

HERBERT  
SMITH  
FREEHILLS

## Deed Poll

Execution Version

Project Dolce (82754570)

# PERLS XVI Deed Poll - Commonwealth Bank

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Commonwealth Bank of Australia

*Investments in CommBank PERLS XVI Capital Notes are an investment in CBA and may be affected by the ongoing performance, financial position and solvency of CBA. They are not deposit liabilities or protected accounts of CBA under the Banking Act 1959 (Cth).*



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## PERLS XVI Deed Poll - Commonwealth Bank

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Date ►

Between the parties

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**CBA**                      **Commonwealth Bank of Australia** registered in New South Wales  
ACN 123 123 124 of Commonwealth Bank Place South, Level 1, 11  
Harbour Street Sydney NSW 2000

**(CBA)**

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Recitals

- 1 CBA proposes to issue PERLS XVI on the terms of this Deed Poll.
  - 2 PERLS XVI will be constituted by, and owing under, this Deed Poll and take the form of entries in the PERLS XVI Register.
  - 3 CBA enters into this Deed Poll for the benefit, amongst others, of the holders from time to time of PERLS XVI.
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This deed witnesses as follows:

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## 1 Definitions and interpretation

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### 1.1 Definitions

The meanings of the terms used in this deed are set out below.

| <b>Term</b>                | <b>Meaning</b>   |
|----------------------------|--|
| <b>Audit</b>               | has the meaning set out in the Corporations Act.   |
| <b>Auditor</b>             | a person appointed by CBA from time to time to conduct an Audit.   |
| <b>Deed Poll</b>           | this deed poll including Schedule 1 (Terms) and Schedule 2 (Provisions for Meetings of Holders) to this deed poll.   |
| <b>Government Agency</b>   | any government or any governmental, semi governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity.   |
| <b>Meeting</b>             | a meeting of Holders of PERLS XVI convened in accordance with this Deed Poll.  |
| <b>Ordinary Resolution</b> | means:<br><ul style="list-style-type: none"><li>(a) a resolution passed at a meeting of Holders duly called and held under the Meeting Provisions by at least 50% of the votes cast; or</li><li>(b) a resolution passed by postal ballot or written resolution by Holders of at least 50% of the aggregate Face Value of PERLS XVI then outstanding.</li></ul> |
| <b>PERLS XVI</b>           | has the meaning given to the term 'PERLS XVI' in the Terms.  |
| <b>PERLS XVI Register</b>  | the Register as defined in the Terms, established and maintained in respect of PERLS XVI.  |
| <b>Registrar</b>           | the person or persons who is/are appointed by CBA to maintain the PERLS XVI Register.  |



| <b>Term</b>  | <b>Meaning</b>  |
|--------------|---|
| <b>Terms</b> | the terms of issue of PERLS XVI as set out in Schedule 1. |

## **1.2 Incorporation of defined terms**

Words and expressions which are defined in the Terms have the same meaning when used in this Deed Poll unless the same term is defined in this Deed Poll, in which case the definition in this Deed Poll prevails.

## **1.3 Interpretation**

In addition to the following rules of interpretation which apply in this Deed Poll, the interpretation provisions in the Terms apply in this Deed Poll, unless the contrary intention appears or the context otherwise requires.

- (a) A gender includes all genders.
- (b) Where a word or phrase is defined, its other grammatical forms have a corresponding meaning.
- (c) A reference to a person, corporation, trust, partnership, unincorporated body or other entity includes any of them.
- (d) A reference to a clause, annexure or schedule is a reference to a clause of, or annexure or schedule to, this Deed Poll.
- (e) A reference to a party to this Deed Poll or another agreement or document includes the party's successors and permitted substitutes or assigns.
- (f) A reference to an agreement or deed includes a reference to that agreement or deed as amended, novated, supplemented, replaced or restated from time to time.
- (g) A reference to writing includes any means of reproducing words in a tangible and permanently visible form.
- (h) A reference to conduct includes an omission, statement or undertaking, whether or not in writing.
- (i) Mentioning anything after include, includes or including does not limit what else might be included.
- (j) A reference to time in this Deed Poll is a reference to Sydney, New South Wales, Australia time.

## **1.4 Registration and transfer**

References in this Deed Poll to:

- (a) registration or recording include inscription, and register and record have a corresponding meaning; and
- (b) transfer includes transmission.



## 2 PERLS XVI

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### 2.1 Creation of PERLS XVI

- (a) PERLS XVI are issued in uncertificated registered form. CBA will create the PERLS XVI by procuring the Registrar to inscribe the details of those PERLS XVI in the PERLS XVI Register in accordance with the Terms.
- (b) No PERLS XVI will be created or issued except in accordance with clause 2.2, and once created or issued the information contained in the PERLS XVI Register with respect to those PERLS XVI will have the effect provided under the Terms.

### 2.2 Constitution and title

- (a) The PERLS XVI are constituted by this Deed Poll and the Terms. Title to a PERLS XVI is conclusively evidenced for all purposes by inscription in the PERLS XVI Register. No certificate or other evidence of title to a PERLS XVI will be issued by or on behalf of CBA unless CBA determines otherwise or is required to do so by law.
- (b) The making of, or giving effect to, a manifest error in an inscription in the PERLS XVI Register will not void the constitution, issue or transfer of a PERLS XVI. CBA will procure the Registrar to rectify any manifest error of which it becomes aware.
- (c) A PERLS XVI in respect of which an entry is made in the PERLS XVI Register is (subject to rectification for error or fraud) taken to have been validly issued under this Deed Poll, regardless of any non-compliance by CBA with the provisions of this Deed Poll. PERLS XVI are regarded as issued or transferred to a person if and when the person's name is recorded in the PERLS XVI Register as the holder of PERLS XVI in accordance with this Deed Poll.
- (d) Title to PERLS XVI vests in the Holder of that PERLS XVI. CBA may treat Holders as the absolute beneficial owners of PERLS XVI held by them and are not bound by or obliged to recognise any other person as having any right or interest in any PERLS XVI whether or not they have notice of such right or interest.

### 2.3 Denomination

Each PERLS XVI must be denominated in Australian dollars in such amount or amounts as set out in the Terms.

### 2.4 Status

The ranking of PERLS XVI is not affected by the date of inscription in the PERLS XVI Register.





## 3 Rights and Obligations of Holders

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### 3.1 Rights of Holders

A Holder is entitled, in respect of each PERLS XVI for which that person's name is inscribed in the PERLS XVI Register, to the payments in accordance with the Terms, together with the other benefits given to Holders under this Deed Poll and the Terms, and is bound by the obligations under this Deed Poll and the Terms as contemplated in clause 3.3.

### 3.2 Deed poll and enforcement

This document is a deed poll. Each Holder has the benefit of this Deed Poll and can enforce it even though they may not be in existence at the time this Deed Poll is executed. Each Holder may enforce its rights under this Deed Poll independently from the Registrar and each other Holder, as the case may be.

### 3.3 Holders bound

Each Holder, and any person claiming through a Holder, who asserts an interest in a PERLS XVI is bound by this Deed Poll and the Terms. PERLS XVI are issued on the condition that each Holder, and any person claiming through a Holder, is taken to have notice of, and be bound by this Deed Poll, the Terms and the Prospectus.

This Deed Poll must be read together with the Prospectus and the Terms.

Persons claiming interests in a PERLS XVI must do so in accordance with the rules of any clearing or other system for the holding of such interests, or in accordance with law and obtain the interests in a PERLS XVI provided by any such system or by law.

### 3.4 Schedules and conditions

The PERLS XVI are issued upon and subject to:

- (a) Schedule 1 (Terms); and
- (b) Schedule 2 (Provisions for Meetings of Holders),

each of which are binding on CBA and the Holders and all persons claiming through or under them respectively.

## 4 Transfers

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- (a) PERLS XVI may be transferred in accordance with the Terms.
- (b) A transferor of PERLS XVI remains the Holder until the transfer is registered and the name of the transferee is entered in the applicable PERLS XVI Register.
- (c) If CBA accepts a transfer under this clause 4, CBA may issue a transaction advice for:
  - (1) PERLS XVI which have been transferred; and
  - (2) the balance of any PERLS XVI which were not transferred.



- (d) If PERLS XVI are lodged or approved for entry on CHESS, then ASX Settlement Operating Rules prevail to the extent of any inconsistency with clause 5 of this deed or this clause 4.

## 5 The Registrar and the PERLS XVI Register

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### 5.1 Appointment of Registrar

CBA may cause the PERLS XVI Register to be maintained by a third party on its behalf and require that person to:

- (a) discharge CBA's obligations under this Deed Poll in connection with the PERLS XVI Register and transfers of PERLS XVI; and
- (b) assist it in the supply and delivery of the information, records and reports required by law or the ASX Listing Rules.

CBA is not liable for any act or omission of any person appointed by CBA under this clause 5.1, provided that CBA will be liable if it fails to take reasonable steps to select a person competent to perform the intended functions.

CBA may replace any person so appointed in its sole discretion, provided that if CBA is actually aware that such person is not performing their duties, CBA shall take reasonable steps to remove that person and replace them with a person it reasonably believes is competent to perform the intended functions.

### 5.2 Duties of Registrar

The Registrar has no duties or responsibilities except those expressly set out in any registry agreement between the Registrar and CBA, the Terms and this Deed Poll.

### 5.3 Establishment of the PERLS XVI Register

- (a) CBA agrees to establish and maintain, or procure the establishment and maintenance of, the PERLS XVI Register.
- (b) CBA must enter, or procure the entry, into the PERLS XVI Register in respect of each Holder of PERLS XVI:
- (1) the terms and conditions of PERLS XVI;
  - (2) the name and address of the Holder and the amount of PERLS XVI held to be recorded in the PERLS XVI Register;
  - (3) any payment instructions or account details notified by the relevant Holder (or by CBA in respect of the relevant Holder) to the Registrar, for the purpose of receiving payments in relation to PERLS XVI held by such Holder; and
  - (4) any other particulars which CBA thinks fit or that it is required to include on the PERLS XVI Register under this deed.

### 5.4 Directions to hold documents

Each Holder is taken to have irrevocably:

- (a) instructed CBA that an original of this Deed Poll is to be delivered to and held by the Registrar; and





- (b) appointed and authorised the Registrar to hold this Deed Poll in Sydney (or another place in Australia approved by CBA).

### **5.5 Copies of documents to Holders**

- (a) Within ten Business Days of CBA receiving a written request from a Holder to do so, CBA must provide to that Holder a certified copy of this Deed Poll.
- (b) Any Holder may, in any proceedings relating to this Deed Poll, protect and enforce its rights arising out of this Deed Poll in respect of any rights to which it is entitled upon the basis of a copy of this Deed Poll certified as being a true copy by a duly authorised officer of CBA (or the Registrar) without the need for production in such proceedings or in any court of the actual records of this Deed Poll. Any such certification shall be binding, except in the case of fraud or manifest error, upon CBA and the Holder.
- (c) This clause 5.5 shall not limit any right of any Holder to the production of originals of such records or documents in evidence.

### **5.6 Location of the PERLS XVI Register**

The PERLS XVI Register will be kept in New South Wales or another place in Australia approved by CBA where the work involved in maintaining the PERLS XVI Register is done.

### **5.7 No liability for mistakes**

CBA is not liable for any mistake in the PERLS XVI Register, or in any purported copy of the PERLS XVI Register, except to the extent that the mistake is attributable to CBA's own fraud, negligence or wilful default.

### **5.8 Persons may accept correctness**

In the absence of fraud or error, the PERLS XVI Register is conclusive evidence of the ownership of PERLS XVI and each person dealing with the PERLS XVI Register is entitled to accept the correctness of all information contained in the PERLS XVI Register without investigation and is not liable to any person for any error in it.

### **5.9 Inspection**

The PERLS XVI Register will be available for inspection by the persons, and at the times, required by law.

### **5.10 Closure of the PERLS XVI Register**

On announcing the same to ASX or as required by law or the ASX Listing Rules, CBA may from time to time close the PERLS XVI Register for any period or periods not exceeding in any one calendar year the maximum period permitted by law or the ASX Listing Rules.

### **5.11 Change in information**

A Holder must advise CBA of any change to the information previously provided by the Holder for noting in the PERLS XVI Register and provide to CBA any evidence which





CBA may reasonably require. On receipt of such advice, CBA must promptly update, or procure the updating of, the information contained in the PERLS XVI Register.

CBA is not however obliged to update, or procure the updating of, the information contained in the PERLS XVI Register while it is closed.

### **5.12 Rectification of the PERLS XVI Register**

If:

- (a) an entry is omitted from the PERLS XVI Register;
- (b) an entry is made in the PERLS XVI Register otherwise than in accordance with this Deed Poll;
- (c) an entry wrongly exists in the PERLS XVI Register; or
- (d) there is an error or defect in any entry in the PERLS XVI Register,

CBA may rectify the same.

### **5.13 Property in PERLS XVI**

The property in PERLS XVI will for all purposes be regarded as situated at the place where the PERLS XVI Register is for the time being situated and not elsewhere.

### **5.14 CHESSE sub-register**

If PERLS XVI are approved for participation in CHESSE and a sub-register is maintained by, or on behalf of, CBA under the Corporations Act, the ASX Listing Rules or the ASX Settlement Operating Rules, then the rules and regulations applicable to that sub-register prevail to the extent of any inconsistency with this clause 5.

### **5.15 Joint Holders**

Where two or more persons are registered as the holders of PERLS XVI (**Joint Holders**) they are deemed to hold PERLS XVI as joint tenants, on the following conditions:

- (a) the Joint Holders are jointly and severally liable in respect of all payments, including payment of any Tax, which ought to be made in respect of PERLS XVI;
- (b) on the death of a Joint Holder, the survivor or survivors are the only person or persons whom CBA will recognise as having any title to PERLS XVI, but CBA may require any evidence of death which it thinks fit;
- (c) any one of the Joint Holders may give an effective receipt which will discharge CBA in respect of any payment;
- (d) the Joint Holders of a PERLS XVI are counted as a single holder of PERLS XVI for the purposes of calculating the number of Holders or requisitioners who have applied for a Meeting;
- (e) only the person whose name appears first in the applicable PERLS XVI Register as one of the Holders is entitled to delivery of any notices, cheques or other communications from CBA, and any notice, cheque or other communication given to that person is deemed to be given to all the Joint Holders;



- (f) if more than one address is notified to CBA, the address recorded in the PERLS XVI Register will be the address of the Joint Holder whose name first appears in the PERLS XVI Register; and
- (g) a payment to any one of the Joint Holders will discharge CBA's liability with respect to that payment.

