

# Term Deposits.

## General Information and Terms and Conditions Dated 29 March 2008

These products are issued by the Commonwealth Bank of Australia  
ABN 48 123 123 124 AFSL 234945

You should read this brochure before making an investment.

You can contact us:

- by telephone on **13 2221** 24 hours a day, 7 days a week;
- in writing addressed to Commonwealth Bank of Australia, GPO Box 2719, Sydney NSW 1155;
- by contacting your relationship manager;
- through our web site **commbank.com.au**; or
- in person at any branch of the Commonwealth Bank of Australia (the Bank).

If you have any questions on the terms and conditions or fees and charges ask our staff or call us on **13 2221**.



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The information in this brochure is subject to change from time to time and is up to date as at the date stated on the cover. You will be able to find the updated information by contacting your local branch or relationship manager, visiting our web site [commbank.com.au](http://commbank.com.au) or calling **13 2221**. If you ask us to, we will send you a paper copy of the information.

This brochure provides information about a product called a Term Deposit. If you decide to invest in a Term Deposit, you should keep this brochure and all other documentation relating to your Term Deposit for future reference.

Information about the key benefits and risks of this product are set out in the section “General Information”. The Terms and Conditions that govern Term Deposits are set out in the “Terms and Conditions” section. When you lodge funds in a Term Deposit you agree to the Terms and Conditions detailed in this brochure.

# General information

Features at a glance	
<p><b>Key features</b></p>	<p>A Term Deposit is an investment where the interest rate is guaranteed not to change for the whole of the nominated term. It provides the security of knowing that interest income is protected from fluctuations in investment markets.</p>
<p><b>Key risks</b></p>	<p>You may not be able to take advantage of interest rate increases should interest rates rise during the term of your investment.</p>
<p><b>Minimum opening balance requirements</b></p> <ul style="list-style-type: none"> <li>• Standard Term Deposits</li> <li>• Term Deposits opened via the Internet<sup>1</sup></li> </ul>	<ul style="list-style-type: none"> <li>• \$5,000.00</li> <li>• \$5,000.00 (subject to change – refer Notes on page 3).</li> </ul>
<p><b>Maximum balance requirements</b></p> <ul style="list-style-type: none"> <li>• Standard Term Deposits</li> <li>• Term Deposits opened via the Internet<sup>1</sup></li> </ul>	<ul style="list-style-type: none"> <li>• No limit (subject to acceptance by the Bank).</li> <li>• \$95,000.00 (if opened via the Bank's web site at <b>commbank.com.au</b>).</li> <li>• \$499,999.99 (if opened via the Bank's Internet banking service).</li> </ul> <p>These amounts are subject to change – refer Notes on page 3.</p>
<p><b>Terms available</b></p> <ul style="list-style-type: none"> <li>• Term Deposits under \$500,000.00</li> <li>• Term Deposits \$500,000.00 and over</li> <li>• Term Deposits opened via the Internet<sup>1</sup></li> </ul>	<ul style="list-style-type: none"> <li>• In days, from 30 days to 990 days or in months from 1 month to 60 months.</li> <li>• In days, from 7 days to 990 days or in months from 1 month to 60 months.</li> <li>• Subject to change – refer Notes on page 3.</li> </ul>

<b>Payment of interest</b>	Paid into your nominated account or compounded according to the interest payment option you choose – see page 4 of this brochure.
<b>Interest rates<sup>2</sup></b>	See a separate brochure “Interest Rates on Term Deposits and Investment Accounts” – refer Notes on page 3.
<b>Fees and charges</b>	<ul style="list-style-type: none"> <li>• No account keeping fees.</li> <li>• Prepayment administration fee \$30.00 – see page 6 of this brochure</li> </ul>
<b>Withdrawals in advance of maturity</b>	<p>A prepayment adjustment and prepayment administration fee may apply – see page 6 of this brochure.</p> <p>This does not apply to deceased estates.</p>

**Note<sup>1</sup>:** For Term Deposits opened via the Internet, a paper copy of this brochure is available on request without charge at [commbank.com.au](http://commbank.com.au) or by contacting **13 2221** (24 hours a day, 7 days a week). Term Deposits opened via the Bank’s Internet banking service are expected to be available from April 2008.

**Note<sup>2</sup>:** To review latest rates, terms and minimum and maximum balance requirements or to apply for a Term Deposit via the Internet, visit [commbank.com.au](http://commbank.com.au) or log in to the Bank’s Internet banking service (registered users only).

