD0280L4 2029 Bonds: NZIFTD0290L3 |
| Business Day: | A day on which NZX is open for trading. If any Interest Payment Date or the Maturity Date falls on a day that is not a Business Day, the due date for the payment to be made on that date will be on the immediately preceding Business Day, but the amount paid will not be adjusted. |
| Registrar and Paying Agent: | Link Market Services Limited |
| Who May Apply: | Infratil may reserve Infrastructure Bonds, including oversubscriptions, for subscription by clients of the Managers, NZX participants and other approved financial intermediaries (" Allocations "). The aggregate number of Infrastructure Bonds reserved will be determined by Infratil, in consultation with the Managers. Infratil, in consultation with the Managers, will determine the arrangements in respect of the Infrastructure Bonds which are not subject to Allocations and announce these arrangements via NZX. |
| How to Apply: | <p>Applications to subscribe for Infrastructure Bonds must be made on the application form attached to this Terms Sheet.</p> <p>Investors should contact any Manager, their financial adviser or any NZX participant for details on how they may acquire Infrastructure Bonds. You can find an NZX participant by visiting www.nzx.com/services/market-participants/find-a-participant. Applicants accepting an Allocation from an NZX participant or approved financial intermediary must return a completed application form to the office of that NZX participant or approved financial intermediary which has provided the Allocation in time to enable it to be forwarded to the Registrar before 5.00pm on the Closing Date.</p> <p>Public Pool applicants (being all applicants other than applicants in respect of Allocations) must return a completed application form, so that it is received by the Registrar (on behalf of Infratil) at the address below, no later than 5.00pm on the Closing Date:</p> <p style="text-align: center;">Link Market Services Limited PO Box 91976, Auckland 1142 Email: applications@linkmarketservices.co.nz</p> <p>Applications may be refused</p> <p>Infratil reserves the right to refuse any application or to accept an application in part only, without providing a reason. If Infratil refuses an application or accepts an application in part, all or the relevant balance of the application moneys will be returned (without interest) as soon as reasonably practicable and, in any event, within five Business Days after such refusal or acceptance in part.</p> <p>Each investor's financial adviser will be able to advise them as to what arrangements will need to be put in place for the investors to trade the Infrastructure Bonds including obtaining a common shareholder number ("CSN"), an authorisation code ("FIN") and opening an account with an NZX participant as well as the costs and timeframes for putting such arrangements in place.</p> |

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| Brokerage: | NZX has authorised NZX participants to act in the Offer. Applicants are not required to pay brokerage for Infrastructure Bonds under this Offer. |
| Use of Proceeds: | Infratil will use the net proceeds of the Offer for general corporate purposes. |
| NZX Debt Market Quotation: | <p>Infratil will take any necessary steps to ensure that the Infrastructure Bonds are, immediately after issue, quoted.</p> <p>Application has been made to NZX for permission to quote the Infrastructure Bonds on the NZX Debt Market and all the requirements of NZX relating thereto that can be complied with on or before the date of this Terms Sheet have been duly complied with. However, NZX accepts no responsibility for any statement in this Terms Sheet.</p> <p>NZX is a licensed market operator, and the NZX Debt Market is a licensed market, under the FMCA.</p> |
| NZX Debt Market Ticker Code: | <p>NZX Debt Market ticker code IFT280 has been reserved for the 2026 Bonds.</p> <p>NZX Debt Market ticker code IFTHC has been reserved for the 2029 Bonds.</p> |
| Supervisor: | Trustees Executors Limited |
| Governing Law: | New Zealand |
| No Underwriting: | The Offer is not underwritten. |
| Offer in New Zealand only: | <p>The Infrastructure Bonds may only be offered for sale or sold in New Zealand. Infratil has not and will not take any action which would permit a public offering of the Infrastructure Bonds, or possession or distribution of any offering material, in any country or jurisdiction where action for that purpose is required (other than New Zealand). Infrastructure Bonds may only be offered for sale or sold in compliance with all applicable laws and regulations in any jurisdiction in which they are offered, sold or delivered. Any information memorandum, terms sheet, circular, advertisement or other offering material in respect of the Infrastructure Bonds may only be published, delivered or distributed in or from any country or jurisdiction under circumstances which will result in compliance with all applicable laws and regulations.</p> <p>By subscribing for Infrastructure Bonds, you indemnify Infratil, the Managers and the Supervisor in respect of any loss incurred as a result of you breaching the above selling restrictions.</p> |
| Non-reliance: | <p>This Terms Sheet does not constitute a recommendation by the Managers, the Supervisor, or any of their respective directors, officers, employees, agents or advisers to subscribe for, or purchase, any of the Infrastructure Bonds.</p> <p>The Managers and the Supervisor have not independently verified the information contained in this Terms Sheet. In accepting delivery of this Terms Sheet, you acknowledge that none of the Managers, the Supervisor nor their respective directors, officers, employees, agents or advisers gives any warranty or representation of accuracy or reliability and they take no responsibility for it.</p> |