### 5.16 Holding Statements

- (a) CBA or the Registrar (as applicable) must issue to each Holder a holding statement as soon as reasonably practicable after the issue of PERLS XVI.
- (b) Any holding statement in respect of PERLS XVI is no guarantee that any amounts will be paid to the Holder.

## 6 Terms

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CBA agrees to its obligations as set out in the Terms and undertakes in favour of each Holder of PERLS XVI to perform its obligations in respect of PERLS XVI under the Terms. To the extent there are any inconsistencies between the Terms and this deed, the Terms prevail.

## 7 Payments

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- (a) Subject to all applicable laws, where CBA is unable to make a payment or is relieved from the obligation to make a payment to which a Holder is entitled under the Terms, CBA will send a notice to the registered address of the relevant Holder advising of the unsuccessful payment and the amount of the unsuccessful payment is to be held by CBA for the Holder in a non-interest bearing deposit with a bank selected by CBA until the first of the following to occur:
  - (1) the Holder or a legal representative of the Holder (or the person who was the Holder at the time the entitlement to the payment is determined under the Terms) claims the amount and provides evidence of its entitlement and details for payment to be effected to the satisfaction of CBA;
  - (2) CBA pays the amount in accordance with the law relating to unclaimed money; and
  - (3) the claim for payment of the amount becomes void under the Terms.No further interest or other additional amount is payable in respect of any delay in payment.
- (b) CBA's obligations to make payments and perform other obligations in respect of PERLS XVI are subject to all applicable laws. If a payment could not lawfully be made or Ordinary Shares could not lawfully be issued to a particular Holder due to any circumstance or matter affecting the Holder without the approval of a Government Agency or the satisfaction of some other condition (or if CBA suspects that is the case), then the Holder is not entitled to receive that payment or those Ordinary Shares, and CBA is not obliged to make that payment or issue those Ordinary Shares, unless that approval has been obtained or that other condition is satisfied (or CBA is satisfied that such





approval is not required or that condition is not required to be satisfied). CBA is not obliged to pay any further interest or other additional amount to the affected Holder in such circumstances on account of the delay.

- (c) If CBA has determined that a person or persons other than the Holder is or may be entitled to be registered as Holder and receive a payment in respect of a PERLS XVI, CBA may withhold the payment until it has established the respective entitlements of that person or those persons to its satisfaction and (if applicable) the person or persons entitled have been registered as a Holder and provided details for the payment to be effected to the satisfaction of CBA. CBA is not obliged to pay any further interest or other additional amount on account of the delay.
- (d) For the avoidance of doubt, nothing in this clause 7 obliges CBA to make a payment it has not otherwise determined to make under clause 2 of the Terms or limits any other provision of the Terms which limits CBA's obligations to make payments or perform other obligations in respect of PERLS XVI.

## 8 Status and Subordination

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Without limiting any other clause of this deed:

- (a) PERLS XVI constitute subordinated unsecured notes of CBA;
- (b) CBA's obligation to pay amounts due on a PERLS XVI is subject to, and subordinated on the terms set out in, the applicable Terms; and
- (c) PERLS XVI rank equally without any preference among themselves.

## 9 Undertaking by CBA

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CBA undertakes to provide or procure the Registrar to provide to each Holder (upon request by that Holder) a certified copy of this Deed Poll.

## 10 Meetings of Holders

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- (a) CBA may at any time convene a Meeting.
- (b) CBA must convene a Meeting on receipt of a direction in writing by Holders who hold 10% or more of PERLS XVI stating the object of the Meeting and any proposed resolution.
- (c) The provisions in Schedule 2 apply to any Meeting of Holders.

## 11 Appointment of Trustee

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- (a) CBA may establish a trust and appoint a trustee (**Trustee**) to act as trustee for the benefit of Holders:
  - (1) when required by law to do so; or



- (2) at any time at CBA's sole discretion.
- (b) If CBA appoints a Trustee under this clause 11, the Trustee will hold the benefit of:
  - (1) the trust deed by which or under which it is appointed (**Trust Deed**);
  - (2) the right to enforce CBA's obligation to make payments on the PERLS XVI;
  - (3) the right to enforce all other obligations of CBA under the Terms, and the provisions of the Trust Deed; and
  - (4) any other right, power, authority, discretion or remedy conferred on the Trustee by the Trust Deed or by law and other property which the Trustee may receive or may be vested in the Trustee,in trust for the Holders subject to and in accordance with the Trust Deed and the Terms.
- (c) If CBA appoints a Trustee under this clause 11, the benefit which the Holder has under clause 3.2 of this Deed Poll will commence to be held on trust for it by the Trustee in accordance with the terms of the Trust Deed and the Terms.

## 12 Notices

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### 12.1 To CBA

A notice or other communication in connection with a PERLS XVI to CBA must be in writing and signed by a person duly authorised by the sender and may be given by prepaid post or delivery to the address of the addressee as shown below:

**Address:** Commonwealth Bank Place South, Level 1, 11 Harbour Street, Sydney NSW 2000

**Attention:** General Manager, Capital Planning and Execution

**Email:** [GroupTreasuryCapitalStrategyandExecution@cba.com.au](mailto:GroupTreasuryCapitalStrategyandExecution@cba.com.au)

or to any other address as notified to the Holders.

### 12.2 To the Registrar

A notice or other communication in connection with a PERLS XVI to the Registrar must be in writing and may be given by prepaid post or delivery to the address of the addressee specified:

- (a) in the Prospectus; or
- (b) otherwise as notified to the Holders.

### 12.3 To Holders

A notice or other communication in connection with a PERLS XVI to a Holder must be given in accordance with the notice provisions of the Terms.



## 12.4 When notice is effective

A notice under clause 12.1, 12.2 or 12.3 is deemed to be given by the sender and received by the addressee:

- (a) when delivered by hand, to the street address during the hours of 9.00 am to 5.00 pm on a Business Day;
- (b) if sent by post, within Australia, on the day following the day on which the envelope containing the same was posted with postage prepaid to the postal address and, outside Australia, on the seventh day following the day on which the envelope containing the same was posted with postage prepaid to the postal address; or
- (c) if sent by email, on production of a report by the system by which the email is sent indicating that the email has been transmitted to the correct electronic address and without error.

However, if the time of the deemed receipt is after 5:00 pm local time on a Business Day at the address of the recipient it is deemed to have been received at the commencement of business on the next Business Day.

## 13 Governing law and jurisdiction

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### 13.1 Governing law

This Deed Poll is governed by the laws of the State of New South Wales, Australia.

### 13.2 Jurisdiction

Each person taking benefit of or bound by this Deed Poll irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of the State of New South Wales and courts of appeal from them in connection with any proceedings arising out of this Deed Poll. Each party waives any right it has to object to an action being brought in those courts, to claim that the action has been brought in an inconvenient forum, or to claim those courts do not have jurisdiction.

### 13.3 No immunity

To the extent that CBA is or becomes entitled to any immunity it does and will irrevocably agree not to plead or claim any such immunity with respect to its obligations under or arising out of or in connection with this Deed Poll.

## 14 Power of Attorney

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Each attorney executing this Deed Poll states that he or she has no notice of revocation or suspension of his or her power of attorney.



# Schedule 1

## Terms

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*[The following text is extremely faint and largely illegible. It appears to be a list of terms or definitions, possibly including words like 'defined terms', 'the parties', 'the deed', 'the bank', 'the Commonwealth Bank', etc.]*



## Terms of CommBank PERLS XVI Capital Notes

### 1 Form of PERLS XVI and ranking

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#### 1.1 Form

- (a) PERLS XVI are perpetual, subordinated, unsecured notes of CBA, issued in registered form by entry in the Register.
- (b) Each entry in the Register evidences a separate and independent obligation which CBA owes to the relevant Holder, which that Holder may enforce without joining any other Holder or any previous Holder.
- (c) No certificates will be issued to Holders unless CBA is required to provide certificates by any applicable law or regulation.

#### 1.2 Initial Face Value

Each PERLS XVI is issued fully paid with an initial Face Value of A\$100.

#### 1.3 CHESS

While PERLS XVI remain in CHESS, all dealings (including transfers and payments) in relation to PERLS XVI within CHESS, and the rights and obligations of each Holder, are subject to the rules and regulations of CHESS. To the extent there are inconsistencies between the rules and regulations of CHESS and the Terms, the Terms prevail.

#### 1.4 ASX quotation

CBA must use all reasonable endeavours to procure that PERLS XVI are quoted on ASX on or as soon as possible after the Issue Date.

#### 1.5 Payment and ranking in a winding up of CBA

- (a) If an order is made by a court of competent jurisdiction in Australia (other than an order successfully appealed or permanently stayed within 60 days), or an effective resolution is passed, for the winding up of CBA in Australia, CBA must redeem each PERLS XVI for its Face Value in accordance with this clause.
- (b) Holders do not have any right to prove in a winding up of CBA in respect of PERLS XVI, other than a right to prove in a winding up of CBA in Australia as permitted under clauses 1.5(c) and 1.5(d).
- (c) Each PERLS XVI ranks for payment in a winding up of CBA in Australia:
  - (i) after the claims of all holders of Senior Ranking Obligations;
  - (ii) equally with each Holder and holders of Equal Ranking Securities; and
  - (iii) ahead of holders of Junior Ranking Securities.

- (d) In order to give effect to the ranking specified in clause 1.5(c), in any winding up of CBA in Australia, the claims of Holders are limited to the extent necessary to ensure that:
  - (i) all holders of Senior Ranking Obligations receive payment in full before any payment is made to Holders; and
  - (ii) Holders of PERLS XVI and holders of any Equal Ranking Securities receive payments on a pro-rata basis.
- (e) Nothing in this clause limits the ability of CBA to, in its absolute discretion from time to time, issue further Senior Ranking Obligations or Equal Ranking Securities.
- (f) Holders may not exercise voting rights as a creditor in respect of PERLS XVI in a winding up of CBA to defeat the subordination in this clause.
- (g) PERLS XVI are perpetual and the Terms do not include events of default or any other provisions entitling the Holders to require that PERLS XVI be Redeemed other than under this clause 1.5. Holders do not have any right to apply for the winding up or administration of CBA, or to cause a receiver, or receiver and manager, to be appointed in respect of CBA, on the ground of CBA's failure to pay Distributions or for any other reason.
- (h) To avoid doubt but subject to clause 4.6, if a Capital Trigger Event or Non-Viability Trigger Event has occurred, Holders will rank for payment in a winding up of CBA in Australia as holders of the number of Ordinary Shares to which they became entitled under clauses 4.1 or 4.2.

#### **1.6 No netting or set-off**

PERLS XVI are not subject to netting and, without limitation:

- (a) CBA has no right to set-off any amounts owing by it to a Holder in respect of PERLS XVI against any claims owing by the Holder to it or to any member of the CBA Group; and
- (b) no Holder has any right to set-off any amounts, merge accounts or exercise any other rights the effect of which is or may be to reduce the amount payable by CBA in respect of PERLS XVI to the Holder.

#### **1.7 Not deposit liabilities of CBA**

- (a) PERLS XVI are not deposit liabilities or "protected accounts" of CBA for the purpose of the Banking Act.
- (b) No member of the CBA Group guarantees PERLS XVI and no member of the CBA Group, other than CBA, has any liability for PERLS XVI.

#### **1.8 No other rights**

Before Exchange, PERLS XVI confer no rights on a Holder:

- (a) to attend or vote at any meeting of CBA members;
- (b) to subscribe for new securities of CBA or to participate in any bonus issues of securities of CBA; or
- (c) to otherwise participate in the profits or property of CBA, except by receiving payments as set out in these Terms.

## 2 Distributions

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### 2.1 Distributions

- (a) Each PERLS XVI bears interest on its Face Value during each Distribution Period from (and including) the Issue Date to (but excluding) the Exchange Date or Redemption Date for that PERLS XVI, at the Distribution Rate.
- (b) Interest on each PERLS XVI is payable in arrears on each Distribution Payment Date.
- (c) Payment of interest on each PERLS XVI is subject to clauses 2.5, 2.6 and 9.