## What is a Term Deposit?

A Term Deposit is an investment where the interest rate is guaranteed not to change for the whole of the nominated term. It provides the security of knowing that interest income is protected from fluctuations in investment markets.

## Who is a Term Deposit suitable for?

A Term Deposit may be appropriate for those who do not need immediate access to their money and are looking for a competitive interest rate that is guaranteed not to change for the whole of the nominated term.

## What are the key features and benefits?

When investing in a Term Deposit, you agree to invest your funds for a set period of time, at a fixed interest rate and interest payment option. This provides the security of knowing what the return will be, how frequently interest income will be paid and when the principal will be available. If funds are required prior to maturity of the investment, costs may apply (refer page 6 of this brochure and Clause 9 of the Terms and Conditions).

## General information

At the end of the investment term, you will have the choice to renew or close your Term Deposit and we will seek your instructions. If instructions are not received on or prior to the maturity date, the Bank renews your Term Deposit for the same term as before at the standard interest rate then applicable to the term and on the Terms and Conditions then applying to new standard Term Deposits.

### Standard Term Deposits

Terms available:

- **for amounts less than \$500,000.00:** choose from 30 days to 990 days or 1 month to 60 months;
- **for amounts \$500,000.00 and over:** choose from 7 days to 990 days or 1 month to 60 months.

Interest payment options:

- Interest is paid to you with the choice of the following frequencies:
  - **4 Weekly:** interest is paid every 28 days and at maturity.
  - **Six Monthly:** interest is paid every 6 months and/or at maturity.
  - **Annual:** interest is paid every 12 months and/or at maturity.
- Interest is added to your Term Deposit with the choice of the following frequencies:
  - **Compound Six Monthly:** interest is added to your Term Deposit every 6 months and/or at maturity.
  - **Compound Annually:** interest is added to your Term Deposit every 12 months and/or at maturity.

### Term Deposits opened via the Internet

A Term Deposit opened via the Internet has the added convenience of being able to be opened virtually any time from anywhere via the Internet (see Clause 14 of the Terms and Conditions).

Terms available:

- The latest terms available can be found on the Bank's web site **commbank.com.au** or registered users can log in to the Bank's Internet banking service.

Interest payment options:

- **Six Monthly:** interest is paid every 6 months and/or at maturity.
- **Compound Six Monthly:** interest is added to your Term Deposit every 6 months and/or at maturity.

### **How are interest rates determined?**

The rate of interest is determined using the prevailing market interest rate adjusted by a margin that reflects the following factors:

- an allowance for the Bank's business costs, both fixed and variable;
- any risks associated with the investment; and
- the Bank's profit margin.

The margin (and subsequently the interest rate) may vary from time to time due to changed market conditions, the timing of the transaction as well as the amount, term and interest payment option selected. Interest rates may vary significantly over time and current rates should always be checked at the time of opening or renewing a Term Deposit.

Details of interest rates (except for investments of \$500,000.00 or more), terms available and interest payment options are set out in the brochure "Interest Rates on Term Deposits and Investment Accounts". Details of the interest rates for investments of \$500,000.00 or more are available from your relationship manager or at any branch of the Bank. Interest rates for Term Deposits opened via the Internet are available at **commbank.com.au** or registered users can log into the Bank's Internet banking service.

### **How is interest calculated?**

Interest is calculated daily on your Term Deposit using the simple interest formula:

$$\text{Interest} = \frac{\text{amount invested}}{\text{per annum}} \times \text{rate \%} \times \frac{\text{number of days}}{365}$$

Interest is paid to you in accordance with Clause 7 of the Terms and Conditions.

# General information

## Example 1\*

You have lodged a 6 month Term Deposit of \$25,000.00 on 1 June at an interest rate of 4.00% per annum with Six Monthly interest payment option (that is, interest is paid every 6 months and at maturity).

The interest is calculated as follows:

- Interest earned on a deposit lodged on 1 June to mature on 1 December (183 days)  
$$= \$25,000.00 \times 4.00\% \times \frac{183}{365}$$
$$= \$501.36$$
- Total interest earned at time of maturity is \$501.36

\* Example used for illustrative purposes only.

## What are the key costs?

When investing in a Term Deposit you agree to invest your funds for a set period of time at a fixed interest rate. There are no account keeping fees to maintain this account.