Other Information

Infratil
Terms Sheet
August 2019

The dates set out in this Terms Sheet are indicative only and Infratil may change the dates set out in this Terms Sheet. Infratil has the right in its absolute discretion and without notice to close the Offer early, to add additional Issue Dates, to extend the Closing Date, or to choose not to proceed with the Offer (in each case in respect of either or both Series of Infrastructure Bonds). If the Closing Date for a Series is changed, other dates in relation to that Series (such as the Issue Dates, the Maturity Date and the Interest Payment Dates) may be changed accordingly.

Any internet site address provided in the Terms Sheet is for reference only and, except as expressly stated otherwise,

the content of such internet site is not incorporated by reference into, and does not form part of, this Terms Sheet.

Copies of the Trust Deed are available by visiting www.infratil.com/for-investors/bonds/ or you may request a copy from:

Infratil Limited

5 Market Lane
Wellington
Attention: Fiona Cameron

or

Trustees Executors Limited

Level 5
10 Customhouse Quay
Wellington
Attention: Roger Dixon

Investors should seek qualified independent financial and taxation advice before deciding to invest. In particular, you should consult your tax adviser in relation to your specific circumstances. Investors will also be personally responsible for ensuring compliance with relevant laws and regulations applicable to them (including any required registrations).

For further information regarding Infratil, visit www.nzx.com/companies/IFT.

Directory

Issuer

Infratil Limited

5 Market Lane
PO Box 320
Wellington 6140
Telephone 04 473 3663

Supervisor

Trustees Executors Limited

Level 5, Maritime Tower
10 Customhouse Quay
PO Box 3222
Wellington 6143
Telephone 0800 878 783

Registrar

Link Market Services Limited

Level 11, Deloitte Centre
80 Queen Street
Auckland 1010
PO Box 91976
Auckland 1142

Managers of the Offer

ANZ Bank New Zealand Limited

Level 10, 171 Featherston Street
PO Box 540
Wellington 6011
Telephone 0800 269 476

Bank of New Zealand

Level 6, 80 Queen Street
Auckland 1010
Telephone 0800 284 017

Managers of the Offer

Deutsche Craigs Limited

Level 36, Vero Centre
48 Shortland Street
PO Box 1196
Auckland 1140
Telephone 0800 226 263

Forsyth Barr Limited

Level 23
Lumley Centre
88 Shortland Street
Auckland 1010
Telephone 0800 367 227

Jarden Securities Limited

Level 14, 171 Featherston Street
Wellington 6011
Telephone 0800 005 678



Application Instructions

These application instructions relate to an application for Infrastructure Bonds under the Offer. An application to subscribe for Infrastructure Bonds under the Offer must be made on the application form following these application instructions.

An application will constitute an irrevocable offer by the applicant to subscribe for the aggregate Face Value of Infrastructure Bonds of the relevant Series specified in the application form (or such lesser amount which Infratil may determine) on the terms set out in this Terms Sheet, the Trust Deed, the applicable Series Supplement and the application form.

A = Investor Details

Please complete all relevant sections in the Offer application form in CAPITAL LETTERS.

Full name details: Insert your full name. Applications must be in the name(s) of natural persons, companies or other legal entities, up to a maximum of three names per application.

Use the table below to see how to write your name correctly.

| Type of Investor: | Correct way to write Name: | Incorrect way to write Name: |
|---------------------------------------|--|-----------------------------------|
| Individual person | JOHN SMITH | J SMITH |
| More than one person | JOHN SMITH MICHELLE SMITH | J & M SMITH |
| Company | ABC LIMITED | ABC |
| Trusts | JOHN SMITH (JOHN SMITH FAMILY TRUST A/C) | SMITH FAMILY TRUST |
| Partnerships | JOHN SMITH MICHAEL SMITH (JOHN SMITH AND SONS A/C) | JOHN SMITH & SONS |
| Clubs and unincorporated associations | JANE SMITH (SMITH INVESTMENT CLUB A/C) | SMITH INVESTMENT CLUB |
| Superannuation funds | JOHN SMITH LIMITED (SUPERANNUATION FUND A/C) | JOHN SMITH SUPERANNUATION FUND |

Postal address details: Insert your postal address for correspondence. All communications to you from Infratil will be mailed to the person(s) at the address shown (unless an applicant provides an email address in section F of the application form). For joint applicants, only one address is to be provided.