### 2.2 Distribution Rate determination

The Distribution Rate (expressed as a percentage per annum) for each Distribution Period is the rate calculated according to the following formula:

$$\text{Distribution Rate} = (\text{Market Rate} + \text{Margin}) \times (1 - \text{Tax Rate})$$

where:

**Market Rate** means:

- (a) subject to paragraph (b), the Bank Bill Swap Reference Rate administered by ASX Benchmarks Pty Limited (or any other person that takes on the administration of that rate) expressed as a percentage per annum for a term of 3 months as displayed on the "BBSW" page published through information vendors (or any page that replaces that page) on the first Business Day of the Distribution Period, provided that where PERLS XVI are Resold, Exchanged or Redeemed on a day which is not a scheduled Distribution Payment Date, and a Distribution is payable, then the Market Rate for the Distribution Period commencing on the Resale Date, Exchange Date or Redemption Date (as applicable) in respect of such PERLS XVI shall be the Market Rate for the Distribution Period preceding the relevant Resale Date, Exchange Date, or Redemption Date; and
- (b) if CBA determines that a Market Rate Disruption Event has occurred, then, CBA shall:
  - (i) use as the Market Rate such Alternative Market Rate as it may determine; and
  - (ii) make such adjustments to the Terms as it determines to be reasonably necessary to calculate Distributions in accordance with such Alternative Market Rate;

provided that APRA's prior written approval is obtained in respect of any such adjustment arising from an event that is specified in paragraph (iii) or (iv) of the definition of "Market Rate Disruption Event" in paragraph (d),

and:

- (c) in making the above determinations in paragraph (b), CBA:
  - (i) shall act in good faith and in a commercially reasonable manner;
  - (ii) may consult such sources of market practice as it considers appropriate; and
  - (iii) may otherwise make such determination in its discretion; and
- (d) for the purposes of this definition:

a **Market Rate Disruption Event** occurs when, in CBA's opinion, the Market Rate in paragraph (a) of the definition:



- (i) is not published by 10:30am or such other time that CBA considers appropriate on that day;
- (ii) is published but is affected by an obvious error;
- (iii) has been discontinued or otherwise ceased to be calculated or administered; or
- (iv) is no longer generally accepted in the Australian market as a reference rate appropriate to floating rate debt securities of a tenor and interest period comparable to that of PERLS XVI; and

**Alternative Market Rate** means a rate other than the rate described in paragraph (a) of this definition, that is, in CBA's opinion, generally accepted in the Australian market as the successor to the Market Rate, or if there is no such rate:

- (i) a reference rate that is, in CBA's opinion, appropriate to floating rate debt securities of a tenor and interest period most comparable to PERLS; or
- (ii) such other reference rate as CBA considers appropriate having regard to available comparable indices,

provided that CBA reserves the discretion to incorporate an adjustment (which may be positive or negative) or a formula or methodology for calculating such an adjustment in order to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit to Holders as a result of the use of an Alternative Market Rate. APRA's prior written approval is required in respect of the Alternative Market Rate or any such adjustment arising from an event that is specified in paragraph (iii) or (iv) of the definition of "Market Rate Disruption Event" in this clause.

**Margin** means the rate (expressed as a percentage per annum) determined under the Bookbuild; and

**Tax Rate** means the Australian corporate tax rate on the relevant Distribution Payment Date (expressed as a decimal).

### 2.3 Calculation of Distributions

The Distribution payable on each PERLS XVI for each Distribution Period is calculated according to the following formula:

$$\text{Distribution payable} = \frac{\text{Distribution Rate} \times \text{Face Value} \times N}{365}$$

where:

**N** means, in respect of a Distribution Period, the number of days in that Distribution Period.

### 2.4 Adjustment to calculation of Distributions if not fully franked

If any Distribution is not franked to 100% under Part 3-6 of the Tax Act, the Distribution will be calculated according to the following formula:

$$\text{Distribution payable} = \frac{D}{1 - [T \times (1 - F)]}$$

Where:

D means the Distribution calculated under clause 2.3;

T means the Australian corporate tax rate on the relevant Distribution Payment Date (expressed as a decimal); and

F means the franking percentage (as defined in Part 3-6 of the Tax Act) applicable to the franking account of CBA on the relevant Distribution Payment Date (expressed as a decimal).

## 2.5 Distribution payment conditions

The payment of any Distribution on any Distribution Payment Date is subject to:

- (a) CBA, in its absolute discretion, making the Distribution to Holders;
- (b) the payment of the Distribution not resulting in a breach of CBA's capital requirements under APRA's prudential standards as they are applied to the CBA Level 1 Group or the CBA Level 2 Group or both at the time of the payment;
- (c) the payment of the Distribution not resulting in CBA becoming, or being likely to become, Insolvent; and
- (d) APRA not otherwise objecting to the payment of the Distribution.

No Distribution will be paid on Exchange where Exchange occurs due to a Capital Trigger Event or Non-Viability Trigger Event.

CBA must notify ASX at least five Business Days before the relevant Record Date (or, if later, as soon as it decides not to make the Distribution) if payment of any Distribution will not be made because of this clause.

## 2.6 Distributions are discretionary and non-cumulative

Distributions are discretionary and non-cumulative. If payment of any Distribution is not made for any reason, CBA has no liability to pay that unpaid Distribution.

## 2.7 Dividend and capital restrictions in the event of non-payment

- (a) Subject to clause 2.7(b), if any Distribution is not paid to Holders in full on the relevant Distribution Payment Date, then CBA must not, without the approval of a Special Resolution:
  - (i) declare or determine a dividend; or
  - (ii) return any capital or undertake any buy-backs or repurchases,(together **Restricted Actions**) in relation to any Ordinary Shares, unless the amount of any unpaid Distribution is paid in full within five Business Days of that date. If, on a subsequent Distribution Payment Date, a Distribution is paid in full, or if all PERLS XVI have been Exchanged, Redeemed or otherwise terminated, then these restrictions cease to apply.
- (b) Clause 2.7(a) does not apply to:
  - (i) Restricted Actions which CBA is legally obliged to pay or complete at the time any Distribution is not paid in full to Holders on a relevant Distribution Payment Date; or
  - (ii) Restricted Actions in connection with:



- (A) any employment contract, employee share scheme, employee rights or option plan, or similar arrangement with, or for the benefit of, any one or more employees, officers, directors or consultants of CBA or its Related Bodies Corporate; or
- (B) CBA or any of its Related Bodies Corporate purchasing Ordinary Shares in connection with transactions for the account of customers of CBA or customers of any of its Related Bodies Corporate.

## 2.8 Notification of Distribution Rate, Distribution payable and other items

- (a) CBA must notify ASX of the Distribution Rate, amount of Distribution payable and Distribution Payment Date for each Distribution Period.
- (b) CBA must give notice under this clause as soon as practicable after it makes its calculations and by no later than the fourth Business Day of the relevant Distribution Period.
- (c) CBA may amend its calculation or determination of any date, rate or amount (or make appropriate alternative arrangements by way of adjustment) including as a result of the extension or reduction of the Distribution Period or calculation period without prior notice but must notify ASX promptly after doing so.

## 2.9 Determination final

CBA's determination of all dates, rates and amounts under these Terms is, in the absence of wilful default, bad faith or manifest error, final and binding on CBA, the Registry and each Holder.

## 2.10 Calculations

For the purposes of any calculations required under these Terms:

- (a) all percentages resulting from the calculations must be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005% being rounded up to 0.00001%);
- (b) all figures must be rounded to four decimal places (with 0.00005 being rounded up to 0.0001); and
- (c) all amounts that are due and payable must be rounded to the nearest one Australian cent (with one half of an Australian cent being rounded up to one Australian cent).

## 3 Mandatory Exchange

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### 3.1 Mandatory Exchange

Subject to clauses 4.1, 4.2, 4.6 and 5, CBA must Exchange all (but not some) PERLS XVI on issue on the date that is the earlier of:

- (a) the **Scheduled Mandatory Exchange Date**, being the first Business Day falling at least 2 years after the last Call Date; and
- (b) the first Distribution Payment Date after the Scheduled Mandatory Exchange Date,



(each a **Mandatory Exchange Date**) on which the Mandatory Exchange Conditions are satisfied.

### 3.2 Mandatory Exchange Conditions

- (a) The Mandatory Exchange Conditions for each Mandatory Exchange Date are:
- (i) the VWAP on the 25<sup>th</sup> Business Day on which trading in Ordinary Shares took place immediately preceding (but not including) the Mandatory Exchange Date is greater than 56% of the Issue Date VWAP (**First Mandatory Exchange Condition**);
  - (ii) the VWAP during the period of 20 Business Days on which trading in Ordinary Shares took place immediately preceding (but not including) the Mandatory Exchange Date is greater than 50.51% of the Issue Date VWAP (**Second Mandatory Exchange Condition**); and
  - (iii) Ordinary Shares have not been Delisted as at the Mandatory Exchange Date (**Third Mandatory Exchange Condition**).
- (b) If the First Mandatory Exchange Condition is not satisfied, CBA will announce to ASX between the 25<sup>th</sup> and the 21<sup>st</sup> Business Day before the Mandatory Exchange Date that Exchange will not proceed on the Mandatory Exchange Date.
- (c) If the Second Mandatory Exchange Condition or Third Mandatory Exchange Condition is not satisfied, CBA will notify Holders on or as soon as practicable after the Mandatory Exchange Date that Exchange did not occur.

## 4 Early Exchange

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### 4.1 Capital Trigger Event

- (a) A **Capital Trigger Event** occurs when:
- (i) CBA determines; or
  - (ii) APRA notifies CBA in writing that it believes,
- that either or both the CBA Level 1 Common Equity Tier 1 Capital Ratio or CBA Level 2 Common Equity Tier 1 Capital Ratio is equal to or less than 5.125%. CBA must immediately notify APRA in writing if it makes a determination under clause 4.1(a)(i).
- (b) If a Capital Trigger Event occurs, CBA must Exchange such number of PERLS XVI (or, if it so determines, such percentage of the Face Value of each PERLS XVI) as is sufficient (taking into account any exchange, conversion or write down of Relevant Securities as referred to in paragraph (c) below) to return either or both the CBA Level 1 Common Equity Tier 1 Capital Ratio or CBA Level 2 Common Equity Tier 1 Capital Ratio, as the case may be, to above 5.125%.
- (c) In determining the number of PERLS XVI, or percentage of the Face Value of each PERLS XVI, which must be Exchanged in accordance with this clause, CBA will:
- (i) firstly, exchange, convert or write down the face value of any Relevant Securities whose terms require or permit, or are taken by law to require or permit, them to be exchanged, converted or written down before Exchange of PERLS XVI; and

- (ii) secondly, if exchange, conversion or write down of those Relevant Securities is not sufficient, Exchange (in the case of PERLS XVI) or exchange, convert or write down (in the case of any other Relevant Securities) on a pro-rata basis or in a manner that is otherwise, in the opinion of CBA, fair and reasonable, PERLS XVI and any Relevant Securities whose terms require or permit, or are taken by law to require or permit, them to be Exchanged, converted or written down in that manner (subject to such adjustment as CBA may determine to take into account the effect on marketable parcels and whole numbers of Ordinary Shares and any PERLS XVI or other Relevant Securities remaining on issue),

but such determination will not impede the immediate Exchange of the relevant number of PERLS XVI or percentage of the Face Value of each PERLS XVI (as the case may be).

- (d) For the purposes of clauses 4.1(b) and 4.1(c), where the specified currency of the face value of Relevant Securities and/or PERLS XVI is not the same, CBA may treat them as if converted into a single currency of CBA's choice at such rate of exchange as CBA in good faith considers reasonable.
- (e) If a Capital Trigger Event occurs:
  - (i) the relevant number of PERLS XVI, or percentage of the Face Value of each PERLS XVI, must be Exchanged immediately upon occurrence of the Capital Trigger Event in accordance with clauses 4.5 and 7 and the Exchange will be irrevocable;
  - (ii) CBA must give notice as soon as practicable that Exchange has occurred to ASX and the Holders;
  - (iii) the notice must specify the date on which the Capital Trigger Event occurred; and
  - (iv) the notice must specify the details of the Exchange process, including any details which were taken into account in relation to the effect on marketable parcels and whole numbers of Ordinary Shares, and the impact on any PERLS XVI remaining on issue.

Failure to undertake any of the steps in clauses 4.1(e)(ii) to (iv) does not prevent, invalidate or otherwise impede Exchange.

#### **4.2 Non-Viability Trigger Event**

- (a) A **Non-Viability Trigger Event** occurs when APRA notifies CBA in writing that it believes:
  - (i) Exchange of all or some PERLS XVI, or exchange, conversion or write down of capital instruments of the CBA Group, is necessary because, without it, CBA would become non-viable; or
  - (ii) a public sector injection of capital, or equivalent support, is necessary because, without it, CBA would become non-viable.

APRA may specify an aggregate face value of capital instruments which must be Exchanged, converted or written down (as applicable).

- (b) If a Non-Viability Trigger Event occurs, CBA must Exchange such number of PERLS XVI (or, if it so determines, such percentage of the Face Value of each PERLS XVI) as is equal (taking into account any exchange, conversion or write down of Relevant Securities



as referred to in paragraph (c) below) to the aggregate face value of capital instruments which APRA has notified CBA must be Exchanged, converted or written down (or, if APRA has not so notified CBA, such number or, if CBA so determines, such percentage of the Face Value of each PERLS XVI, as is necessary to satisfy APRA that CBA will no longer be non-viable). If a Non-Viability Trigger Event occurs under clause 4.2(a)(ii), CBA must Exchange all PERLS XVI.

- (c) In determining the number of PERLS XVI, or percentage of the Face Value of each PERLS XVI, which must be Exchanged in accordance with this clause, CBA will:
- (i) firstly, exchange, convert or write down the face value of any Relevant Securities whose terms require or permit, or are taken by law to require or permit, them to be exchanged, converted or written down before Exchange of PERLS XVI; and
  - (ii) secondly, if exchange, conversion or write down of those securities is not sufficient, Exchange (in the case of PERLS XVI) or exchange, convert or write down (in the case of any other Relevant Securities), on a pro-rata basis or in a manner that is otherwise, in the opinion of CBA, fair and reasonable, PERLS XVI and any Relevant Securities whose terms require or permit, or are taken by law to require or permit, them to be Exchanged, converted or written down in that manner (subject to such adjustments as CBA may determine to take into account the effect on marketable parcels and whole numbers of Ordinary Shares and any PERLS XVI or other Relevant Securities remaining on issue),

but such determination will not impede the immediate Exchange of the relevant number of PERLS XVI or percentage of the Face Value of each PERLS XVI (as the case may be).

- (d) For the purposes of clauses 4.2(b) and 4.2(c), where the specified currency of the face value of Relevant Securities and/or PERLS XVI is not the same, CBA may treat them as if converted into a single currency of CBA's choice at such rate of exchange as CBA in good faith considers reasonable.
- (e) If a Non-Viability Trigger Event occurs:
- (i) the relevant number of PERLS XVI, or percentage of the Face Value of each PERLS XVI, must be Exchanged immediately upon occurrence of the Non-Viability Trigger Event in accordance with clauses 4.5 and 7 and the Exchange will be irrevocable;
  - (ii) CBA must give notice as soon as practicable that Exchange has occurred to ASX and the Holders;
  - (iii) the notice must specify the date on which the Non-Viability Trigger Event occurred; and
  - (iv) the notice must specify the details of the Exchange process, including any details which were taken into account in relation to the effect on marketable parcels and whole numbers of Ordinary Shares, and the impact on any PERLS XVI remaining on issue.