## Prepayment costs

Should you require all or part of your funds prior to the maturity date, a prepayment adjustment and a \$30.00 prepayment administration fee may apply (see Clause 9 of the Terms and Conditions). Prepayment costs do not apply to deceased estates.

The prepayment adjustment applied will depend on the percentage of the original term elapsed. The prepayment adjustment will apply even if the Term Deposit has not been paid any interest up to the date of prepayment.

Table 1: Adjustment to be applied

Percentage of term elapsed	Adjustment to be applied as a % of your interest rate
0% to less than 20%	90%
20% to less than 40%	80%
40% to less than 60%	60%
60% to less than 80%	40%
80% to less than 100%	20%

For example, if your funds are invested for 50% of the agreed term, the prepayment adjustment to be applied will be 60%. In other words, if the agreed interest rate at lodgement date was 4.00% per annum, the interest rate that you will earn on the amount that you have withdrawn early will be 40% of the interest rate agreed at the start of the term. That is the interest rate you would earn on the withdrawal amount is:  
 4.00% per annum – (4.00% per annum x 60%)  
 = 1.60% per annum.

**Example 2\***

**Full prepayment**

Following on from Example 1, you have lodged a 183 day (approximately 6 month) Term Deposit of \$25,000.00 at an interest rate of 4.00% per annum with a Six Monthly interest payment option (that is, interest is paid every 6 months and at maturity).

After 90 days (approximately 3 months) you request to withdraw the entire \$25,000.00.

The percentage of the term elapsed is calculated as follows:

$$\begin{aligned}
 \text{Percentage of term elapsed} &= \frac{\text{number of days deposited}}{\text{number of days in term}} \times 100 \\
 &= \frac{90 \text{ days}}{183 \text{ days}} \times 100 \\
 &= 49.18\%
 \end{aligned}$$

As 49.18% of the original term has elapsed, an adjustment of 60% will apply (refer Table 1).

$$\begin{aligned}
 \text{Interest rate adjustment} &= \text{adjustment} \times \text{your interest rate} \\
 &= 60\% \times 4.00\% \text{ per annum} \\
 &= 2.40\% \text{ per annum}
 \end{aligned}$$

## General information

Interest is calculated until the date of withdrawal (the 90th day) at your original interest rate of 4.00% per annum. This amounts to \$246.57. This amount is reduced by the prepayment adjustment amount of \$147.94, making an interest payment amount of \$98.63. A prepayment administration fee of \$30.00 is also payable. The amount paid to you on the date of withdrawal is \$25,068.63 (i.e. the original lodgement amount of \$25,000.00 plus the adjusted interest payment of \$98.63 less the prepayment administration fee of \$30.00).

\* Example used for illustrative purposes only.

**Note:** When calculating interest adjustments, the Bank takes into consideration any interest already paid to you during the term. Interest already paid will have been calculated at your original interest rate. As an adjustment is now being made to your original interest rate, interest already paid to you must also be adjusted down. Rather than asking you to repay some of the interest already paid to you by the Bank, we simply deduct the prepayment adjustment amount from the amount being repaid to you on the date of withdrawal. Despite this, the sum of the amount paid to you on the withdrawal date, plus the sum of all previous interest payments will always be equal to or more than your original investment amount (excluding the prepayment administration fee).

### Example 3\*

#### Partial prepayment

Instead of withdrawing the full amount of the Term Deposit as in Example 2, you may wish to withdraw a partial amount. When you request a partial prepayment, you can choose to have:

- a) a specific prepayment amount, e.g. \$10,000.00, where the prepayment costs are deducted from the Term Deposit balance remaining after prepayment; or
- b) a specific balance to remain in the Term Deposit, e.g. \$15,000.00, where the prepayment costs are deducted from the amount being prepaid.

Where no preference is stated, prepayment costs are deducted from the balance remaining after prepayment.

- a) Specific prepayment amount of \$10,000.00 (prepayment costs deducted from balance).

After 90 days (approximately 3 months) you request to withdraw \$10,000.00 from your Term Deposit, that is a partial prepayment.

**Percentage of term elapsed** = 49.18% (as calculated in Example 2)

**Interest rate adjustment** = 2.40% per annum (as calculated in Example 2)

**Prepayment adjustment** = amount to be prepaid  $\times$   $\frac{\text{number of days deposited}}{365}$   $\times$  interest rate adjustment

= \$10,000  $\times$   $\frac{90}{365}$   $\times$  2.40% per annum

= \$59.17

The prepayment amount you will receive will be \$10,000.00 as you requested, and after the prepayment costs are deducted from the remaining Term Deposit balance, the remaining Term Deposit will be \$25,000.00 – \$10,000.00 – \$59.17 – \$30.00 = \$14,910.83.