Telephone numbers: Insert your telephone number(s) in case the Registrar or Infratil needs to contact you in relation to your application.

By supplying **your mobile number** you will enable the Registrar to advise you by TXT Alerts (post allotment for New Zealand investors only) of any changes on your holding balance, or if your bank account details or address on the register change, or if a new / replacement FIN has been requested. This feature provides additional security to you as an investor. You may unsubscribe at any time for this TXT Alert service.

B = Application Details

Please enter the aggregate Face Value of Infrastructure Bonds of each Series that you wish to apply for. Each Infrastructure Bond has a face value of \$1.00. An application to subscribe for Infrastructure Bonds of each Series must be for a minimum aggregate Face Value of \$5,000 and thereafter in multiples of \$1,000.

Payment must be made by direct debit, cheque (or, if the application is for an aggregate subscription amount of \$500,000 or more, by a bank cheque).

If you choose the direct debit option, by completing the direct debit account details, you authorise the Registrar to direct debit the bank account nominated on the application Form, on the day the application form is received by the Registrar, for the amount applied for on the application form. You cannot specify any other direct debit date and you must ensure that:

- the bank account details supplied are correct;
- sufficient funds in the bank account for direct debit are available on the day the Registrar receives the application form;
- the person(s) giving the direct debit instruction has/have the authority to operate the account solely/jointly; and
- the bank account you nominated is a transactional account eligible for direct debit transactions.

If you are uncertain, you should contact your bank or financial institution. Should your direct debit fail, your application may be rejected. The Registrar will not be able to process your direct debit if you do not sign and date the application form. If requested, the Registrar will provide you with a direct debit authority form.

Cheques must be in New Zealand dollars and drawn on a New Zealand branch of a registered bank. Cheques must be made payable to "Infratil Bond Offer", crossed "Not Transferable" and must not be post-dated. Staple your cheque to the completed application form.

Your cheque will be banked upon receipt into a designated bank trust account pending allotment of the Infrastructure Bonds. The banking of application moneys does not constitute confirmation of

allotment of any Infrastructure Bonds or acceptance of an offer to subscribe for Infrastructure Bonds.

If an applicant's direct debit or cheque is dishonoured, Infratil may cancel that applicant's allotment of Infrastructure Bonds and pursue any other remedies available to it at law. Investors who are members of NZClear may, by prior arrangement with the Registrar, settle their applications for the Infrastructure Bonds on the relevant Issue Date of the Infrastructure Bonds through the NZClear System.

C = Holder Number Details

If you have other investments registered under a Common Shareholder Number ("**CSN**") please supply your CSN in the space provided. The name and address details on your application form must correspond with the registration details under that CSN.

D = Interest and Redemption Payments

If payment to your cash management account with an NZX Participant is selected, tick the box for option 1, insert the name of the NZX Participant where your cash management account is held and provide your cash management client account number.

If you currently receive interest or dividend payments from the Registrar by direct credit, and wish your payments in respect of the Infrastructure Bonds to be direct credited to the same account, then you do not need to complete section D of the application form. Otherwise please complete option 2.

E = IRD number, RWT and other tax details

Please enter your IRD number and tick the resident withholding tax ("**RWT**") rate that applies to you (or, if you are exempt from RWT, tick the exempt box and attach a photocopy of your RWT exemption certificate).

F = Electronic Investor Correspondence

By supplying your email address Infratil will be able to deliver your investor correspondence to you electronically where possible. This is a much more environmentally friendly, cost effective and timely option than paper based investor mail outs.

G = Signing and Dating

Read the Terms Sheet and application form carefully and sign and date the application form.

The application form must be signed by each of the applicant(s) personally, (in the case of a company) by two directors of the company (or one director if there is only one director, whose signature must be witnessed), or in either case by a duly authorised attorney or agent.

If the application form is signed by an attorney, the power of attorney document is not required to be lodged, but the attorney must complete the certificate of non-revocation of power of attorney at the end of the application form.

If the application form is signed by an agent, the agent must complete the certificate of non-revocation of agent at the end of the application form.

Joint applicants must each sign the application form.