Failure to undertake any of the steps in clauses 4.2(e)(ii) to (iv) does not prevent, invalidate or otherwise impede Exchange.

**4.3 Mandatory Exchange Conditions do not apply to Capital Trigger Event or Non-Viability Trigger Event**

For the avoidance of doubt, the Mandatory Exchange Conditions do not apply to Exchange as a result of a Capital Trigger Event or Non-Viability Trigger Event occurring.

**4.4 Priority of Early Exchange Obligations**

An Exchange required because of a Capital Trigger Event or a Non-Viability Trigger Event takes place notwithstanding anything in clause 3.

**4.5 Automatic Exchange upon the occurrence of a Capital Trigger Event or Non-Viability Trigger Event**

If a Capital Trigger Event or Non-Viability Trigger Event has occurred and all or some PERLS XVI (or percentage of the Face Value of each PERLS XVI) are required to be Exchanged in accordance with clauses 4.1 or 4.2, then:

- (a) Exchange of the relevant PERLS XVI or percentage of the Face Value of each PERLS XVI will occur in accordance with clause 7 immediately upon the date of occurrence of the Capital Trigger Event or Non-Viability Trigger Event; and
- (b) the entry of the corresponding PERLS XVI in each relevant Holder's holding in the Register will constitute an entitlement of that Holder to the relevant number of Ordinary Shares (and, if applicable, also to any remaining balance of PERLS XVI or remaining percentage of the Face Value of each PERLS XVI), and CBA will recognise the Holder as having been issued the relevant Ordinary Shares for all purposes,

in each case without the need for any further act or step by CBA, the Holder or any other person (and CBA will, as soon as possible thereafter and without delay on the part of CBA, take any appropriate procedural steps to record such Exchange, including updating the Register and the Ordinary Share register and seek quotation of Ordinary Shares issued on Exchange).

For the avoidance of doubt:

- (c) nothing in this clause allows a payment to be made to a Holder upon Exchange; and
- (d) Exchange under this clause takes priority over a notice for Redemption issued under clauses 5.1, 5.2, 5.3 or 5.4 and any notice of Redemption outstanding at the time a Capital Trigger Event or Non-Viability Trigger Event occurs will be automatically revoked and of no effect.

**4.6 No further rights if Exchange cannot occur**

If, for any reason, Exchange of any PERLS XVI (or a percentage of the Face Value of any PERLS XVI) required to be Exchanged under clauses 4.1 or 4.2 fails to take effect under clauses 4.5(a) and 4.5(b) and CBA has not otherwise issued the Ordinary Shares required to be issued in respect of such Exchange within five Business Days after the date of the occurrence of the Capital Trigger Event or Non-Viability Trigger Event, then the relevant Holders' rights (including to payment of the Face Value and Distributions, and the right to receive Ordinary Shares) in relation to such PERLS XVI or percentage of the Face Value of PERLS XVI are immediately and irrevocably terminated and such termination will be taken to have occurred immediately on the date of the occurrence of the Capital Trigger Event or Non-Viability Trigger Event. CBA must give notice as soon as practicable that such termination has



occurred to the Holders and such notice must be announced on ASX, and the notice must specify the date on which the Capital Trigger Event or Non-Viability Trigger Event occurred.

#### 4.7 Change of Control Event

(a) A Change of Control Event occurs when:

- (i) a takeover bid is made for Ordinary Shares (A) acceptance of which is recommended by the Board and which is or has become unconditional or (B) which is or has become unconditional and the voting power of the offeror in CBA is or has become greater than 50%; or
- (ii) in respect of a scheme of arrangement under Part 5.1 of the Corporations Act which would result (if implemented) in a person having voting power in more than 50% of CBA, the earlier of (A) a court approving the scheme, and (B) the Board determining that such event should be treated as a Change of Control Event for the purposes of this clause,

provided that clause 4.7(a)(ii) does not include a scheme of arrangement which would result in a NOHC Event.

(b) If a Change of Control Event occurs, then:

- (i) CBA must Exchange all (but not some) PERLS XVI;
- (ii) CBA must give notice as soon as practicable and in any event within 10 Business Days after becoming aware of that event occurring to ASX and the Holders;
- (iii) the notice must specify a date on which it is proposed Exchange will occur (**proposed Exchange Date**) being:
  - (1) in the case of a Change of Control Event under clause 4.7(a)(i), no later than the Business Day prior to the then announced closing date of the relevant takeover bid;
  - (2) in the case of a Change of Control Event under clause 4.7(a)(ii)(A), a date no later than the record date for participation in the relevant scheme of arrangement; or
  - (3) in the case of a Change of Control Event under clause 4.7(a)(ii)(B), a date no later than 25 Business Days following the date the notice is given, or the record date for participation in the relevant scheme of arrangement, whichever is earlier; and
- (iv) the notice must specify the details of the Exchange process including any details to take into account the effect on marketable parcels and whole numbers of Ordinary Shares; and
- (v) on the proposed Exchange Date, all PERLS XVI will Exchange in accordance with clause 7.

(c) The Second Mandatory Exchange Condition and Third Mandatory Exchange Condition apply if a Change of Control Event occurs as though the proposed Exchange Date were a Mandatory Exchange Date for the purposes of clause 4 (except that in the case of a Change of Control Event, the Second Mandatory Exchange Condition will apply as if it referred to 20.20% of the Issue Date VWAP).

- (d) If either the Second Mandatory Exchange Condition or Third Mandatory Exchange Condition is not satisfied on the proposed Exchange Date:
  - (i) PERLS XVI must Exchange on the next Distribution Payment Date on which the Second Mandatory Exchange Condition and Third Mandatory Exchange Condition are satisfied; and
  - (ii) CBA will notify Holders as soon as practicable after the proposed Exchange Date that Exchange did not occur.

#### **4.8 No Exchange at the option of the Holders**

Holders do not have a right to request Exchange of their PERLS XVI at any time.

### **5 Early Redemption**

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#### **5.1 Early Redemption at the option of CBA on a Call Date**

CBA may at its option Redeem all or some PERLS XVI on a Call Date for their Face Value.

However, CBA may only Redeem under this clause if CBA has given notice of its election to do so at least 10 Business Days (and no more than 60 Business Days) before the Call Date on which Redemption is to occur to ASX and the Holders.

If only some (but not all) PERLS XVI are to be Redeemed under this clause, those PERLS XVI to be Redeemed will be specified in the notice and selected:

- (a) in a manner that is, in the opinion of CBA, fair and reasonable; and
- (b) in compliance with any applicable law, directive or requirement of ASX.

#### **5.2 Early Redemption for inability to frank Distributions**

If there is a material risk that as a result of any change in, or amendment to, the laws of Australia, or their application or official or judicial interpretation or administration (including any announcement of a prospective change or amendment which has been or will be introduced), which change or amendment was not expected by CBA as at the Issue Date and has or is expected to become effective on or after the Issue Date, any Distribution would not be a frankable distribution within the meaning of Division 202 of the Tax Act, CBA may Redeem all (but not some) PERLS XVI for their Face Value.

However, CBA may only Redeem under this clause if:

- (a) CBA has given notice of its election to do so at least 10 Business Days (and no more than 60 Business Days) before the proposed Redemption Date to ASX and the Holders;
- (b) the proposed Redemption Date is a Distribution Payment Date; and
- (c) the notice of Redemption is not given earlier than 60 Business Days before the Distribution Payment Date occurring immediately before the earliest date on which a Distribution would not be a frankable Distribution.

#### **5.3 Early Redemption for other taxation reasons**

If CBA receives an opinion from reputable legal counsel or other tax adviser in Australia, experienced in such matters, to the effect that there is a material risk that as a result of a change in, or amendment to, the laws of Australia, or their application or official or judicial interpretation



or administration (including any announcement of a prospective change or amendment which has been or will be introduced), which change or amendment was not expected by CBA at the Issue Date and becomes or is expected to become effective on or after the Issue Date:

- (a) CBA would be required to pay an increased amount under clause 9.6; or
- (b) CBA would be exposed to a more than de minimis adverse tax consequence in relation to PERLS XVI other than a tax consequence that CBA expected as at the Issue Date,

CBA may Redeem all (but not some) PERLS XVI for their Face Value.

However, CBA may only Redeem under this clause if:

- (c) CBA has given notice of its election to do so at least 10 Business Days (and no more than 60 Business Days) before the proposed Redemption Date to ASX and the Holders;
- (d) the proposed Redemption Date is a Distribution Payment Date; and
- (e) the notice of Redemption is not given earlier than 60 Business Days before the Distribution Payment Date occurring immediately before the earliest date on which CBA would be subject to the adverse tax consequence.

#### **5.4 Early redemption for regulatory reasons**

If, at any time after the Issue Date, CBA determines that as a result of a change in, or amendment to, the laws of Australia or APRA's prudential standards or guidelines, or in their application or official or judicial interpretation or administration (including any announcement of a prospective change or amendment which has been or will be introduced), other than as a result of a change expected by CBA as at the Issue Date;

- (a) all, some or a proportion of all or some PERLS XVI are not or will not be treated as Tier 1 Capital of the CBA Group under APRA's prudential standards (as amended from time to time);
- (b) additional requirements would be imposed on CBA in relation to or in connection with PERLS XVI which CBA determines in its absolute discretion might have a material adverse effect on CBA; or
- (c) to have PERLS XVI outstanding would be unlawful or impractical or that CBA would be exposed to a more than a de minimis increase in its costs in connection with those PERLS XVI,

CBA may Redeem all (but not some) PERLS XVI for their Face Value.

However, CBA may only Redeem under this clause if:

- (d) CBA has given notice of its election to do so at least 10 Business Days (and no more than 60 Business Days) before the proposed Redemption Date to ASX and the Holders;
- (e) the proposed Redemption Date is a Distribution Payment Date; and
- (f) the notice of Redemption is not given earlier than 60 Business Days before the Distribution Payment Date occurring immediately before the earliest date on which (as applicable):
  - (i) all, some or a proportion of all or some PERLS XVI will cease to be treated as Tier 1 Capital;
  - (ii) additional requirements will be imposed on CBA; or

- (iii) to have PERLS XVI outstanding will be unlawful or impractical or CBA will be exposed to a more than a de minimis increase in its costs.

## **5.5 APRA approval to Redeem**

CBA may only Redeem under this clause 5 if:

- (a) either:
  - (i) before or concurrently with Redemption, CBA replaces PERLS XVI with a capital instrument which is of the same or better quality (for the purposes of APRA's prudential standards as they are applied to the CBA Group at the relevant time) than PERLS XVI and the replacement of PERLS XVI is done under conditions that are sustainable for the income capacity of CBA; or
  - (ii) CBA obtains confirmation from APRA that APRA is satisfied, having regard to the capital position of the CBA Level 1 Group and CBA Level 2 Group, that CBA does not have to replace PERLS XVI; and
- (b) APRA has given its prior written approval to the Redemption. Approval is at the discretion of APRA and may or may not be given.

## **5.6 Final Distribution**

For the avoidance of doubt, Redemption may occur even if CBA, in its absolute discretion, does not make the Distribution for the final Distribution Period.

## **5.7 No Redemption at the option of the Holders**

Holders do not have a right to request Redemption of their PERLS XVI at any time.

## **5.8 Effect of notice of Redemption**

Any notice of Redemption given under this clause 5 is irrevocable and CBA must (subject to clauses 1.5, 4.5(d) and 9.3) Redeem PERLS XVI on the Redemption Date specified in that notice.

## **5.9 Redemption mechanics**

On the Redemption Date, the only right a Holder will have in respect of PERLS XVI will be to be paid the Face Value payable in accordance with these Terms and any Distribution CBA has determined is payable on that date. Upon the Face Value being paid (or taken to be paid in accordance with clause 9), all other rights conferred, or restrictions imposed, by PERLS XVI will no longer have effect and the PERLS XVI will be cancelled.

## **6 Resale on a Call Date**

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- (a) CBA may elect that Resale occur in relation to all or some PERLS XVI by giving a Resale Notice at least 10 Business Days (and no more than 60 Business Days) before a Call Date to ASX and the Holders.

If only some (but not all) PERLS XVI are to be Resold under this clause, the number of PERLS XVI to be Resold will be specified in the notice and selected:

- (i) in a manner that is, in the opinion of CBA, fair and reasonable; and
- (ii) in compliance with any applicable law, directive or requirement of ASX.



- (b) If CBA issues a Resale Notice:
- (i) each Holder is taken irrevocably to offer to sell the relevant number of their PERLS XVI to the Purchaser on the Call Date specified in the applicable Resale Notice (**Resale Date**) for a cash amount per PERLS XVI equal to the Face Value (and to have appointed CBA as its agent and attorney to do and execute all things and documents which CBA considers may be necessary or desirable in connection with that offer and any resulting sale);
  - (ii) subject to payment by the Purchaser of the Face Value to Holders, all right, title and interest in the relevant number of PERLS XVI will be transferred from the Holders to the Purchaser on the Resale Date; and
  - (iii) if the Purchaser does not pay the Face Value to the relevant Holders on the Resale Date, the relevant number of PERLS XVI will not be transferred to the Purchaser and a Holder has no claim on CBA as a result of that non-payment.
- (c) Clause 9 will apply to payments by the Purchaser as if the Purchaser was CBA. If any payment to a particular Holder is not made or treated as made on the Resale Date because of any error by or on behalf of the Purchaser, the relevant PERLS XVI of that Holder will not be transferred until payment is made but the transfer of all other relevant PERLS will not be affected by the failure.