The amount of \$14,910.83 will continue to earn interest at 4.00% per annum. The interest earned on the amount prepaid will be paid at the next interest payment date.

b) Specific balance remaining of \$15,000.00 (prepayment costs deducted from partial withdrawal amount).

After 90 days you request to withdraw a prepayment amount that leaves \$15,000.00 remaining as your Term Deposit balance.

**Percentage of term elapsed** = 49.18% (as calculated in Example 2)

**Interest rate adjustment** = 2.40% per annum (as calculated in Example 2)

**Prepayment adjustment** = amount to be prepaid  $\times$   $\frac{\text{number of days deposited}}{365}$   $\times$  interest rate adjustment

= \$9,911.35  $\times$   $\frac{90}{365}$   $\times$  2.40% per annum

= \$58.65

## General information

To leave a balance of \$15,000.00, the prepayment amount you will receive will be \$9,911.35 (calculated as  $\$25,000.00 - \$15,000.00 - \$58.65 - \$30.00 = \$9,911.35$ ) on the prepayment date. This will leave the remaining balance of \$15,000.00 to continue to earn interest at 4.00% per annum. The interest earned on the amount prepaid will be paid at the next interest payment date.

You will note that the prepayment adjustment in (b) is slightly less since the prepayment adjustment is calculated on a lesser amount than that of (a) in order to provide the specific amount as the remaining balance.

\* Example used for illustrative purposes only.

### Bank Cheque fee

Where you request your balance to be paid to you in the form of a Bank Cheque, a fee will apply. This fee, currently \$5.40, is subject to change from time to time. For the latest fee information, refer to our Common Banking Services Standard Fees and Charges brochure available at any Commonwealth Bank branch. A paper copy will be provided to you without charge on request.

### What are the key risks?

**Product risk** – All investments involve a certain amount of risk, however a Term Deposit is considered to be a relatively low risk product offered by the Bank.

**Market risk** – Because the interest rate of your Term Deposit is fixed, you are protected from decreases in interest rates during the term of your investment.

However, you may not be able to take advantage of interest rate increases should interest rates rise during the term of your investment.

For Term Deposits opened via the Internet, please also refer to the section “What are the risks?” as detailed in the Electronic Banking General Information and Terms and Conditions.

### **What are the tax implications?**

If you do not provide us with a Tax File Number (TFN), TFN exemption, or an Australian Business Number or you are a non-resident, we are obliged by law to withhold tax from the interest we pay to you. Interest you have earned on this account may be subject to income tax. You should discuss any taxation issues with an independent taxation adviser.

All fees directly applicable to this product are input taxed which means that the Bank does not charge GST on these fees.

### **How do I apply for a Term Deposit?**

Simply visit any branch of the Bank during business hours or contact your relationship manager (Term Deposits opened via the Internet can only be applied for via **commbank.com.au** or via the Bank's Internet banking service at any time).

### **What if I have a complaint?**

We aim to provide good customer service. If you think we have failed, you should let us know so that we can try and put things right. Also, by telling us where you think we have failed, we will be able to provide you a better service in the future. To assist you, we offer free internal and external avenues to deal with your concerns.

### **How to make a complaint:**

- (i) Gather all supporting documents about the matter of complaint, think about the questions you want answered and decide what you want us to do.
- (ii) Next, contact your branch staff, relationship manager or the manager of the department that handled the matter and explain the problem. Our staff will fully review the situation and if possible resolve it straight away.
- (iii) If at this stage the matter has not been resolved to your satisfaction, please contact our Customer Relations team. We will provide you with the name and contact details of the officer who will investigate your case. Rest assured that an officer with the necessary authority will review your case.

## General information

### Customer Relations

You may contact Customer Relations by:

- web site at **[commbank.com.au/contactus/comment.asp](http://commbank.com.au/contactus/comment.asp)**;
- telephone **1800 805 605\***;
- facsimile **1800 028 542\***; or
- writing to the address below:

Customer Relations  
Commonwealth Bank  
Reply Paid 41  
Sydney NSW 2001

\* A free call unless made from a mobile, which will be charged at the applicable mobile rate.