H = Offer Closing Date and Delivery

The Offer will close at 5.00pm on 20 September 2019. Applicants should remember that the Closing Date of the Offer may be changed at the sole discretion of Infratil. Changes will be advised by NZX announcement. Infratil reserves the right to refuse to accept applications received by the Registrar after the Closing Date of the Offer. Your application form should be returned to, or lodged with, an appropriate person as specified under the heading "How to Apply" on page 6 of the Terms Sheet.

Personal Information Rights

Personal information provided by you will be held by Infratil and the Registrar at their respective addresses shown under the address details section in the Terms Sheet or at such other place as is notified upon request. This information will be used for the purpose of managing your investment.

You have a right to access and correct any personal information about you under the Privacy Act 1993. You can also access your information on the Link Market Services website: www.linkmarketservices.co.nz. (You will be required to enter your holder number and FIN).

Application Form

Infratil Limited Issue of Infrastructure Bonds

(ATTACH CHEQUE HERE)

| | |
|--------------|--------------|
| BROKER STAMP | Broker code |
| | Advisor code |

This application form ("**Application Form**") is issued with the Terms Sheet dated and prepared as at 20 August 2019 ("**Terms Sheet**"), issued by Infratil Limited ("**Infratil**"). Please complete this Application Form and return it to, or lodge it with, an appropriate person as specified under the heading "How to Apply" on page 6 of the Terms Sheet. Before completing this Application Form, applicants should read the Terms Sheet to which this application relates.

A. APPLICATION DETAILS AND INFORMATION – PLEASE PRINT IN BLOCK LETTERS

| | | | |
|------------------------------------|--|--------------|--|
| First Name(s): | | Family Name: | |
| First Name(s): | | Family Name: | |
| First Name(s): | | Family Name: | |
| Corporate Name or <<On Account>> : | | | |
| Postal Address: | | | |
| Telephone Home: | | Mobile/Work: | |

B. APPLICATION DETAILS – IMPORTANT

Applications must be accompanied by payment in full. Payment must be in New Zealand currency based on NZ\$1.00 per Infrastructure Bond. Your Application Form must be received by Link Market Services Limited ("**Link**") by 5.00pm, 20 September 2019.

Applications for each Series must be for a minimum of **NZ\$5,000** and, thereafter, in multiples of **NZ\$1,000**. Infratil may accept or reject all or part of this application for Infrastructure Bonds of either Series without giving reason.

Amount of Infrastructure Bonds applied for:

OPTION 1: Please direct debit my bank account for the amount of Infrastructure Bonds applied for. The Registrar will direct debit from the bank account provided below on the date the application form is received. By signing this Application Form, the signatory agrees that the Registrar is authorised to direct debit the bank account in accordance with the terms specified in the Terms Sheet.

Name of Bank: Name of Account:
Account Number:
Bank Branch Account No. Suffix

OPTION 2: Please find attached my cheque made payable to "Infratil Bond Offer" and crossed "Not Transferable".

C. COMMON SHAREHOLDER NUMBER (CSN)

Please note that the application must be in the same name as the CSN below otherwise the application will be deemed to be made without a CSN and a new CSN will be allocated.

If you currently have a Common Shareholder Number (**CSN**), please enter it here:

D. INTEREST AND REDEMPTION PAYMENTS

You may choose only **ONE** of the options below. Please tick the box next to your selected option (✓):

OPTION 1: Direct credit to my cash management account.

Name of NZX Participant where Cash Management Account is held:

Cash Management Client Account number:

OPTION 2: Direct credit to the New Zealand bank account nominated.

OR Please pay my interest and repayments to the account for direct debit purposes nominated above.
 Please pay my interest and repayments to the account nominated below.

Name of Bank: Name of Account:
Account Number:
Bank Branch Account No. Suffix

E. IRD NUMBER & RESIDENT WITHHOLDING TAX

IRD number (only one IRD number is required in respect of joint applications): - -

Deduct resident withholding tax from all my/our interest payments at the following rate (✓ one): 10.5%* 17.5% 28%** 30% 33% Exempt***

*Only available for an individual that reasonably expects their income for the income year to be \$14,000 or less and trustees of certain testamentary trusts. ** Available for companies only. ***If you are exempt from resident withholding tax, you must attach a copy of your RWT exemption certificate for noting.

F. ELECTRONIC CORRESPONDENCE & REPORTING

To enable Infratil to provide you with your investor correspondence in relation to your holding in this security electronically, please complete your email address below. If you do not provide an email address, investor correspondence will be mailed to you at the address provided on this Application Form.