## 7 General provisions applicable to Exchange

### 7.1 Exchange

On the Exchange Date, subject to clauses 4.6 and 7.10, the following will apply:

- (a) CBA will allot and issue the Exchange Number of Ordinary Shares for each PERLS XVI held by the Holder. The **Exchange Number** is calculated according to the following formula, and subject always to the Exchange Number being no greater than the Maximum Exchange Number:

$$\text{Exchange Number for each PERLS XVI} = \frac{\text{Face Value}}{0.99 \times \text{VWAP}}$$

where:

**VWAP** (expressed in dollars and cents) means the VWAP during the VWAP Period.

**Maximum Exchange Number** means a number calculated according to the following formula:

$$\text{Maximum Exchange Number} = \frac{\text{Face Value}}{\text{Relevant Percentage} \times \text{Issue Date VWAP}}$$

where:

**Relevant Percentage** means:

- (i) if Exchange is occurring on a Mandatory Exchange Date, 0.50; and
- (ii) if Exchange is occurring at any other time, 0.20.



- (b) Each Holder's rights (including to payment of Distributions, other than the Distribution, if any, payable on an Exchange Date where the Exchange is not as a result of a Capital Trigger Event or a Non-Viability Trigger Event) in relation to each PERLS XVI that is being Exchanged will be immediately and irrevocably terminated for an amount equal to the Face Value and CBA will apply the Face Value of each PERLS XVI by way of payment for the subscription for the Ordinary Shares to be allotted and issued under clause 7.1(a). Each Holder is taken to have irrevocably directed that any amount payable under this clause 7.1 is to be applied as provided for in this clause and no Holder has any right to payment in any other way.
- (c) If the total number of additional Ordinary Shares to be allotted and issued in respect of a Holder's aggregate holding of PERLS XVI includes a fraction of an Ordinary Share, that fraction of an Ordinary Share will be disregarded.

## 7.2 Adjustments to VWAP generally

For the purposes of calculating VWAP under clause 7.1:

- (a) where, on some or all of the Business Days in the relevant VWAP Period, Ordinary Shares have been quoted on ASX as *cum* dividend or *cum* any other distribution or entitlement and PERLS XVI will be Exchanged for Ordinary Shares after that date and those Ordinary Shares will no longer carry that dividend or any other distribution or entitlement, then the VWAP on the Business Days on which those Ordinary Shares have been quoted *cum* dividend or *cum* any other distribution or entitlement will be reduced by an amount (**Cum Value**) equal to:
  - (i) in the case of a dividend or other distribution, the amount of that dividend or other distribution;
  - (ii) in the case of any other entitlement that is not a dividend or other distribution under clause 7.2(a)(i) which is traded on ASX on any of those Business Days, the volume weighted average price of all such entitlements sold on ASX during the VWAP Period on the Business Days on which those entitlements were traded (excluding trades of the kind that would be excluded in determining VWAP under the definition of that term); or
  - (iii) in the case of any other entitlement which is not traded on ASX during the VWAP Period, the value of the entitlement as reasonably determined by the Board; and
- (b) where, on some or all of the Business Days in the VWAP Period, Ordinary Shares have been quoted as *ex* dividend or *ex* any other distribution or entitlement, and PERLS XVI will be Exchanged for Ordinary Shares which would be entitled to receive the relevant dividend, distribution or entitlement, the VWAP on the Business Days on which those Ordinary Shares have been quoted *ex* dividend or *ex* any other distribution or entitlement will be increased by the Cum Value.

## 7.3 Adjustments to VWAP for capital reconstruction

- (a) Where during the relevant VWAP Period there is a change to the number of Ordinary Shares on issue because the Ordinary Shares are reconstructed, consolidated, divided or reclassified (not involving any payment or other compensation to or by the holders of Ordinary Shares) (**Reclassification**) into a lesser or greater number, the daily VWAP for each day in the VWAP Period which falls before the date on which trading in Ordinary

Shares is conducted on a post Reclassification basis will be adjusted by multiplying the applicable VWAP by the following formula:

$\frac{A}{B}$

B

where:

A means the aggregate number of Ordinary Shares immediately before the Reclassification; and

B means the aggregate number of Ordinary Shares immediately after the Reclassification.

- (b) Any adjustment made by CBA in accordance with clause 7.3(a) will be effective and binding on Holders under these Terms and these Terms will be construed accordingly.
- (c) For the avoidance of doubt, nothing in this clause allows a cash payment or other distribution to be made to or by a Holder as part of a Reclassification or as a result of a Reclassification.

#### 7.4 Adjustments to Issue Date VWAP generally

For the purposes of determining the Issue Date VWAP under clause 7.1, adjustments will be made in accordance with clauses 7.2 and 7.3 during the VWAP Period for the Issue Date VWAP. On and from the Issue Date, adjustments to the Issue Date VWAP:

- (a) may be made by CBA in accordance with clauses 7.5 to 7.7 (inclusive);
- (b) if so made, will correspondingly affect the application of the Mandatory Exchange Conditions and cause an adjustment to the Maximum Exchange Number; and
- (c) if so made, will be effective and binding on Holders under these Terms and these Terms will be construed accordingly.

#### 7.5 Adjustments to Issue Date VWAP for bonus issues

- (a) Subject to clauses 7.5(b) and 7.5(c), if CBA makes a pro-rata bonus issue of Ordinary Shares to holders of Ordinary Shares generally, the Issue Date VWAP will be adjusted immediately in accordance with the following formula:

$$V = V_o \times RD / (RD + RN)$$

where:

V means the Issue Date VWAP applying immediately after the application of this formula;

V<sub>o</sub> means the Issue Date VWAP applying immediately prior to the application of this formula;

RD means the number of Ordinary Shares on issue immediately prior to the allotment of new Ordinary Shares pursuant to the bonus issue; and

RN means the number of Ordinary Shares issued pursuant to the bonus issue.

- (b) Clause 7.5(a) does not apply to Ordinary Shares issued as part of a bonus share plan, employee or executive share plan, executive option plan, share top up plan, share purchase plan or a dividend reinvestment plan or other issue involving any payment or other compensation to or by the holders of Ordinary Shares.



- (c) For the purposes of this clause 7.5, an issue will be regarded as a bonus issue notwithstanding that CBA does not make offers to some or all holders of Ordinary Shares with registered addresses outside Australia (or to whom an offer is otherwise subject to foreign securities laws), provided that in so doing CBA is not in contravention of ASX Listing Rules.

#### **7.6 Adjustments to Issue Date VWAP for capital reconstruction**

If at any time after the Issue Date there is a change to the number of Ordinary Shares on issue because of a Reclassification into a lesser or greater number, the Issue Date VWAP will be adjusted by multiplying the Issue Date VWAP applicable on the Business Day immediately before the date of any such Reclassification by the following formula:

$$\frac{A}{B}$$

where:

A means the aggregate number of Ordinary Shares on issue immediately before the Reclassification; and

B means the aggregate number of Ordinary Shares on issue immediately after the Reclassification.

#### **7.7 No adjustment to Issue Date VWAP in certain circumstances**

Despite the provisions of clauses 7.5 and 7.6, no adjustment will be made to the Issue Date VWAP where any such adjustment (rounded if applicable) would be less than one percent of the Issue Date VWAP then in effect.

#### **7.8 Announcement of adjustments to Issue Date VWAP**

CBA will notify any adjustment to the Issue Date VWAP under this clause 7 to ASX and the Holders within 10 Business Days of CBA determining the adjustment (or such shorter period as is required by ASX Listing Rules) and the adjustment will be final and binding.

#### **7.9 Status and listing of Ordinary Shares**

- (a) Ordinary Shares issued or arising from Exchange will rank equally with all other fully paid Ordinary Shares provided that the rights attaching to the Ordinary Shares issued or arising from Exchange do not take effect until 5.00pm (Sydney time) on the Exchange Date (or such other time required by APRA).
- (b) CBA will use all reasonable endeavours to list the Ordinary Shares issued on Exchange of PERLS XVI on ASX.
- (c) Holders acknowledge that any ASX trades in PERLS XVI that have not settled on the Exchange Date will continue to settle in accordance with the normal ASX settlement process, although the seller will be treated as having delivered and the buyer will be treated as having acquired, the number of Ordinary Shares into which PERLS XVI have been Exchanged.



#### **7.10 Exchange where the Holder does not wish to receive Ordinary Shares or is an Ineligible Holder**

If PERLS XVI (or a percentage of the Face Value of each PERLS XVI) of a Holder are required to be Exchanged and:

- (a) the Holder has notified CBA that it does not wish to receive Ordinary Shares as a result of Exchange, which notice may be given at any time on or after the Issue Date and prior to the Exchange Date;
- (b) the Holder is an Ineligible Holder; or
- (c) CBA has not received (for any reason whether or not due to the fault of that Holder) any information required by it in accordance with the Terms so as to impede CBA issuing the Ordinary Shares to a Holder on the Exchange Date,

then, on the Exchange Date, the Holder's rights (including to payment of Distributions) in relation to each such PERLS XVI being Exchanged are immediately and irrevocably terminated and CBA will issue the Exchange Number of Ordinary Shares to a Nominee for no additional consideration to hold on trust for sale for the benefit of the relevant Holder (unless, because the Holder is an Ineligible Holder, the Nominee is or would be deemed to be an Ineligible Holder, in which case such issue shall occur as soon as practicable after the Nominee ceases to be or would not be (as the case may be) an Ineligible Holder). At the first opportunity to sell the Ordinary Shares, the Nominee will arrange for their sale and pay the proceeds less selling costs and any withholding or deduction required or permitted pursuant to clause 9.6 to the relevant Holder subject to and in accordance with the provisions of the Deed Poll.

If Exchange is occurring because of the occurrence of a Capital Trigger Event or Non-Viability Trigger Event and the Exchange fails to take effect and CBA has not otherwise issued Ordinary Shares to the Nominee within five Business Days after the date of the occurrence of the Capital Trigger Event or Non-Viability Trigger Event, then Holders' rights will be immediately and irrevocably terminated under clause 4.6.

#### **7.11 Final Distribution**

For the avoidance of doubt, Exchange may occur even if CBA, in its absolute discretion, does not make the Distribution for the final Distribution Period.

#### **7.12 No Exchange after winding up commences**

If before the Exchange Date an order is made by a court, or an effective resolution is passed, for the winding up of CBA in Australia, then Exchange will not occur and clause 1.5 will apply, except where Exchange is required for a Capital Trigger Event or Non-Viability Trigger Event (in which case such Exchange shall occur (subject to clause 4.6) in accordance with clauses 4.1 or 4.2 (as applicable) and clause 4.5).

#### **7.13 Exchange of a percentage of Face Value**

If under these Terms it is necessary to Exchange a percentage of the Face Value, this clause 7 will apply to the Exchange as if references to the Face Value were references to the relevant percentage of the Face Value to be Exchanged.

## **8 Title and transfer of PERLS XVI**

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### **8.1 Effect of entries in Register**

Each entry in the Register of a person as a Holder constitutes:

- (a) conclusive evidence of that person's:
  - (i) absolute ownership of that PERLS XVI;
  - (ii) entitlement to the other benefits given to Holders under these Terms and the Deed Poll in respect of PERLS XVI; and
- (b) an undertaking by CBA to pay Distributions and any other amount in accordance with these Terms,

subject to correction of the Register for fraud or error.

### **8.2 Non-recognition of interests**

Except as required by law, CBA and the Registry must treat the person whose name is entered in the Register as a Holder as the absolute owner of that PERLS XVI. This clause applies despite any notice of ownership, trust or interest in that PERLS XVI. No recognition of any trust, encumbrance or interest shall be entered on the Register.

### **8.3 Joint holders**

Where two or more persons are entered in the Register as joint Holders, they are taken to hold that PERLS XVI as joint tenants with rights of survivorship and subject to the terms of the Deed Poll but the Registry is not bound to register more than four persons as joint Holders of any PERLS XVI.

### **8.4 Transfers**

- (a) A Holder may transfer PERLS XVI:
  - (i) while PERLS XVI are registered with CHESS, in accordance with the rules and regulations of CHESS; or
  - (ii) at any other time:
    - (A) by a proper transfer under any other applicable computerised or electronic system recognised by the Corporations Act; or
    - (B) by any proper or sufficient instrument of transfer of marketable securities under applicable law, provided such instrument is delivered to the Registry with any evidence the Registry reasonably requires to prove title to or the right to transfer PERLS XVI.
- (b) Title to PERLS XVI passes when details of the transfer are entered in the Register.
- (c) PERLS XVI may be transferred in whole but not in part.
- (d) CBA must comply with all Applicable Regulations and any other relevant obligations imposed on it in relation to the transfer of PERLS XVI.
- (e) CBA must not charge any fee on the transfer of PERLS XVI.



- (f) The Holder is responsible for any stamp duty or other similar taxes which are payable in any jurisdiction in connection with a transfer, assignment or other dealing with PERLS XVI.
- (g) Upon registration and entry of the transferee in the Register, the transferor ceases to be entitled to future benefits under these Terms and the Deed Poll in respect of the transferred PERLS XVI.
- (h) Subject to Applicable Regulations, CBA may determine that transfers of some or all PERLS XVI will not be registered during any period reasonably specified by it prior to the Exchange Date, Redemption Date or Resale Date of such PERLS XVI.

### **8.5 Refusal to register**

CBA may only refuse to register a transfer of PERLS XVI if permitted by, or if such registration would contravene or is forbidden by, Applicable Regulations or the Terms.

If CBA refuses to register a transfer, CBA must give the lodging party notice of the refusal and the reasons for it within five Business Days after the date on which the transfer was delivered to the Registry.

### **8.6 Transmission**

A person becoming entitled to PERLS XVI as a consequence of the death, bankruptcy, liquidation or a winding-up of a Holder or of a vesting order by a court or other body with power to make the order, or a person administering the estate of a Holder, may, upon providing evidence as to that entitlement or status, and if CBA so requires an indemnity in relation to the correctness of such evidence, as CBA considers sufficient, become registered as the Holder of those PERLS XVI.

## **9 Payments**

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### **9.1 Payments to registered Holder**

- (a) Payment of Distributions will be made to the person registered at 7.00pm on the Record Date as the Holder.
- (b) Payment of any other amount in accordance with these Terms will be made to the person registered as the Holder on the relevant date for payment.
- (c) A payment to any one of joint Holders will discharge CBA's liability in respect of the payment.