If you telephone, your call will be answered by one of our dedicated staff who will resolve the issue as quickly as possible.

We aim to resolve most issues within 4 working days. However, some matters are more complex and can take a little longer to resolve. If that is the case, we will keep you informed of our progress.

### Dispute resolution

We expect that our front line staff, managers or Customer Relations team will completely resolve the issue you raise. If, despite our best efforts, you believe your complaint has not been satisfactorily dealt with, you may wish to contact an alternative dispute resolution scheme.

The Banking and Financial Services Ombudsman is an impartial, independent and free alternative dispute resolution scheme for disputants. Before the Ombudsman can investigate the matter, you must have first given us the opportunity to review it. The Ombudsman cannot investigate problems that involve, for example:

- a claim for more than \$280,000;
- a commercial decision by a bank, such as whether a loan is approved;
- the bank's general policy or practice, such as the level of interest rates or fees.

You can contact the Ombudsman by:

- telephone on **03 9613 7333** or **1300 780 808**;
- facsimile **03 9613 7345**;
- web site **www.bfso.org.au**; or
- writing to the address below:

Banking and Financial Services Ombudsman  
GPO Box 3  
Melbourne VIC 3001

## **Privacy of your personal information**

### **Collection and verification of customer information**

“Customer information” is information about a customer. It includes personal information. The law requires us to identify our customers. We do this by collecting and verifying information about you. We may also collect and verify information about persons who act on your behalf. The collection and verification of information helps to protect against identity theft, money-laundering and other illegal activities.

We use your customer information to manage our relationship with you, provide you with the products and services you request and also tell you about the products and services offered by the Commonwealth Bank Group (“Group”), affiliated providers and external providers for whom we act as agent. If you have given us your electronic contact details, we may provide marketing information to you electronically.

The collection and verification of customer information may be carried out in different ways and we will advise you of the most acceptable methods of doing this. We may disclose your customer information in carrying out verification – e.g. we may refer to public records to verify information and documentation, or we may verify with an employer that the information you have given us is accurate.

Depending on whether you are an individual or an organisation, the information we collect will vary. For instance, if you are an individual, the type of information we may collect and verify includes your full name, date of birth and residential address. If you are commonly known by 2 or more different names, you must give us full details of your other name or names.

## General information

For instance, if you are a company, we may collect and verify information, including company incorporation and registration details, as well as details of the company's officers and its major shareholders.

If you are acting as a trustee, we may ask you for, amongst other things, information on the beneficiaries of the trust and evidence of the existence of the trust.

If you are a partnership, we may require information including evidence of the fact that the partnership exists, as well as the full name of the partnership, the names of the partners and any business name owned by the partnership.

For other organisations, the kind of information we collect and verify will depend on the type of organisation you are.

In addition, during your relationship with us, we may also ask for and collect further information about you and about your dealings with us.

You must provide us with accurate and complete information. If you do not, you may be in breach of the law and also we may not be able to provide you with products and services that best suit your needs.

### **Protecting customer information**

We comply with the National Privacy Principles as incorporated into the Privacy Act 1988 (Cth). We disclose customer information to other members of the Group (including overseas members), so that the Group may have an integrated view of its customers and to facilitate the integrated treatment of its customers. It also enables other members of the Group to provide you with information on their products and services.

### **Other disclosures**

At common law, banks are permitted to disclose customer information in the following circumstances:

- (a) where disclosure is compelled by law; or
- (b) where there is a duty to the public to disclose; or
- (c) where our interests require disclosure; or
- (d) where disclosure is made with your express or implied consent.

So that we can manage our relationships, customer information may be disclosed to:

- brokers and agents who refer your business to us;
- any person acting on your behalf, including your financial adviser, solicitor, settlement agent, accountant, executor, administrator, trustee, guardian or attorney;
- financial institutions who request information from us if you seek credit from them;
- if you have borrowed from the Bank to purchase property: valuers and insurers (so that the Bank can obtain a valuation of your property, and confirm that it is insured);
- if you have insurance: medical practitioners (to verify or clarify, if necessary, any health information you may provide), claims investigators and reinsurers (so that any claim you make can be assessed and managed), insurance reference agencies (where the Bank is considering whether to accept a proposal of insurance from you and, if so, on what terms); and
- organisations to whom we may outsource certain functions. In all circumstances where our contractors, agents and outsourced service providers become aware of customer information, confidentiality arrangements apply. Customer information may only be used by our agents, contractors and outsourced service providers for our purposes.