G. SIGNATURE(S) OF APPLICANT(S)

I/We hereby acknowledge that I/we have received and read the Terms Sheet, and apply for the dollar amount of Infrastructure Bonds of each Series set out above and agree to accept such Infrastructure Bonds (or such lesser number as may be allotted to me/us) on, and subject to, the terms and conditions set out in the Terms Sheet, the Trust Deed, the applicable Series Supplement, and the Application Form.

All applicants on the Application Form must sign.

| | | |
|----------------------------------|----------------------------------|----------------------------------|
| <input type="text"/> Date / / | <input type="text"/> Date / / | <input type="text"/> Date / / |
|----------------------------------|----------------------------------|----------------------------------|

H. SEND APPLICATION FORM AND CHEQUE (IF APPLICABLE) TO BE RECEIVED BY LINK MARKET SERVICES, NO LATER THAN 5.00PM ON 20 SEPTEMBER 2019

Infratil Bond Offer, c/- Link Market Services Limited, PO Box 91976, Victoria Street West, Auckland 1142
or Deliver to: c/- Link Market Services Limited, Level 11, Deloitte Centre, 80 Queen Street, Auckland 1010
or email to: applications@linkmarketservices.co.nz
Investor phone number: +64 9 375 5998

TERMS AND CONDITIONS:

By signing this Application Form:

- a) I/We agree to subscribe for Infrastructure Bonds upon and subject to the terms and conditions of the Terms Sheet, this Application Form, the Trust Deed and the applicable Series Supplement, and I/we agree to be bound by the provisions hereof.
- b) I/We declare that all details and statements made by me/us in this Application Form are complete and accurate.
- c) I/We certify that, where information is provided by me/us in this Application Form about another person, I/we are authorised by such person to disclose the information to Infratil and the Registrar and to give authorisation.
- d) I/We acknowledge that an application cannot be withdrawn or revoked once it has been submitted.
- e) I/We acknowledge that the Offer is only made in New Zealand, and by applying for Infrastructure Bonds, I/we warrant that I/we received this Offer in New Zealand and I/we are eligible to participate in the Offer, and I/we agree to indemnify Infratil and its directors, officers, employees and agents in respect of any loss, cost, liability or expense sustained or incurred by Infratil as a result of my/our breaching that warranty or the selling restrictions described in the Terms Sheet.
- f) I/We confirm that: (i) I/We are tax resident in New Zealand; or (ii) I/We will hold the Infrastructure Bonds for the purposes of a business carried on in New Zealand through a fixed establishment in New Zealand; or (iii) I/We are a registered bank engaged in business in New Zealand through a fixed establishment in New Zealand.

This Application Form, the Offer and any contract arising out of its acceptance are each governed by New Zealand law. Under the Anti-Money Laundering and Countering Financing of Terrorism Act 2009, applicants may be required to produce evidence of their identity.

The information in this Application Form is provided to enable Infratil and the Registrar to process your application, and to administer your investment. By signing this Application Form, you authorise Infratil and the Registrar to disclose information in situations where Infratil or the Registrar are required or permitted to do so by any applicable law or by a governmental, judicial or regulatory entity or authority in any jurisdiction. Personal information will be held by Infratil and the Registrar at their respective addresses shown in the Directory of the Terms Sheet or at such other place as is notified upon request. If you are an individual under the Privacy Act 1993, you have the right to access and correct any of your personal information. You can also access your information on the Link website (www.linkmarketservices.co.nz). You will be required to enter your holder number and FIN.

I. CERTIFICATE OF NON-REVOCATION OF POWER OF ATTORNEY:

(Complete this section if you are acting on behalf of the Applicant on this Application Form for whom you have power of attorney)

I, (full name)
of (place and country of residence),
 (occupation),

CERTIFY:

- THAT by deed dated (date of instrument creating the power of attorney),
 (full name of person/body corporate which granted the power of attorney)
of (place and country of residence of person/body corporate which granted the power of attorney**)
appointed me (his/her/its) attorney;
- THAT I have executed the application for Infrastructure Bonds printed on this Application Form under that appointment and pursuant to the powers thereby conferred on me; and
- THAT I have not received notice of any event revoking the power of attorney.

Signed at this day of (month/year)
Signature of attorney

** If donor is a body corporate, state place of registered office or principal place of business of donor and, if that is not in New Zealand, state the country in which the principal place of business is situated.

J. CERTIFICATE OF NON-REVOCATION OF AGENT:

(Complete this section if you are acting as Agent on behalf of the Applicant on this Application Form)

I, (full name)
of (place and country of residence),
 (occupation),

CERTIFY:

- THAT by the agency agreement dated (date of instrument creating the agency),
 (full name of person/body corporate which appointed you as agent)
of (place and country of residence of person/body corporate which appointed you as agent **)
appointed me (his/her/its) agent;
- THAT I have executed the application for Infrastructure Bonds printed on this Application Form under that appointment and pursuant to the powers thereby conferred on me; and
- THAT I have not received any notice or information of the revocation of my appointment as agent.