### **9.2 Obligations subject to law**

All obligations of CBA to make any payments and/or issue any Ordinary Shares are subject to all applicable laws.

### **9.3 Payments on Business Days**

If any payment:

- (a) is due on a day which is not a Business Day, then the due date for payment will be the next Business Day; or



- (b) is to be made to an account on a Business Day on which banks are not open for general banking business in the place in which the account is located, then the due date for payment will be the next day on which banks are open for general banking business in that place.

No additional amount is payable in respect of any delay in payment. Nothing in this clause 9.3 applies to any payment referred to in clause 7.1(b).

#### **9.4 Payments to accounts**

Monies payable by CBA to a Holder may be paid by crediting an Australian dollar bank account maintained in Australia with a financial institution and nominated in writing by the Holder by close of business on the relevant Record Date or in any other manner CBA decides.

#### **9.5 Unsuccessful attempts to pay**

- (a) If the Holder has not notified the Registry of a bank account for the purposes of payment under clause 9.4 or the transfer of any amount does not complete for any reason (other than an error made by or on behalf of CBA), CBA will be treated as having paid the amount on the date on which it would otherwise have made the payment.
- (b) CBA will send a notice to the registered address of the Holder advising of the unsuccessful payment and the amount of the unsuccessful payment will be held on deposit in a non-interest bearing bank account maintained by CBA or the Registry until the Holder nominates an Australian dollar bank account maintained in Australia for crediting with the payment (or nominates a new bank account as the case may be) or the claim becomes void under clause 12.1.
- (c) No additional amount is payable in respect of any delay in payment.
- (d) For the avoidance of doubt, nothing in this clause 9.5 obliges CBA to make a payment it has not otherwise determined to make under clause 2.

#### **9.6 Withholdings and Deductions**

- (a) All payments or issuances of Ordinary Shares in respect of PERLS XVI must be made without any withholding or deduction in respect of taxes, unless the withholding or deduction is required by law or permitted by this clause 9.6. CBA (or, if applicable, the Nominee) shall give effect to any such withholding or deduction within the time allowed without incurring penalty under the applicable law and shall, if required by any Holder, deliver to that Holder the relevant receipt issued by the revenue authority without delay after it is received by CBA. If after giving effect to such withholding or deduction the balance of the payment or issuance of the balance of the Ordinary Shares is made to the relevant Holder, CBA's obligation to the Holder shall be deemed to have been satisfied in full and CBA shall not be required to pay any additional amount, or issue any further Ordinary Shares.
- (b) CBA, in its absolute discretion, may withhold or deduct from payments or issuances of Ordinary Shares to or for the account of a Holder (including, if applicable, any other person who beneficially derives Distributions or any entitlement to be issued Ordinary Shares under PERLS XVI) where it is required to do so under or in connection with FATCA, or where it has reasonable grounds to suspect that the Holder or a beneficial owner of PERLS XVI may be subject to FATCA, and may deal with such payment or issuance of Ordinary Shares and the Holder's PERLS XVI in accordance with FATCA. If any withholding or deduction arises under or in connection with FATCA, CBA will not be required to pay any further amounts or issue any further Ordinary Shares on account of such withholding or deduction or otherwise

reimburse or compensate, or make any payment or additional issuance of Ordinary Shares to, a Holder or a beneficial owner of PERLS XVI for or in respect of any such withholding or deduction.

- (c) Each Holder (including, if applicable, any other person who beneficially derives Distributions under PERLS XVI) will, within 10 Business Days of request by CBA, supply to CBA such forms, documentation and other information relating to its status under FATCA as CBA reasonably requests for the purposes of the CBA Group's compliance with FATCA.

## 10 Tax File Number withholdings

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- (a) CBA will withhold an amount from payments of Distributions on PERLS XVI at the highest marginal tax rate plus the highest Medicare levy if a Holder has not supplied an appropriate tax file number, Australian business number or exemption details.
- (b) If a Holder supplies exemption details and CBA subsequently determines that the relevant exemption was not available, CBA may recover the amount that should have been deducted from the relevant Holder and may deduct that amount from any subsequent payment due to that Holder in respect of PERLS XVI.

## 11 Substitution of CBA

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### 11.1 Substitution

CBA may, in connection with a NOHC Event, without the consent of Holders and provided that the Substitution Conditions are satisfied, by giving notice to ASX and the Holders:

- (a) substitute for itself a NOHC as the debtor in respect of PERLS XVI and as the issuer of Ordinary Shares on Exchange (**Full Successor**); or
- (b) substitute for itself a NOHC as the issuer of Ordinary Shares on Exchange (**Partial Successor**),

and a reference to the **Successor** shall be a reference to the Full Successor or the Partial Successor, as applicable. The notice shall specify the date on which the substitution is to take effect (**Date of Substitution**).

### 11.2 Substitution Conditions

The **Substitution Conditions** are:

- (a) in the case of the Full Successor:
- (i) the Full Successor or another entity (which is a parent entity) subscribes for Ordinary Shares or other capital instruments acceptable to APRA in such amount as may be necessary, or takes other steps acceptable to APRA, to ensure that the capital position of the CBA Level 1 Group and CBA Level 2 Group will not be adversely affected;
- (ii) the Full Successor will expressly assume CBA's obligations under these Terms and the Deed Poll by entering into a deed poll for the benefit of Holders or a trust deed appointing a trustee for Holders (in either case, a **Successor Deed**) under which it agrees (among other things):



- (A) to comply with the restrictions in clause 2.7 of these Terms (with all necessary modifications); and
  - (B) to deliver fully paid ordinary shares in its capital under all circumstances when CBA would otherwise have been required to deliver Ordinary Shares, subject to the same terms and conditions as set out in these Terms (with all necessary modifications);
- (b) in the case of the Partial Successor:
- (i) the Partial Successor agrees with effect on and from the Date of Substitution, by entering into a Successor Deed, to deliver fully paid ordinary shares in its capital under all circumstances when CBA would otherwise have been required to deliver Ordinary Shares, subject to the same terms and conditions as set out in these Terms (with all necessary modifications); and
  - (ii) the Partial Successor agrees that in all circumstances where the Partial Successor delivers fully paid ordinary shares in its capital under the Successor Deed in clause 11.2(b)(i), the Partial Successor or another entity (which is a parent entity) will subscribe for Ordinary Shares in such amount as may be necessary, or take other steps acceptable to APRA, to ensure that the capital position of the CBA Level 1 Group and CBA Level 2 Group is equivalent to the position if the Successor Deed had not been entered into and CBA was required to issue the Ordinary Shares; and
- (c) in the case of either the Full Successor or the Partial Successor (as applicable):
- (i) the Successor's ordinary shares are or are to be quoted on ASX, and the Successor agrees to use all reasonable endeavours and furnish all such documents, information and undertakings as may be reasonably necessary in order to procure quotation of ordinary shares issued under these Terms on the securities exchanges on which the Successor's ordinary shares are quoted at the time of delivery;
  - (ii) the Successor and CBA have obtained APRA approval and all other necessary authorisations, regulatory and governmental approvals and consents for such substitution and for the performance by the Successor of its obligations under PERLS XVI and the documents effecting substitution;
  - (iii) if the Successor does not have a place of business in New South Wales, the Successor has appointed a process agent in New South Wales to receive service of process on its behalf in relation to any legal proceedings arising out of or in connection with PERLS XVI;
  - (iv) the Successor has, in the reasonable opinion of CBA, the financial capacity to satisfy its obligations under the Successor Deed;
  - (v) CBA has used all reasonable endeavours to give an irrevocable notice to the Holders as soon as practicable before a NOHC Event occurs specifying the amendments to PERLS XVI which will be made under these Terms in connection with the substitution of a NOHC as the issuer of ordinary shares on Exchange; and
  - (vi) CBA may, by an instrument in writing and without the authority, assent or approval of Holders, amend these Terms (including to provide for rights in respect of PERLS XVI to be held by a trustee for Holders) if CBA considers



such amendment to be necessary or expedient for the purposes of complying with the provisions of Chapter 2L of the Corporations Act.

A trust deed entered into in accordance with this clause may contain such provisions for the protection of the trustee, or for the purpose of ensuring that the trust deed complies with the provisions of Chapter 2L of the Corporations Act and all other applicable laws, as CBA considers appropriate.

### **11.3 Effect of Substitution of Full Successor**

If the relevant requirements set out in clauses 11.1 and 11.2 relating to a substitution under clause 11.1(a) have been completed, on and from the Date of Substitution:

- (a) the Full Successor will assume all of the obligations of, succeed to, and be substituted for, and may exercise every right and power of, CBA under these Terms (as may be amended from time to time) with the same effect as if the Successor had been named as CBA in these Terms and the Deed Poll (save that those obligations may be owed to the Holders, or to a trustee for Holders, pursuant to the Successor Deed);
- (b) CBA (or any corporation which has previously assumed the obligations of CBA) will be released from its liability under the Terms and the Deed Poll;
- (c) if CBA gives a notice to Holders under clause 11.2(c)(v), the amended terms will have effect on and from the date specified in the notice; and
- (d) references to CBA in these Terms and the Deed Poll will be taken to be references to the Full Successor.

### **11.4 Effect of Substitution of Partial Successor**

If the relevant requirements set out in clauses 11.1 and 11.2 relating to a substitution under clause 11.1(b) have been completed, on and from the Date of Substitution:

- (a) CBA (or any corporation which has previously assumed the obligations of CBA) will be released from any obligation it would otherwise have under these Terms to issue Ordinary Shares to Holders upon Exchange; and
- (b) if CBA gives a notice to Holders under clause 11.2(c)(v), the amended terms will have effect on and from the date specified in the notice.

## **12 General**

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### **12.1 Time limit for claims**

A claim against CBA for a payment under PERLS XVI is void unless made within five years from the date on which payment became due.

### **12.2 Voting**

The Deed Poll contains provisions for convening meetings of Holders to consider any matter affecting their interests including certain variations of these Terms which require the Holders' consent. Resolutions passed in accordance with such provisions will be binding on all Holders.

### **12.3 Amendments without consent**

At any time, but subject to compliance with the Corporations Act and all other applicable laws, CBA may by deed poll, without the consent of the Holders, amend these Terms or the Deed Poll, from the date specified by CBA, if CBA is of the opinion that such alteration is:

- (a) of a formal, technical or minor nature;
- (b) made to cure any ambiguity, correct any manifest error or correct or supplement any defective provision of the Terms or amend any provision of the Deed Poll;
- (c) to amend the Terms to adopt an Alternative Market Rate as the new Market Rate following the occurrence of a Market Rate Disruption Event, and to make any consequential amendments, subject to APRA's prior written approval as required under clause 2.2(b) and CBA acting in good faith and in a commercially reasonable manner;
- (d) necessary or expedient for the purpose of:
  - (i) enabling PERLS XVI to be listed for quotation, or to retain quotation, on any securities exchange or to be offered for subscription or for sale under the laws for the time being in force in any place;
  - (ii) complying with the provisions of any statute, the requirements of any statutory authority, ASX Listing Rules or the listing or quotation requirements of any securities exchange on which CBA may propose to seek a listing or quotation of PERLS XVI; or
  - (iii) facilitating a substitution in accordance with clause 11.1 (including satisfying any requirement of APRA in connection with such a substitution);
- (e) made to amend any date or time period stated, required or permitted in connection with any Exchange, Resale or Redemption (including, without limitation, when the proceeds of Resale or Redemption are to be reinvested in a new security to be issued by CBA or a Related Body Corporate); or
- (f) not materially prejudicial to the interests of Holders as a whole.

The Terms will be amended from the date specified by CBA.

### **12.4 Amendments with consent**

Without limiting clause 12.3, CBA may by deed poll amend these Terms or the Deed Poll if such alteration is approved by a Special Resolution.

In this case, the Terms will be amended from the date specified in the Special Resolution or otherwise notified to the Holders (provided such date is permitted by the terms of the Special Resolution).

### **12.5 Meaning of amend**

In clauses 12.3 and 12.4, **amend** includes modify, cancel, alter or add to and **amendment** has a corresponding meaning.

### **12.6 APRA approval of amendments**

Prior to any amendment under clauses 12.3 and 12.4 being effective, where required CBA must obtain APRA's prior written approval (APRA approval is required where the proposed amendment may affect the capital treatment of PERLS XVI under APRA's prudential standards



at the relevant time) and any consent or approval required under any applicable law, regulation or ASX Listing Rule.

## 12.7 Notices

### (a) To Holders

Subject to clauses 4.1(e) and 4.2(e), unless otherwise specified, all notices and other communications to Holders must be in writing and either:

- (i) sent by prepaid post (airmail if appropriate) to or left at the address of the Holders (as shown in the Register at the close of business on the day which is three Business Days before the date of the notice or communication);
- (ii) (if available) issued to Holders through CHESS in accordance with any applicable rules and regulations of CHESS;
- (iii) announced to ASX;
- (iv) given by an advertisement published in the Australian Financial Review, The Australian or in any other newspaper nationally circulated within Australia;
- (v) sent by email or electronic message to the electronic address (if any) of the Holder as shown on the Register; or
- (vi) given in any other way agreed between CBA and any Holder (and in agreeing in such way, CBA and such Holders may have regard to the dates by which the notice is to be given under these terms).

An accidental or inadvertent failure to give notice to a particular Holder will not invalidate a notice otherwise properly given to Holders.

### (b) To CBA and Registry

Subject to clauses 4.1(e) and 4.2(e), all notices and other communications to all or any of CBA and the Registry must be in writing and sent by prepaid post (airmail if appropriate) to or left at the address of CBA and the Registry, as applicable.

### (c) When effective

Subject to clauses 4.1(e) and 4.2(e), notices and other communications take effect from the time they are taken to be received unless a later time is specified in them.