We may be required to disclose customer information by law, e.g. under Court Orders or Statutory Notices pursuant to taxation or social security laws or under laws relating to sanctions, anti-money laundering or counter terrorism financing.

We may send customer information overseas if:

- that is necessary to complete a transaction; or
- we outsource certain functions overseas.

We may also be permitted, as distinct from required, to disclose information in other circumstances. For more information, please refer to our Privacy Policy.

## General information

### **Access to your personal information**

The law allows you (subject to permitted exceptions) to access your personal information.

You can do this by contacting:

Customer Relations  
Commonwealth Bank  
Reply Paid 41  
Sydney NSW 2001

We may charge you for providing access.

### **Further information**

For further information on our privacy and information handling practices, please refer to the Group's Privacy Policy, which is available at **commbank.com.au** or upon request from any branch of the Bank.

# Terms and conditions

## **1. About these Terms and Conditions**

These Terms and Conditions govern the Bank's Term Deposit. They do not include terms and conditions that may apply by operation of law.

You should read these Terms and Conditions carefully before lodging funds in a Term Deposit, and keep them for your future reference. You will then know what to expect from us and what we expect from you before becoming bound by the Terms and Conditions. You can ask us questions about any of the Terms and Conditions that you do not understand, and so avoid misunderstandings. In addition, you should read the Bank's information booklet "The Better Banking Book", copies of which may be obtained by telephoning the Bank on **13 2221** (24 hours a day, 7 days a week), contacting your relationship manager, visiting our web site at **commbank.com.au** or from any branch of the Bank.

The Better Banking Book contains useful information on a range of banking matters. These include the rights and obligations that arise out of the banker and customer relationship, account opening procedures, the Bank's obligations regarding confidentiality of your information, complaint handling procedures, bank cheques, the advisability of you informing the Bank promptly when you are in financial difficulty, and the advisability of you reading the Terms and Conditions applying to any banking service provided to you or in which you are interested.

The relevant provisions of the Code of Banking Practice apply to a Term Deposit if the Term Deposit is held by an individual, either alone or jointly with another individual, or by a small business customer. A copy of the Code of Banking Practice is available at **commbank.com.au** or by contacting your relationship manager or any branch of the Bank.

# Terms and conditions

## 2. Definitions

the “Bank”; “our” ; “us” ; “we”

means the Commonwealth Bank of Australia  
ABN 48 123 123 124.

“BPAY®”

means an electronic payment system registered to BPAY Pty Limited ABN 69 079 137 518 through which a deposit can be made to your Term Deposit opened via the Internet.

“business day”

means any day on which the Bank is open for the transaction of business in relation to a Term Deposit.

“you”; “your”

means the customer who is the person or persons or entity in whose name the Term Deposit is held.

## 3. Opening a Term Deposit

- When you lodge funds in a Term Deposit, you agree to these terms and conditions.
- A minimum opening balance of \$5,000.00 is required unless you open the Term Deposit via the Internet in which case the minimum and maximum balance applicable will be advised by the Bank online on its web page at **commbank.com.au** or via the Bank’s Internet banking service.
- You may obtain details of interest rates being offered for new Term Deposits by telephoning the Bank on **13 2221**, contacting your relationship manager or by visiting **commbank.com.au** or from any branch of the Bank.

## 4. If you conduct a Term Deposit jointly with another person

- Unless otherwise agreed with the Bank when the Term Deposit is opened:
  - each of you may operate the Term Deposit independently of the other;
  - the Bank may accept for the credit of the Term Deposit any cheque or other negotiable instrument payable to any one or more of you; and
  - if one of you dies, the balance of the Term Deposit is transferred by the Bank to the survivor(s).

- The Bank is not obliged to enquire into the circumstances of any instructions you give in relation to the conduct of your joint Term Deposit. The Bank is not liable for any loss or damage you or anyone else suffers due to the Bank acting on those instructions in good faith, unless it is proved that the Bank was negligent.