Signed at this day of (month/year)
Signature of agent

** If donor is a body corporate, state place of registered office or principal place of business of donor and, if that is not in New Zealand, state the country in which the principal place of business is situated.

DEED CONSTITUTING A SERIES SUPPLEMENT

DEED dated 20 August 2019 between INFRATIL LIMITED and TRUSTEES EXECUTORS LIMITED constituting a Series Supplement (in respect of a Series of Bonds to be known as "Series 2029-1") under the trust deed dated 11 November 1999 as amended and restated on 12 August 2015 and amended on 17 May 2017 between Infratil Limited and Trustees Executors Limited ("Trust Deed").

1. **Maturity Date:** 15 December 2029.
2. **Interest Rate:**
 - (a) For the period from the Commencement Date to (and including) 15 December 2020 (and each Interest Payment Date falling in that period), 3.50% per annum.
 - (b) For the period from (but excluding) 15 December 2020 to (and including) 15 December 2021 (and each Interest Payment Date falling in that period), a rate per annum equal to the sum of the One Year Swap Rate on 15 December 2020 plus 2.50%.
 - (c) For the period from (but excluding) 15 December 2021 to (and including) 15 December 2022 (and each Interest Payment Date falling in that period), a rate per annum equal to the sum of the One Year Swap Rate on 15 December 2021 plus 2.50%.
 - (d) For the period from (but excluding) 15 December 2022 to (and including) 15 December 2023 (and each Interest Payment Date falling in that period), a rate per annum equal to the sum of the One Year Swap Rate on 15 December 2022 plus 2.50%.
 - (e) For the period from (but excluding) 15 December 2023 to (and including) 15 December 2024 (and each Interest Payment Date falling in that period), a rate per annum equal to the sum of the One Year Swap Rate on 15 December 2023 plus 2.50%.
 - (f) For the period from (but excluding) 15 December 2024 to (and including) 15 December 2025 (and each Interest Payment Date falling in that period), a rate per annum equal to the sum of the One Year Swap Rate on 15 December 2024 plus 2.50%.
 - (g) For the period from (but excluding) 15 December 2025 to (and including) 15 December 2026 (and each Interest Payment Date falling in that period), a rate per annum equal to the sum of the One Year Swap Rate on 15 December 2025 plus 2.50%.
 - (h) For the period from (but excluding) 15 December 2026 to (and including) 15 December 2027 (and each Interest Payment Date falling in that period), a rate per annum equal to the sum of the One Year Swap Rate on 15 December 2026 plus 2.50%.
 - (i) For the period from (but excluding) 15 December 2027 to (and including) 15 December 2028 (and each Interest Payment Date falling in that period), a rate per annum equal to the sum of the One Year Swap Rate on 15 December 2027 plus 2.50%.

- (j) For the period from (but excluding) 15 December 2028 to (and including) the Maturity Date (and each Interest Payment Date falling in that period), a rate per annum equal to the sum of the One Year Swap Rate on 15 December 2028 plus 2.50%.

For the purposes of clause 2(b) to (j) of this Series Supplement, if 15 December of the relevant year falls on a day that is not a Business Day, the Interest Rate will be calculated by reference to the One Year Swap Rate on the following Business Day.

3. **Interest Payment Dates:** 15 March, 15 June, 15 September and 15 December of each year until and including the Maturity Date (commencing on 15 December 2019).
4. **Holder's Conversion Option:** Not applicable.
5. **CP or Conversion Percentage:** Not applicable.
6. **HCP or Holder's Conversion Percentage:** Not applicable.
7. **Series Reference:** Series 2029-1.

Additional terms: The following terms apply to Series 2029-1 (and the Trust Deed is modified accordingly):

8. **Definitions:** In this Series Supplement:

"Broken Interest Period" means, in respect of each Series 2029-1 Bond:

- (a) the period from (and including) the Commencement Date to (but excluding) the first Interest Payment Date ("**First Payment Period**"); and
- (b) if the Series 2029-1 Bond is redeemed (i) at the election of a Holder in accordance with clause 6.2(d)(ii) of the Trust Deed or in accordance with paragraph 15 of this Series Supplement or (ii) at the election of the Issuer in accordance with clause 6.1(k) and (l) of the Trust Deed, in each case, prior to the Maturity Date on a day that is not an Interest Payment Date, the period from (and including) the most recent Interest Payment Date (or the Commencement Date if the first Interest Payment Date has not occurred) to (but excluding) the date of redemption ("**Early Termination Period**").

