

# INSTITUTIONAL CUSTOMER DISCLOSURES

January 2017



## GENERAL CUSTOMER DISCLOSURES

Australia and New Zealand Banking Group Limited (“ANZBGL”) and ANZBGL’s New York Branch (“ANZ-NYB”, and, together with ANZBGL, “ANZ”) is providing customers this notice containing important information about ANZ’s general practices. This information and disclosure is subject to change from time to time. Please contact ANZ-NYB Compliance at 212-801-9833 should you have any questions.

Please note: This communication supplements any other disclosures or agreements regarding such matters that ANZ may provide to or agree with its customers (to the extent applicable and as replaced, amended and/or supplemented from time to time), including, but not limited to, any disclosures required by the U.S. Commodities Futures Trading Commission, and agreements such as any master agreement for financial transactions, account agreements, facility agreements, and other types of agreements between ANZ and a customer.

## ABOUT ANZ

ANZBGL is headquartered in Melbourne, Australia. ANZBGL operates through ANZ-NYB in the United States of America, and has subsidiaries and branches in a number of other non-US locations, including in the United Kingdom and across Asia.

ANZ-NYB is located only at 277 Park Avenue, New York, New York. ANZ-NYB is licensed by the Office of the Comptroller of Currency (“OCC”) as a Foreign Banking Organization, and is qualified as a Financial Holding Company under the Bank Holding Company Act. As the branch of a foreign banking organization, ANZ-NYB is not a member of the Federal Deposit Insurance Corporation (“FDIC”); it has no retail customers and its deposits are not insured by the FDIC. ANZ-NYB is supervised by the OCC and by the Federal Reserve Bank of New York.

ANZ-NYB’s three primary business lines are:

**Loans:** including lending facilities to institutional customers (e.g. multinational corporate customers or financial institutions and governments).

**Markets:** including a full range of integrated specialist services including risk management in foreign exchange, currency options, credit and interest rate derivatives and fixed-income capital funding to corporate and institutional customers. It also accepts wholesale deposits.

**Transaction Banking:** including trade finance products including trade loans, standby letters of credit, and other trade related guarantee products for customers trading in commodity flows in and out of the Americas and the Asia-Pacific region, as well as exports to and from Australia and New Zealand.

## U.S. ECONOMIC AND TRADE SANCTIONS

ANZ must comply with the economic and trade sanctions administered and enforced by the Office of Foreign Assets Control of the U.S. Department of the Treasury ("OFAC")<sup>1</sup> and any other related U.S. laws and regulatory requirements.

OFAC sanctions prohibit or restrict ANZ from engaging in activity that involves sanctioned persons or comprehensively sanctioned countries and regions. Depending on the particular sanctions, ANZ may be required to freeze assets, reject transactions, not extend credit or provide services, or take other specific actions. With respect to comprehensively sanctioned countries and regions, ANZ is prohibited from engaging in or facilitating transactions that have any connection to such countries or region, unless such activity is exempt from the prohibitions or is subject to a general or specific OFAC license.

Except as specifically authorized or permitted by OFAC and other applicable sanctions regulations, ANZ customers must ensure that none of their investments, services, goods or trade involving sanctioned persons, countries or regions are sent to or processed through ANZ, or are funded or otherwise facilitated by financing provided by ANZ. ANZ will take appropriate action, including potentially blocking (i.e., freezing) or rejecting funds, with respect to transactions that appear to violate applicable sanctions.

## PATRIOT ACT SECTION 313

Section 313 of the USA PATRIOT Act prohibits U.S. financial institutions from establishing, maintaining, administering, or managing correspondent accounts for foreign shell banks. U.S. financial institutions are required to take reasonable steps to ensure that they are not providing banking services to foreign shell banks indirectly through correspondent accounts maintained for other foreign banks. A shell bank is a foreign bank with no physical presence in any country. ANZ does not offer correspondent banking services in the United States.

## FULFILLING OUR U.S. REGULATORY OBLIGATIONS

To fulfil our regulatory obligations under OFAC and related regulations associated with Know Your Customer, at a minimum we will ask: (1) your entity name, (2) address of your principal place of business, local office or other physical location; and (3) your entities employer identification number ("EIN").

In addition, we may verify the identity of an entity through documentary evidence and may request one of the following documents: (1) certified articles of incorporation; (2) a government-issued business license; (3) a partnership agreement; (4) a trust instrument; or (5) any other document showing the existence of the entity, such as a certificate of incorporation.

<sup>1</sup> <http://www.treasury.gov/about/organizational-structure/offices/Pages/Office-of-Foreign-Assets-Control.aspx>

We also reserve the right to verify an entity's identity through non-documentary methods. ANZ may: (1) contact the entity; (2) independently verify the entity through a public or vendor data-base; (3) check references with other financial institutions; (4) obtain a financial statement such as an audited financial statement; or (5) check the existence of the entity to verify its existence with a financial regulator.

We will also determine if an entity appears on any lists of known or suspected terrorist organizations provided to the financial institution or any government agency. We follow all federal directives issued in connection with these lists. We have designated a person or department responsible for determining whether each new customer appears on any list of known or suspected terrorists or terrorist organizations issued by any federal government agency and designated as such by the Treasury Department in consultation with the federal functional regulators. Our designated person makes a determination within a reasonable period after account opening, or earlier, if required by another federal law or regulation or federal directive issued in connection with the applicable list.

## CUSTOMER PRIVACY

Respecting and protecting customer privacy have always been vital to our relationships with customer. ANZ uses information we have about its customers in order to make products and services available to such customers through ANZ or affiliated entities, including loans, deposits and investments, to meet such customer's banking needs. ANZ does not use customer information for purposes not related to the Bank. Additionally, we keep all customer information secure through various physical, electronic and procedural controls, and authorize our agents and contractors to access information about customers only when they need it to do their work for us, and subject to their agreement to comply with ANZ policies.