## **5. Information we may send you**

- The Bank issues an Acknowledgment on acceptance of your Term Deposit.
- The Acknowledgment is valueless for the purpose of transfer or negotiation.
- The Bank may require you to surrender the Acknowledgment at maturity or in the event of withdrawal in advance of maturity.
- **Statement of Account:** The Bank does not issue you with a Statement of Account.
- **Renewal Notice:** The Bank issues a Renewal Notice approximately one week prior to your Term Deposit maturing. This notice will seek your instructions for renewal or closure. If your Term Deposit is for a term less than 14 days, you will not be issued a Renewal Notice.
- **Certificate of Reinvestment:** The Bank will issue you a Certificate of Reinvestment confirming the details of your Term Deposit should your funds be reinvested at maturity.
- **Closed Account Notice:** If you choose to fully close your Term Deposit, the Bank will issue a Closed Account Notice detailing the closure, including interest earned.
- **End of Financial Year Notice:** The Bank will issue a notice shortly after the end of a financial year detailing the amount of interest paid on your Term Deposit in the previous financial year. You may need these details for tax purposes.

## **6. Minimum lodgement terms**

- The minimum term for amounts of less than \$500,000.00 is 1 month (30 days) unless you open the Term Deposit via the Internet in which case the minimum term available will be advised by the Bank on its online Term Deposit web page or via Bank's Internet banking service (registered users only).

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- The minimum term is 7 days for amounts of \$500,000.00 or more. For terms of less than 30 days interest is only paid at maturity.
- You may not choose a term that is a combination of both days and months.
- Subject to the preceding conditions, you may nominate a term in days up to 990 days or you may nominate a term in months up to 60 months unless you open the Term Deposit via the Internet in which case the terms available will be advised by the Bank on its online Term Deposit web page or via Bank's Internet banking service (registered users only).

### **7. Payment of interest**

- The Bank may vary the interest rates on offer for new Term Deposits at any time without notice. Rates for amounts of \$500,000.00 and over are available at the time of lodgement.
- The interest rate applying to your Term Deposit is fixed at the time of lodgement for the whole of the nominated term.
- Interest is calculated daily on the balance of the Term Deposit.
- Unless otherwise stated, you may choose one of the following interest payment options (for any interest due within 7 days of maturity, payment is deferred until maturity):
  - (i) interest credited to a nominated bank account every 28 days and at maturity.
  - (ii) interest credited to a nominated bank account every 6 months and/or maturity.
  - (iii) interest credited to a nominated bank account every 12 months and/or at maturity.
  - (iv) interest credited to your Term Deposit every 6 months and/or at maturity.
  - (v) interest credited to your Term Deposit every 12 months and/or at maturity.
- If you open a Term Deposit via the Internet, unless otherwise stated you may choose one of the following interest payment options:
  - (i) interest credited to a nominated bank account every 6 months and/or at maturity.
  - (ii) interest credited to your Term Deposit every 6 months and/or at maturity.

- If interest is due on a Saturday, it is made available on the Saturday. If it is being credited to a statement account (for example, a Streamline account) the entry is not credited to the account until the next business day.
- If interest is due on a Sunday, it is made available on the preceding Saturday. If it is being credited to a statement account (for example, a Streamline account) the interest is not credited to the account until the next business day.
- If interest is due on a weekday that is a national public holiday, it is made available on the public holiday. If it is being credited to a statement account (for example, a Streamline account) the interest is not credited to the account until the next business day.

## **8. At maturity**

- The Bank issues a Renewal Notice approximately one week prior to your Term Deposit maturing. This notice will seek your instructions for renewal or redemption of your Term Deposit.
- Subject to Clause 14 of these Terms and Conditions, if your instructions are not received on or prior to the date of maturity, the Bank renews the Term Deposit for the same investment term as before at the interest rate then applicable to that term and on the Terms and Conditions then applying to new standard Term Deposits. The interest rate applicable to the new Term Deposit may be significantly different from the interest rate applied in the previous term.
- If the maturity date is a business day, you will have access to your funds on the same business day.
- If the maturity date is a non-business day, you will have access to your funds on the next business day. If you choose to withdraw all or part of your Term Deposit following a non-business day maturity you will not receive interest for the period from the maturity date to the date of withdrawal, on the amount that is withdrawn.
- If the maturity date is a business day and you do not provide withdrawal instructions until a later date, you will not receive interest for the period from the maturity date to the date of withdrawal, on the amount that is withdrawn.