"Commencement Date" means in respect of each Series 2029-1 Bond, the date on which the initial Holder's subscription moneys were banked by the Registrar into the trust account operating in respect of the Series 2029-1 Bonds.

"One Year Swap Rate" means, on any day:

- (a) the mid market swap rate for an interest rate swap with a one year term as calculated by the Issuer at 11.00am on that day in accordance with market convention with reference to Bloomberg page ICNZ4 (or any successor page); or
- (b) if a rate is unable to be determined in accordance with paragraph (a) or if the Issuer forms a view, on reasonable grounds, that the rate so determined is not an accurate reflection of market rates, the average of the mean bid and offered swap rates quoted by three registered banks in New Zealand at or about 11.00am on that day for an interest rate swap with a one year term,

in each case expressed on a quarterly basis and rounded to 2 decimal places if necessary, with 0.005 being rounded up. If the relevant rate is less than 0% per annum, the One Year Swap Rate will be deemed to be 0% per annum.

"Issue Date" means, in respect of each Series 2029-1 Bond, the date on which the Series 2029-1 Bond is issued.

9. **Series 2029-1 Bonds are not Convertible:**

- (a) The Series 2029-1 Bonds are not Convertible in any circumstance (whether at the election of the Issuer or the Holder), and the definition of "Bond" in the Trust Deed shall be construed accordingly in relation to the Series 2029-1 Bonds.
- (b) Clauses 6.1(a), 6.2(d)(i) and 16.4 of the Trust Deed shall not apply in relation to the Series 2029-1 Bonds.

10. **Interest payments:** Other than in respect of a Broken Interest Period, interest will be paid in respect of each Series 2029-1 Bond in equal amounts on each Interest Payment Date, calculated in accordance with the following formula:

$$\frac{\text{Interest Rate} \times \text{Face Value}}{4}$$

and clause 5.1(c) of the Trust Deed shall not apply.

11. **Accrual of interest in respect of Broken Interest Periods:** Interest in respect of each Series 2029-1 Bond for a Broken Interest Period will accrue in accordance with the following formula:

$$\text{Interest Rate} \times \text{Face Value} \times \frac{N}{365}$$

Where:

"N" means:

- (a) in respect of the First Payment Period, the number of days from (and including) the Commencement Date to (but excluding) the first Interest Payment Date; and
- (a) in respect of an Early Termination Period, the number of days from (and including) the most recent Interest Payment Date (or the Commencement Date if the first Interest Payment Date has not occurred) to (but excluding) the date of redemption.

12. **First interest payment to initial subscriber:** The interest payment on the first Interest Payment Date will be made to the initial Holder of the Series 2029-1 Bond regardless of any transfer of the Series 2029-1 Bond prior to the first Interest Payment Date.

13. **Financial covenant:** The Issuer covenants for the benefit of Holders of Series 2029-1 Bonds and, until such time as all of the Series 2029-1 Bonds have been redeemed in accordance with the Trust Deed, the Supervisor that, on the last day of each financial year and half-year of the Issuer (and, if at any time the Issuer has covenanted with any bank to comply with a balance sheet financial covenant on a day other than the last day of each financial year and half-year, then during the currency of that covenant such additional day or days) during the currency of Series 2029-1 Bonds, Borrowed Money Indebtedness of the Issuer Group shall not exceed 50% of Tangible Assets as at that date.

14. **Redemption:** The Issuer shall redeem each Series 2029-1 Bond for cash at its Face Value on the Maturity Date.

15. **Clause 8.2 replaced:** In relation to the Series 2029-1 Bonds, clause 8.2 of the Trust Deed shall not apply and the following clause shall apply in its place:

Declaration by Supervisor: At any time after the occurrence of any event specified in clause 8.1 (other than an event specified in clause 7.2(b) (only to the extent it relates to a breach by the Issuer to use its reasonable endeavours to ensure that the Ordinary Shares remain Quoted) or clause 7.2(g)), and while that event is continuing, the Supervisor may in its discretion and shall forthwith upon being directed to do so by a Special Resolution, by notice to the Issuer declare the Face Value of all Series 2029-1 Bonds together with accrued interest thereon (including any interest the payment of which has been suspended pursuant to clause 5.3) to be immediately due and payable, whereupon the Issuer shall immediately pay to the Holders of the Series 2029-1 Bonds the Face Value of the Series 2029-1 Bonds and accrued interest at the applicable Interest Rate to the date of redemption.