## RISKS OF ELECTRONIC COMMUNICATIONS (EMAIL/CHAT/FAX)

Communicating electronically entails certain risks. When communications between parties are transmitted electronically (sent or received) there is always the risk that despite due care the information can be intercepted, tampered with, corrupted, lost, destroyed or delayed, or that viruses may become implanted. It is the responsibility of the recipient of any electronic communications to ensure that the recipient has appropriate anti-virus protections.

Furthermore, if you elect to communicate with ANZ electronically, note that ANZ does not accept any responsibility for acknowledging and/or acting upon the contents of any electronic communication from you, or for any delays, inaccuracies or omissions in the receipt of your instructions, or in the transmission of orders or other information to ANZ. ANZ disclaims all liability to the fullest extent permitted by applicable law for any loss or damage arising from any reliance on or use of electronic communications.

To ensure compliance with all regulatory obligations, please note that any electronic communication that is conducted within or through ANZ's systems is subject to monitoring, review, retention and external production; may be stored or otherwise processed in countries other than the country in which you are located; and will be treated in accordance with ANZ's policies and applicable laws and regulations. By electronically communicating with ANZ, you understand and accept all of the risks, limitations, and compliance requirements associated with electronic communications.

## TAX, LEGAL OR ACCOUNTING ADVICE

ANZ and its affiliates do not provide tax, legal or accounting advice. Offering documents and other financial and/or transactional materials are provided for informational purposes only, and are not intended to provide, and should not be relied on for, tax, legal or accounting advice. Customers should consult their own tax, legal and accounting advisors before engaging in any transaction.

## REGULATION GG

We prohibit the use of any account to conduct transactions (including, without limitation, the acceptance or receipt of credit or other receipt of funds through an electronic funds transfer, or by check, draft or similar instrument, or the proceeds of any of the foregoing) that are related, directly or indirectly, to unlawful internet gambling.

## FOREIGN EXCHANGE

ANZBGL operates as a dealer and market maker undertaking and providing a wide range of financial services and products to counterparties in the wholesale foreign exchange (FX) market. ANZ acts as principal for FX transactions, in an arm's-length role in relation to its customers, and does not act as agent, fiduciary or in any advisory capacity for any FX transaction, except as expressly agreed in writing beforehand. If you anticipate engaging in FX transactions with ANZ, please refer to the important disclosures in the Disclosure Regarding ANZ's Role in the Wholesale Foreign Exchange Markets.

See also: <https://institutional.anz.com/about-anz-institutional/disclosures>

## STRUCTURED PRODUCTS

Purchasing structured products involves derivatives and a higher degree of risk factors that may not be suitable for all investors. Such risks include risk of adverse or unanticipated market developments, issuer credit quality risk, risk of counterparty or issuer default, risk of lack of uniform standard pricing, risk of adverse events involving any underlying reference obligations, entity or other measure, risk of high volatility, and risk of illiquidity/ little to no secondary market. In certain transactions, investors may lose their entire investment, i.e., incur an unlimited loss. You should refer to the term sheets or other offering documents for official details on all structured products, including risks involved, before investing in structured products.

See also: <http://www.anz.com/corporate/markets/fx-online/disclosure-statements-annexes/>

## INTERNATIONAL DEALER EXEMPTION – CANADA

Reliance on International Dealer Exemption pursuant to subsection 8.18(2) of National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations (“NI 31-103” or “the Exemption”) and Notification to Permitted Customers of the prescribed information under subsection 8.18(4)(b) of NI 31-103.

Please note that if you are a customer domiciled in Canada, when ANZBGL or ANZS Securities, Inc. (“ANZSI”) trades with customers it does so in reliance upon the international dealer exemption from the dealer registration requirement under the Exemption (as such Exemption may be amended and restated from time to time). Pursuant to the Exemption, ANZBGL and ANZSI is currently subject to trading restrictions, including, among other things, that ANZBGL and/or ANZSI is only permitted to trade “foreign securities” with “permitted customers” resident in Canada. A foreign security is a security issued by an issuer incorporated, formed or created under the laws of a foreign (i.e., non-Canadian) jurisdiction or a security issued by a government of a foreign jurisdiction. **This serves to put you on notice that you should only place orders for foreign securities in accordance with the Exemption.**

Please also note none of ANZBGL or any of its affiliates is registered as a dealer in any Canadian province or territory; the jurisdiction of ANZBGL’S head office or principal place of business is in Australia; all or substantially all of ANZBGL’s assets may be situated outside of Canada; there may be difficulty enforcing legal rights against ANZBGL because of the above; and the name and address of the agent for service of process of ANZBGL in each of the local jurisdictions are listed below.

Following are the names and addresses of the agents for service of process of ANZ in Canada:

### **Ontario**

FMD Service (Ontario) Inc., 333 Bay Street – Suite 2400, Toronto, Ontario M5H 2T6, Canada  
Attention: Victoria Snook

### **Quebec**

Fasken Martineau DuMoulin, 800 Victoria – Bureau 3700, Montreal, Quebec H4Z 1E9,  
Canada. Attention: Francois Brais.

## IF YOU HAVE A COMPLAINT

### **Please talk to us first.**

We aim to resolve any Complaint at your first point of contact is NYB Compliance, so we encourage you to raise any Complaint you may have through any of the following channels:



212-801-9833



[ComplianceRiskNYC1177AA@anz.com](mailto:ComplianceRiskNYC1177AA@anz.com)



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c/o Compliance Department  
277 Park Avenue, Floor 31  
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