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### **9. Withdrawals in advance of maturity**

- You may apply to the Bank at the branch where the Term Deposit was lodged to withdraw all or part of your Term Deposit in advance of maturity.
- Withdrawals in advance of maturity may incur a prepayment adjustment. A prepayment administration fee of \$30.00 may also apply.
- The amount of the prepayment adjustment is calculated by the Bank taking into account the amount withdrawn, the length of time since the deposit was lodged as a percentage of the original term, and the application of an adjusted rate of interest.
- If you withdraw funds prior to maturity, payment is effected on the next business day, subject to the Special Terms and Conditions for deposits opened via the Internet (see Clause 14 of these Terms and Conditions).
- A minimum balance of \$1,000.00 must be maintained at all times.

### **10. Bank Cheque fees**

- Where you request your balance to be paid to you in the form of a Bank Cheque, a fee will apply. For the latest fee information, refer to our Common Banking Services Standard Fees and Charges brochure available at any Commonwealth Bank branch. A paper copy will be provided to you without charge on request.

### **11. Government charges**

- Whilst you are not required to provide us with your Tax File Number (TFN) or Australian Business Number (ABN) in relation to an account, the Bank is obliged by law to withhold tax from interest where a TFN, TFN exemption or ABN has not been quoted on a Term Deposit, and where interest is payable to a non-resident.
- The Bank notifies you of the introduction or variation of any Government tax or charge either in writing or by an advertisement in the national media or local media, unless the Government, Government agency or representative body has already publicised the introduction or variation.

## 12. Change of personal details

- You are required to notify the Bank promptly of a change to your name, address or the bank account your Term Deposit interest is credited to.

## 13. Breach of law

If it appears to us that you may:

- (a) be a proscribed person or entity under the Charter of the United Nations Act 1945 (Cth);
- (b) be in breach of the laws of any jurisdiction relating to money laundering or counter-terrorism; or
- (c) appear in a list of persons with whom dealings are proscribed by the government or a regulatory authority of any jurisdiction; we may immediately:
- (d) refuse to process any transaction of yours;
- (e) suspend the provision of a product or service to you;
- (f) freeze your account; or
- (g) close your account.

We will be under no liability to you if we do any or all of these things. Our rights under this clause are in addition to all other rights we may have.

## 14. Special Terms and Conditions – Term Deposits opened via the Internet

- You must be at least 18 years of age and an Australian resident with an Australian address.
- The deposit must be opened in your personal name (not company or trading names) and must not be lodged in trust for another person.
- Joint accounts may be opened via the Bank's web site at **commbank.com.au**. Joint accounts cannot be opened via the Bank's Internet banking service.
- Joint accounts may be conducted by no more than two account holders. For joint accounts, either account holder can operate on the account.
- If you apply for a Term Deposit via the Bank's web site at **commbank.com.au**, funds must be lodged via BPAY®. If you apply via the Bank's Internet banking service

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(registered users only) funds must be transferred electronically from an eligible account in your name or joint names (no company or trading accounts) linked to your Client Number.

- The applicable interest rate and lodgement date will be determined upon receipt of funds by the Bank. If the interest rate quoted for Term Deposits opened via the Internet is no longer available, the money may be returned to you by electronic funds transfer to the account from which it was sent at your request within 5 business days of receipt of funds. Interest is not paid on money returned in these circumstances. Payment may be deferred for up to 5 days while that account is identified by the Bank.
- If you have not previously been personally identified by the Bank, you will be required under Australian law to provide acceptable forms of identification before the Bank will accept your request to withdraw funds and/or process any subsequent change to the information you provided online when applying for a Term Deposit via the Internet.
- If you withdraw all or part of your funds at maturity, the money must be returned to you by electronic funds transfer to an account nominated by you (if you applied via the Bank's Internet banking service) or to the account from which it was originally sent (if you applied via the Bank's web site at **commbank.com.au**). Payment may be deferred for up to 5 days while that account is identified by the Bank.
- If no instructions for renewal or payment of your Term Deposit are received prior to the date of maturity, the Term Deposit will be relodged for the same term as before at the interest rate then applicable for that term for standard Term Deposits opened at a branch of the Bank and on the Terms and Conditions then applying to new Term Deposits, including this Clause 14. The interest rate applicable to the relodged Term Deposit may be significantly different from the interest rate applied in the previous term.
- Electronic access to your account is governed by the Electronic Banking Terms and Conditions, available at any Commonwealth Bank branch. The Electronic Banking Terms and Conditions are only applicable to Term Deposits opened via the Internet.

**13 2221**

24 hours a day, 7 days a week

**[commbank.com.au](https://www.commbank.com.au)**

Commonwealth Bank of Australia

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