



Commodity Linked Products

Final Termsheet

Terms and conditions as at Friday 21st April 2006

SCCZ Commodity Basket – 3yr

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INDICATIVE TERM SHEET

Issuer	Macquarie Bank Limited
Arranger	Macquarie Equities (Asia) Limited (in respect of Hong Kong) Macquarie Securities (Singapore) Pte Limited (in respect of Singapore)
Trade Size	USD 980,000.00
Issue Size	USD 5,000,000.00
Nominal Amount	USD 10,000.00
Protected Amount	USD 9,500.00 (95.00% of Nominal Amount)
Issue Price	USD 10,000.00 (100.00% of Nominal Amount)
Nature of Note	The Note is linked to a basket of physical commodities and 95% capital protection at maturity with an indicative participation rate of 200%

UNDERLYING BASKET

Basket Constituents	Weight w_i	Initial Fixing Price Bloomberg Reference	Initial Fixing Price 21 st April 2006
NYBOT Sugar No 11	25%	SB1 <Cmnty>	17.21 US cents/pound
NYMEX WTI Crude Oil	25%	CL1 <Cmnty>	75.17 \$/bbl
LME Copper	25%	LOCADY <Cmnty>	6707 \$/Mt
LME Zinc	25%	LMZSDY <Cmnty>	3297 \$/Mt

Initial Fixing Price The closing price of each Basket Constituent as published by LME, NYMEX or NYBOT on the Trade Date

Final Fixing Price The Final Fixing Price of each Basket Constituent means the Reference Price of the relevant Basket Constituent on the Maturity Date.

Reference Price

(a.) For **NYBOT Sugar No 11**, the official settlement price (per pound) of spot sugar as traded on the New York Board of Trade or its successor (the "NYBOT") specified in USD, as made public by the NYBOT on the Maturity Date

(b.) For **NYMEX WTI Crude Oil**, the official settlement price (per bbl) of the spot futures contract over West Texas Intermediary Light Sweet Crude Oil as traded on the New York Mercantile Exchange or its successor (the "NYMEX") specified in USD, as made public by the NYMEX on the Maturity Date

(c.) For **LME Copper**, the official settlement price (per Mt) of cash spot Grade A copper as traded on the London Metals Exchange or its successor (the "LME") specified in USD, as made public by the LME on the Maturity Date

(d.) For **LME Zinc**, the official fixing price (per Mt) of cash spot USD Zinc contract as published on the London Metals Exchange or its successor (the "LME") specified in USD, as made public by the LME on the Maturity Date

NOTE DETAILS



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Participation Rate **200%**

Redemption Amount per Note

The Noteholder is entitled, on the Maturity Settlement Date to an amount in US Dollars equal to the Protected Amount plus the Basket Return.

Basket Return

Will be equal to an amount calculated as follows:

$$NA \times PR \times \text{Max}[\sum_{i=1}^4 w_i \times \frac{S_i - K_i}{K_i}, 0]$$

Where:

NA is the Nominal Amount

PR is the Participation Rate

S_i is the Final Fixing Price of the relevant Basket Constituent on the Maturity Date

K_i is the Initial Fixing Prices of the relevant Basket Constituent on the Trade Date

W_i is the Weight of the relevant Basket Constituent in the Underlying Basket

DATES

Trade Date

21st April 2006

Settlement Date

5th May 2006

Maturity Date

21st April 2009 or if such date is not a Commodity Business Day, the next following Commodity Business Day

Maturity Settlement Date

5 Business Days from the Maturity Date

GENERAL PRODUCT INFORMATION

Form

Global Note

Currency

US Dollars

Business Day

Any day on which the banks are open for a normal trading day in Hong Kong, London and New York

Commodity Business Day

Any day on which the NYMEX, LME or NYBOT is open for business

Early Redemption

An Noteholder may request redemption of an amount of Notes greater than the Minimum Redemption Amount by giving notice to the Arranger by 4pm Hong Kong time on any Business Day ("Early Redemption Date"). The early redemption amount will be the market price, as determined by the Arranger in its sole discretion.

Valuation

Potential investors should note that whilst both the Initial Fixing Price and the Final Fixing Price are fixed on the basis of the spot price on that date, at all other times the Calculation Agent will value the Note on the basis of the forward contract applicable to each Basket Constituent which is the first maturing forward contract on or immediately after the Maturity Date.

Minimum Redemption Amount

Five Notes

Early Redemption Settlement

Early Redemption Date + 5 Business Days

Governing Law

English Law

Clearing System

Euroclear/Clearstream

Calculation Agent

Macquarie Bank Limited

Common Code

025156374

ISIN Code

XS0251563747



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- (a) in (or in Germany, where the offer starts within) the period beginning on the date of publication of a prospectus in relation to those Instruments which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive and ending on the date which is 12 months after the date of such publication;
- (b) at any time to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;
- (c) at any time to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year, (2) a total balance sheet of more than €43,000,000, and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts; or
- (d) at any time in any other circumstances which do not require the publication by the Issuer of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of Instruments to the public" in relation to any Instruments in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Instruments to be offered so as to enable an investor to decide to purchase or subscribe the Instruments, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression "Prospectus Directive" means EU Prospectus Directive (2003/71/EC) and includes any relevant implementing measure in each Relevant Member State.

Hong Kong: You understand that (i) the Notes have not been offered or sold and may not be offered or sold in Hong Kong, by means of any document, other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap.571) and any rules made thereunder; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance (Cap 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and you have not issued or had in your possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

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Macquarie Bank has the discretion to redeem the Notes early if certain major events occur, for example a Termination Event (as defined in the Note) occurs. In such event the value of the Notes will be determined by the Issuer and the protected note value will not apply at that time.

Performance of the Underlying Basket

The value of each Note is dependent upon the performance of the Underlying Basket. Poor performance by the Underlying Basket may have a negative impact on the value of the Notes. Any performance figures quoted are no guarantee or indication of the future performance of the Underlying Basket. Potential investors must make their own assessment of the Underlying Basket.

General Risks:

Following are some of the general risks associated with investing in the Notes:

- General economic conditions in the United States and other jurisdictions;
- The occurrence of an unforeseen event or force majeure that has a significant effect on the operation of financial markets;
- Interest rates, inflation and currency exchange rates;
- Changes in government, monetary policy and other laws;
- Changes in the taxation laws relating to the payment of interest and principal which could be adverse to Noteholders;
- Liquidity and the general condition of United States and other global markets.

No offer

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