Nothing in this paragraph 15 affects the operation of clause 8.2 of the Trust Deed in respect of Bonds that are not Series 2029-1 Bonds.

16. **Interpretation:** Terms defined in the Trust Deed have the same meaning when used in this Series Supplement (except where modified herein or the context otherwise requires).

17. **Confirmation:** The Issuer confirms that as at the date this Series Supplement is signed by the Issuer, the Issuer has, to the best of its knowledge and belief, complied with all material terms of the Trust Deed.

SIGNED as a DEED on behalf of INFRATIL LIMITED by its attorney:

and witnessed by:



Signature of attorney

PHILLIPPA HARFORD

Name of attorney



Signature of witness

~~Kellee Monique Clark~~
Name of witness **Solicitor**
Wellington

Occupation

City/town of residence

**CERTIFICATE OF NON-REVOCATION
OF POWER OF ATTORNEY**

I, Phillippa Mary Harford of Wellington, New Zealand, Chief Financial Officer of Infratil Limited, certify:

1. That by deed dated 19 August 2019, Infratil Limited of 5 Market Lane, Wellington, 6011, New Zealand, appointed me its attorney.
2. That I have not received notice of any event revoking the power of attorney.

SIGNED at Wellington this 20th day of August 2019



Phillippa Mary Harford

SIGNED as a DEED by TRUSTEES EXECUTORS LIMITED by:

[Handwritten signature of Matthew Joseph Band]

Signature of Director/Authorised Signatory

Matthew Joseph Band

Name of Director/Authorised Signatory

[Handwritten signature of David Shaw]

Signature of Director/Authorised Signatory

David Shaw

Name of Director/Authorised Signatory

and witnessed by:

[Handwritten signature of witness]

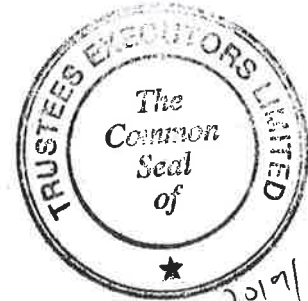
Signature of witness

Name of witness

**Cindy Chan
Kiwisaver Administrator**

Occupation **Corporate Trustee Services
Trustees Executors Limited
AUCKLAND**

City/town of residence



2017/144/1

INFRATIL LIMITED

CERTIFICATE OF COMPLIANCE
(section 108(2)(b) of the Financial Markets Conduct Act 2013)

We refer to a master trust deed dated 11 November 1999 (as amended and restated from time to time, including as amended and restated by deed dated 12 August 2015) (**Trust Deed**) between Infratil Limited (**Infratil**) and Trustees Executors Limited (**TEL**), as supplemented by a Series Supplement on or around the date of this certificate between Infratil and TEL providing for the issue Infrastructure Bonds maturing on 15 December 2029 (**2029 Bonds Supplemental Deed**).

This is a certificate for the purposes of section 108(2)(b) of the Financial Markets Conduct Act 2013 (**FMCA**).

We certify that:

- (a) we are satisfied that the Trust Deed as supplemented by the 2029 Bonds Supplemental Deed does not have a material adverse effect on the Holders (as defined in the Trust Deed); and
- (b) the Trust Deed as supplemented by the 2029 Bonds Supplemental Deed complies with sections 104 to 106 of the FMCA on the basis that:
 - (i) the Trust Deed as supplemented by the 2029 Bonds Supplemental Deed contains the provisions required by sections 104 to 106 of the FMCA; and
 - (ii) we have received a legal opinion which confirms that, on the assumption that each of the Trust Deed and the 2029 Bonds Supplemental Deed have been duly executed by the parties, the Trust Deed as supplemented by the 2029 Bonds Supplemental Deed complies with sections 104 to 106 of the FMCA;
 - (iii) we have taken all necessary steps to ensure the 2029 Bonds Supplemental Deed is duly executed by TEL as a legally enforceable document and we have no reason to believe that either the Trust Deed or the 2029 Bonds Supplemental Deed have not been duly executed by Infratil Limited.

Dated 19th Aug 2019

TRUSTEES EXECUTORS LIMITED by:



in the presence of:

Roger Dixon

Authorised Signatory

Name:

Occupation: **Cindy Chan**
Address: **Kiwisaver Administrator
Corporate Trustee Services
Trustees Executors Limited
AUCKLAND**



Matthew Joseph Band

Authorised Signatory