### (d) Receipt

- (i) If sent by post, notices or other communications are taken to be received three Business Days after posting (or five Business Days after posting if sent to or from a place outside Australia).
- (ii) If left at the address, notices or other communications are taken to be received when given unless received after 5.00 pm in the place of receipt or on a non-Business Day, in which case they are taken to be received at 9.00 am on the next Business Day.
- (iii) If issued to Holders through CHESS, on the date of the issuance unless the sender receives an automated message that the e-mail has not been delivered.
- (iv) Notices given to Holders by being announced to ASX are taken to be received on the date of announcement.



- (v) If published in a newspaper, on the first date that publication has been made in the required newspaper.
- (vi) If sent by e-mail to the electronic address in respect of the Holder as specified in accordance with clause 12.7(a), on the day following its transmission to that electronic address.

#### **12.8 Power of attorney**

- (a) Each Holder appoints each of CBA, its directors, officers and authorised delegates of the Board, and any External Administrator of CBA (each an **Attorney**) severally to be the attorney of the Holder with power in the name and on behalf of the Holder to sign all documents and transfers and do any other thing as may in the Attorney's opinion be necessary or desirable to be done in order for the Holder to observe or perform the Holder's obligations under these Terms, including, but not limited to, any transfers of PERLS XVI, making any entry in the Register or the register of any Ordinary Shares or exercising any voting power in relation to any consent or approval required for Exchange, Redemption or Resale.
- (b) The power of attorney given in this clause 12.8 is given for valuable consideration and to secure the performance by the Holder of the Holder's obligations under these Terms and is irrevocable.

#### **12.9 Ability to trade**

CBA or any member of the CBA Group may, to the extent permitted by applicable laws and regulations and with APRA's prior written approval (where required), at any time buy or sell PERLS XVI in the open market, by tender to all or some of the Holders, by private agreement or in any other manner, at any price.

#### **12.10 Governing law**

These Terms are governed by and must be governed in accordance with the law in force in New South Wales, Australia.

#### **12.11 Jurisdiction**

CBA submits, and each Holder is taken to have irrevocably and unconditionally submitted, to the non-exclusive jurisdiction of the courts of New South Wales and the courts competent to determine appeals from those courts, with respect to any proceedings which may be brought at any time relating to these Terms.

#### **12.12 Deed Poll**

CBA's obligations in respect of PERLS XVI are constituted by and subject to the Deed Poll. Each Holder is taken to have notice of, and be bound by, the provisions of the Deed Poll.

#### **12.13 Waiver of immunity**

CBA irrevocably and unconditionally waives any objection it may now or in the future have to the venue of any proceedings, and any claim it may now or in the future have that any proceedings have been brought in an inconvenient forum, if that venue falls within clause 12.11.

#### 12.14 Consent acknowledgement

Each Holder, by subscribing for, and purchasing or otherwise acquiring a PERLS XVI upon Exchange, consents to becoming a member of CBA and agrees to be bound by the constitution of CBA.

### 13 Interpretation and definitions

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#### 13.1 Interpretation

In these Terms, except where the contrary intention appears:

- (a) a reference to:
  - (i) an agreement or instrument includes any variation, supplement, replacement or novation of that agreement or instrument;
  - (ii) a person includes a reference to the person's executors, administrators, successors, substitutes (including, without limitation, persons taking by novation) and assigns;
  - (iii) any thing is a reference to the whole and each part of it;
  - (iv) one gender includes every other gender;
  - (v) a document includes all schedules or annexes to it;
  - (vi) a clause or paragraph is to a clause or paragraph of these Terms;
  - (vii) "Australian dollars", "A\$" or "Australian cent" is a reference to the lawful currency of Australia; and
  - (viii) a statute, ordinance, code, rule, directive or law (however described) includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
- (b) the singular includes the plural and vice versa;
- (c) the word "person" includes a firm, body corporate, an unincorporated association, or governmental or local authority or agency or other entity;
- (d) the word "law" includes common law, principles of equity, and laws made by parliament (and laws made by parliament include State, Territory and Commonwealth laws and regulations and other instruments under them, and consolidations, amendments, re-enactments or replacements of any of them);
- (e) any reference to time is to Sydney time;
- (f) headings are inserted for convenience and do not affect the interpretation of these Terms;
- (g) another grammatical form of a defined word or expression has a corresponding meaning;
- (h) other than in relation to a Capital Trigger Event or a Non-Viability Trigger Event (including an Exchange of the PERLS XVI on the occurrence of a Capital Trigger Event or a Non-Viability Trigger Event and a termination of rights under clause 4.6) and other than as otherwise expressly specified in these Terms, if any act or event under these Terms must



be done or must occur on a stipulated day that is not a Business Day then that act or event will be done or will occur on the next Business Day;

- (i) the meaning of general words is not limited by specific examples introduced by "including", "for example" or similar expressions;
- (j) any agreement, representation, warranty or indemnity by two or more parties (including where two or more persons are included in the same defined term) binds them jointly and severally;
- (k) any provisions which refer to APRA requirements or any other prudential regulatory requirements will apply to CBA only if CBA is an entity, or the holding company of an entity, or is a direct or indirect subsidiary of an entity (including a NOHC) subject to regulation and supervision by APRA at the relevant time;
- (l) any provisions which require APRA's consent or approval (written or otherwise) will apply only if APRA requires that such consent or approval be given at the relevant time; and
- (m) any provisions in these Terms requiring prior APRA approval for a particular course of action to be taken by CBA do not imply that APRA has given its consent or approval to the particular action as of the Issue Date.

## 13.2 Definitions

In these Terms, except where the contrary intention appears:

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|---------------------------------------|--|
| <b>ADI</b>                            | means an Authorised Deposit-taking Institution under the Banking Act;  |
| <b>Alternative Market Rate</b>        | has the meaning given in clause 2.2;   |
| <b>Applicable Regulation</b>          | means ASX Listing Rules, ASX Settlement Operating Rules, the rules and regulations of CHESS, the Corporations Act and any rules or regulations made under or pursuant to them;   |
| <b>APRA</b>                           | means the Australian Prudential Regulation Authority;  |
| <b>ASX</b>                            | means ASX Limited ABN 98 008 624 691 or the securities market operated by it, as the context requires;   |
| <b>ASX Listing Rules</b>              | means the listing rules of ASX from time to time with any applicable modification or waiver granted by ASX;  |
| <b>ASX Settlement Operating Rules</b> | means the settlement operating rules of ASX (including any replacement or re-named rules) from time to time with any applicable modification or waiver granted by ASX;   |
| <b>Banking Act</b>                    | means the Banking Act 1959 (Cth);  |
| <b>Board</b>                          | means either the board of directors of CBA or a committee appointed by the board of directors of CBA;  |
| <b>Bookbuild</b>                      | means the process conducted before the Offer opens where brokers and investors bid for PERLS XVI and, on the basis of those bids, CBA sets the final Margin and announces it on ASX;                                   |
| <b>Business Day</b>                   | means a day which is (i) a business day within the meaning of ASX Listing Rules, and (ii) for the purposes of calculation or payment of a Distribution, a date on which banks are open for general business in Sydney; |
| <b>Call Date</b>                      | means each of 17 June 2030, 16 December 2030 and 16 June 2031;   |



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|---|---|
| <b>Capital Trigger Event</b>                          | has the meaning given in clause 4.1;  |
| <b>CBA</b>  | means Commonwealth Bank of Australia ABN 48 123 123 124, including foreign branches of Commonwealth Bank of Australia;  |
| <b>CBA Group</b>                                      | means CBA (or any NOHC that is the holding company of CBA) and its Subsidiaries;  |
| <b>CBA Level 1 Common Equity Tier 1 Capital Ratio</b> | means, in respect of the CBA Level 1 Group, the ratio of the Common Equity Tier 1 Capital of the CBA Level 1 Group to the risk weighted assets of the CBA Level 1 Group, calculated in accordance with APRA's prudential standards (as amended from time to time);  |
| <b>CBA Level 1 Group</b>                              | means:<br>(a) CBA; or<br>(b) the "extended licensed entity" which is comprised of CBA and each Subsidiary of CBA as specified in any approval granted by APRA in accordance with APRA's prudential standards (as amended from time to time);  |
| <b>CBA Level 2 Common Equity Tier 1 Capital Ratio</b> | means, in respect of the CBA Level 2 Group, the ratio of the Common Equity Tier 1 Capital of the CBA Level 2 Group to the risk weighted assets of the CBA Level 2 Group, calculated in accordance with APRA's prudential standards (as amended from time to time);  |
| <b>CBA Level 2 Group</b>                              | means CBA and each Subsidiary that is recognised by APRA as part of CBA's Level 2 group in accordance with APRA's prudential standards (as amended from time to time);  |
| <b>Change of Control Event</b>                        | has the meaning given in clause 4.7;  |
| <b>CHES</b>   | means the Clearing House Electronic Subregister System operated by ASX Settlement Pty Limited ABN 49 008 504 532, or any system that replaces it relevant to PERLS XVI (including in respect of the transfer or Exchange of PERLS XVI);   |
| <b>Chi-X</b>  | means Chi-X Australia Pty Ltd (ABN 47 129 584 667) or the securities market operated by it, as the context requires;  |
| <b>Common Equity Tier 1 Capital</b>                   | has, in respect of each of the CBA Level 1 Group and the CBA Level 2 Group, the meaning determined for that term or its equivalent by APRA;   |
| <b>Corporations Act</b>                               | means the Corporations Act 2001 (Cth);  |
| <b>Deed Poll</b>                                      | means the deed poll entitled "PERLS XVI Deed Poll" executed by CBA and dated on or around the date of the Prospectus;   |
| <b>Delisted</b>                                       | means, in relation to an Exchange Date, that Ordinary Shares are not listed or admitted to trading on a securities exchange on that date;   |
| <b>Distribution</b>                                   | means interest payable on PERLS XVI under these Terms;  |
| <b>Distribution Payment Date</b>                      | means, in respect of each PERLS XVI, 15 March, 15 June, 15 September and 15 December each year until that PERLS XVI has been Exchanged or Redeemed, and also the Exchange Date or Redemption Date. If any of these Distribution Payment Dates is not a Business Day, then the payment will be made in accordance with clause 9.3. The first Distribution Payment Date is 15 September 2023; |

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| <b>Distribution Period</b>      | means each period commencing on (and including) a Distribution Payment Date and ending on (but excluding) the next Distribution Payment Date, whether or not a Distribution is, or is able to be, paid on that date. However:<br>(a) the first Distribution Period commences on (and includes) the Issue Date; and<br>(b) the final Distribution Period ends on (but excludes) the Exchange Date or Redemption Date, as applicable; |
| <b>Distribution Rate</b>        | means the interest rate (expressed as a percentage per annum) calculated or determined in accordance with clause 2.2;   |
| <b>Equal Ranking Securities</b> | means each of:<br>(a) PERLS X;<br>(b) PERLS XI;<br>(c) PERLS XII;<br>(d) PERLS XIII;<br>(e) PERLS XIV;<br>(f) PERLS XV;<br>(g) PERLS XVI; and<br>(h) any preference shares in the capital of CBA or any other securities which rank or are expressed to rank equally with PERLS XVI in a winding up of CBA, present and future, excluding any Junior Ranking Securities;  |
| <b>Exchange</b>                 | means, the exchange of all, some or a proportion of each PERLS XVI for Ordinary Shares under these Terms and <b>Exchanged</b> has a corresponding meaning;  |
| <b>Exchange Date</b>            | means the applicable:<br>(a) Mandatory Exchange Date;<br>(b) date for Exchange specified in accordance with clause 4.1(e)(iii);<br>(c) date for Exchange specified in accordance with clause 4.2(e)(iii);<br>(d) date for Exchange specified in accordance with clause 4.7(b)(iii);<br>or<br>(e) date otherwise determined under clause 4.7(d);   |
| <b>Exchange Number</b>          | has the meaning given in clause 7.1;  |
| <b>External Administrator</b>   | means, in respect of a person:<br>(a) a liquidator, a provisional liquidator, an administrator or a statutory manager of that person; or<br>(b) a receiver, or a receiver and manager, in respect of all or substantially all of the assets and undertakings of that person,<br>or in either case any similar official;   |
| <b>Face Value</b>               | means A\$100 per PERLS XVI ( <b>Initial Face Value</b> ) reduced (if applicable) by the amount of Face Value per PERLS XVI which has previously been Exchanged or the amount of Face Value per PERLS XVI for which Holders' rights have been irrevocably terminated;  |
| <b>FATCA</b>                    | means Sections 1471 through 1474 of the United States Internal Revenue Code of 1986, as amended (or any consolidation, amendment, re-enactment or replacement of those sections and including any current or future regulations or official interpretations issued, agreements entered into   |

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|   | or non-US laws enacted in relation to those sections) and includes the Double Tax Agreement (United States of America – FATCA) Order 2014;   |
| <b>First Mandatory Exchange Condition</b> | has the meaning given in clause 3.2(a);  |
| <b>Foreign Holder</b>                     | means a Holder: <ul style="list-style-type: none"><li>(a) whose address in the Register is a place outside Australia;</li><li>(b) who CBA otherwise believes may not be a resident of Australia; or</li><li>(c) who CBA otherwise believes are subject to the securities laws of another country and CBA is not satisfied that the laws permit the offer, holding or acquisition of Ordinary Shares to the Holder (but CBA will not be bound to enquire into those laws), either unconditionally or after compliance with conditions which CBA, in its absolute discretion, regards as acceptable and not unduly onerous;</li></ul>  |
| <b>Full Successor</b>                     | has the meaning given in clause 11.1;  |
| <b>Holder</b>                             | means a person whose name is entered in the Register as a holder of PERLS XVI;   |
| <b>Ineligible Holder</b>                  | means a Holder who is prohibited or restricted by any applicable law or regulation in force in Australia (including but not limited to Chapter 6 of the Corporations Act, the Foreign Acquisitions and Takeovers Act 1975 (Cth), the Financial Sector (Shareholdings) Act 1998 (Cth) and Part IV of the Competition and Consumer Act 2010 (Cth)) from being offered, holding or acquiring Ordinary Shares (provided that if the relevant prohibition or restriction only applies to the Holder in respect of some of its PERLS XVI, it shall only be treated as an Ineligible Holder in respect of those PERLS XVI and not in respect of the balance of its PERLS XVI), and includes a Foreign Holder. CBA will be entitled to treat a Holder as not being an Ineligible Holder unless the Holder has otherwise notified it after the Issue Date and prior to the Exchange Date; |
| <b>Insolvent</b>                          | means insolvent under section 95A of the Corporations Act;   |
| <b>IRS</b>                                | means the United States Internal Revenue Service;  |
| <b>Issue Date</b>                         | means the date on which PERLS XVI are issued, which is expected to be on or about 9 June 2023;   |
| <b>Issue Date VWAP</b>                    | means the VWAP during the period of 20 Business Days on which trading in Ordinary Shares took place immediately preceding but not including the Issue Date, as adjusted in accordance with clauses 7.4 to 7.7;   |
| <b>Junior Ranking Securities</b>          | means all Ordinary Shares, present and future;   |
| <b>Level 1, Level 2 and Level 3</b>       | means those terms as defined by APRA from time to time;  |
| <b>Mandatory Exchange Conditions</b>      | means the conditions in clause 3.2;  |
| <b>Mandatory Exchange Date</b>            | means: <ul style="list-style-type: none"><li>(a) 17 June 2023; or</li><li>(b) such other date as determined under clause 3.1;</li></ul>  |
| <b>Margin</b>                             | has the meaning given in clause 2.2;   |



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| <b>Market Rate</b>                  | has the meaning given in clause 2.2;  |
| <b>Market Rate Disruption Event</b> | has the meaning given in clause 2.2;  |
| <b>Maximum Exchange Number</b>      | has the meaning given in clause 7.1;  |
| <b>Meeting Provisions</b>           | means the provisions for meetings of Holders set out in schedule 2 of the Deed Poll;  |
| <b>NOHC</b>                         | means a "non-operating holding company" within the meaning of the Banking Act;  |
| <b>NOHC Event</b>                   | occurs when the Board initiates a restructure of the CBA Group and a NOHC becomes the ultimate holding company of CBA;  |
| <b>Nominee</b>                      | means one or more third parties appointed by CBA in its absolute discretion (which cannot be CBA, a member of the CBA Group or a Related Body Corporate of CBA) to whom Ordinary Shares are to be issued in the circumstances set out in clause 7.10; |
| <b>Non-Viability Trigger Event</b>  | has the meaning given in clause 4.2;  |
| <b>Offer</b>                        | means the invitation by CBA in the Prospectus to subscribe for PERLS;   |
| <b>Ordinary Share</b>               | means a fully paid ordinary share in the capital of CBA;  |
| <b>Partial Successor</b>            | has the meaning given in clause 11.1;   |
| <b>PERLS X</b>                      | means CommBank PERLS X Capital Notes issued by CBA in April 2018;   |
| <b>PERLS XI</b>                     | means CommBank PERLS XI Capital Notes issued by CBA in December 2018;   |
| <b>PERLS XII</b>                    | means CommBank PERLS XII Capital Notes issued by CBA in November 2019;  |
| <b>PERLS XIII</b>                   | means CommBank PERLS XIII Capital Notes issued by CBA in April 2021;  |
| <b>PERLS XIV</b>                    | means CommBank PERLS XIV Capital Notes issued by CBA in March 2022;   |
| <b>PERLS XV</b>                     | means CommBank PERLS XV Capital Notes issued by CBA in November 2022;   |
| <b>PERLS XVI</b>                    | means CommBank PERLS XVI Capital Notes issued by CBA under the Prospectus;  |
| <b>Prospectus</b>                   | means the prospectus relating to the offer of PERLS XVI dated on or about 16 May 2023 as supplemented or replaced;  |
| <b>Purchaser</b>                    | means one or more third parties selected by CBA in its absolute discretion (which cannot be CBA, a member of the CBA Group or a Related Body Corporate of CBA);   |
| <b>Reclassification</b>             | has the meaning given in clause 7.3;  |
| <b>Record Date</b>                  | means, for payment of Distributions:<br>(a) the date that is eight calendar days prior to the relevant Distribution Payment Date; or<br>(b) such other date determined by CBA in its absolute discretion and communicated to ASX,                     |

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|  | or in either case such other date as may be required by, or agreed with, ASX;  |
| <b>Redemption</b>                          | means the redemption of all or some PERLS XVI for their Face Value under these Terms and <b>Redeem</b> and <b>Redeemed</b> have corresponding meanings;  |
| <b>Redemption Date</b>                     | means, in respect of each PERLS XVI, the date specified by CBA as the Redemption Date in accordance with clause 5;   |
| <b>Register</b>                            | means the register of Holders established and maintained under clause 5 of the Deed Poll and, where appropriate, the term Register includes:<br>(a) a sub-register maintained by or for CBA in CHESS; and<br>(b) any branch register;  |
| <b>Registry</b>                            | means Link Market Services Limited ABN 54 083 214 537 or any other person appointed by CBA to maintain the Register;   |
| <b>Related Body Corporate</b>              | means a related body corporate as defined in the Corporations Act, or an entity over which CBA, or a future parent entity of CBA, exercises control or significant influence;  |
| <b>Relevant Security</b>                   | means a security forming part of the Tier 1 Capital of CBA on a Level 1 basis or Level 2 basis;  |
| <b>Resale</b>                              | means the sale of PERLS XVI by Holders to the Purchaser in accordance with clause 6 and <b>Resell</b> and <b>Resold</b> have corresponding meanings;   |
| <b>Resale Date</b>                         | has the meaning given in clause 6(b)(i);   |
| <b>Resale Notice</b>                       | means a notice issued in accordance with clause 6;   |
| <b>Second Mandatory Exchange Condition</b> | has the meaning given in clause 3.2(a);  |
| <b>Senior Ranking Obligations</b>          | means all deposits and other liabilities, securities (including Tier 2 Capital securities) and other obligations of CBA, present and future, other than Equal Ranking Securities or Junior Ranking Securities;   |
| <b>Special Resolution</b>                  | means:<br>(a) a resolution passed at a meeting of Holders duly called and held under the Meeting Provisions by at least 75% of the votes cast; or<br>(b) a resolution passed by postal ballot or written resolution by Holders of at least 75% of the aggregate Face Value of PERLS XVI then outstanding;  |
| <b>Subsidiary</b>                          | has the meaning given in the Corporations Act;   |
| <b>Tax</b>                                 | means:<br>(a) any tax, including GST, levy, charge, impost, duty, fee, deduction, compulsory loan or withholding; or<br>(b) any income, stamp or transaction duty, tax or charge, which is assessed, levied, imposed or collected by any governmental agency and includes, but is not limited to, any interest, fine, penalty, charge, fee or other amount imposed on or in respect of any of the above; |
| <b>Tax Act</b>                             | means the Income Tax Assessment Act 1936 (Cth) and, where applicable, the Income Tax Assessment Act 1997 (Cth) (both as amended from time to time);  |
| <b>Terms</b>                               | means these terms and conditions of PERLS XVI, as set out in schedule 1 of the Deed Poll;  |
| <b>Third Mandatory Exchange Condition</b>  | has the meaning given in clause 3.2(a);  |

- Tier 1 Capital** means the Tier 1 Capital of CBA on the relevant Level 1 or Level 2 basis, as defined by APRA from time to time;
- Tier 2 Capital** means the Tier 2 Capital of CBA on the relevant Level 1 or Level 2 basis, as defined by APRA from time to time;
- VWAP** means the average of the daily volume weighted average prices of Ordinary Shares traded on ASX and Chi-X during the relevant VWAP Period, subject to any adjustments made under clauses 7.2 and 7.3, but the trades taken into account in determining such daily volume weighted average prices will exclude special crossings, crossings prior to the commencement of normal trading or during the closing phase or after hours adjustment phase, overnight crossings, overseas trades, trades pursuant to the exercise of options over Ordinary Shares, or any other trade determined by the Board in its discretion not to be reflective of normal trading in Ordinary Shares; and
- VWAP Period** means:
- (a) in the case of an Exchange resulting from a Capital Trigger Event, or a Non-Viability Trigger Event, the period of 5 Business Days on which trading in Ordinary Shares took place immediately preceding (but not including) the Exchange Date;
  - (b) in the case of any other Exchange, the period of 20 Business Days on which trading in Ordinary Shares took place immediately preceding (but not including) the Exchange Date; or
  - (c) otherwise, the period for which the VWAP is to be calculated in accordance with these Terms.





## Schedule 2

### Provision for Meetings of Holders

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#### 1 Meetings of Holders

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- (a) At least 15 Business Days' notice in writing of any Meeting must be given to Holders.
- (b) If a Holder does not receive notice (or any amending or supplementary notice), the Meeting is still valid.
- (c) A notice of Meeting must include:
  - (1) the day and time of the Meeting;
  - (2) the place or format for the Meeting, being either:
    - (A) the physical location of the Meeting;
    - (B) if held virtually in accordance with paragraph 3 of this Schedule 2, the means by which Holders may participate; or
    - (C) if held in a hybrid format in accordance with paragraph 4 of this Schedule 2, the physical location and the means by which Holders may participate; and
  - (3) the nature of the business to be transacted.
- (d) For the purposes of any Meeting, or for determining whether any resolution is passed without holding a Meeting, any PERLS XVI held by CBA or any Related Body Corporate of CBA shall be treated as not being on issue, unless those PERLS XVI are held in connection with any wealth management business (including life company business), as a trustee, as the holder of an Australian Financial Services licence or in any circumstances imposing on the holder a duty to act having regard to the interests of any third party.

#### 2 Physical Meeting in more than one place

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- (a) A Meeting may, if CBA so determines, be held at two or more venues linked together by audio-visual communication equipment which, by itself or in conjunction with other arrangements CBA determines are appropriate to:
  - (1) give the Holders in the separate venues a reasonable opportunity to participate in the proceedings;
  - (2) enable the chair of the Meeting to be aware of proceedings in each such venue; and
  - (3) enable the Holders in each such venue to vote on a poll,and a Holder at one of the separate venues is taken to be present at the Meeting and is entitled to exercise all rights which a Holder has under this Deed Poll and this Schedule 2 in relation to a meeting of Holders.



- (b) Where a meeting of Holders is held at two or more meeting venues pursuant to paragraph 2 of this Schedule 2 that meeting will be regarded as having been held at the venue determined by the chair of the Meeting.

### 3 Virtual Meetings

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A Meeting may, if CBA so determines, be held virtually using electronic or telephonic means, in conjunction with any other arrangements CBA determines are appropriate to:

- (a) give the Holders a reasonable opportunity to participate in the proceedings;
- (b) enable the chair of the Meeting to be aware of proceedings; and
- (c) enable the Holders to vote on a poll,

and a Holder is taken to be present at the Meeting and is entitled to exercise all rights which a Holder has under this Deed Poll and this Schedule 2 in relation to a meeting of Holders.

### 4 Hybrid Meetings

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A Meeting may, if CBA so determines, be held at both a physical location and virtually using electronic or telephonic means, in conjunction with any other arrangements CBA determines are appropriate to concurrently:

- (a) give the Holders a reasonable opportunity to participate in the proceedings;
- (b) enable the chair of the Meeting to be aware of proceedings; and
- (c) enable the Holders to vote on a poll,

and a Holder is taken to be present at the Meeting and is entitled to exercise all rights which a Holder has under this Deed Poll and this Schedule 2 in relation to a meeting of Holders.

### 5 Who may attend and address Meeting

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- (a) Each Holder of PERLS XVI is entitled to attend and vote at any Meeting or any rescheduled Meeting (which was adjourned pursuant to paragraph 6(c) of this Schedule 2).
- (b) CBA, any person invited by CBA and the Auditor is entitled to attend and address a Meeting or rescheduled Meeting.

### 6 Quorum

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- (a) No business may be transacted at any Meeting unless a quorum of Holders of PERLS XVI is present at the time when the Meeting proceeds to business.
- (b) A quorum for any Meeting is at least 5 persons holding or representing by attorney, representative or proxy at least 10% of PERLS XVI.



- (c) If a quorum is not present within half an hour from the time appointed for the Meeting, the Meeting must be adjourned as the chair directs.
- (d) At a rescheduled Meeting (which was adjourned pursuant to paragraph (c) of this Schedule 2) the Holders with at least 5% of PERLS XVI who are present either in person or by proxy constitute a quorum and are entitled to pass the resolution.
- (e) For the avoidance of doubt, a quorum for any virtual or hybrid Meeting shall include those Holders of PERLS XVI who are present at the Meeting by way of any electronic or telephonic means determined by CBA for the Meeting.

## 7 Chair

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- (a) A person nominated by CBA may preside as chair at a Meeting.
- (b) If CBA does not appoint a person to be chairperson of a meeting, or the person does not appear within 15 minutes from the time appointed for the Meeting or is unwilling to act, the Holders present must elect one of their number to preside as chair.
- (c) The chair:
  - (1) need not be a Holder; and
  - (2) may be an officer or employee of CBA.

## 8 Voting

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Subject to Holders being entitled to vote, any question submitted to a Meeting will be decided on a poll. In the case of equality of votes, the chair of a Meeting has a casting vote.

## 9 Votes

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At a Meeting on a poll, each Holder present personally or virtually (as the case may be) or by proxy, attorney or representative with a right to vote at that Meeting is entitled to one vote for each PERLS XVI.

## 10 Voting by joint holders

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- (a) If PERLS XVI are held jointly, the most senior Holder's vote either in person or by proxy is accepted to the exclusion of the other joint holders.
- (b) The most senior Holder is the person whose name appears first on the PERLS XVI Register.





## 11 Voting by corporation

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- (a) A corporation who is a Holder may vote through a representative authorised in writing.
- (b) The corporation's representative is regarded as a Holder and has the same rights as a Holder.

## 12 Voting by person of unsound mind

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If a Holder is of unsound mind or is a person whose person or estate is liable to be dealt with in any way under the law relating to mental health, the Holder's committee or other person who properly has the management of the Holder's estate may exercise any rights of the Holder in relation to a Meeting as if the committee or other person were the Holder.

## 13 Objection to voter's qualification

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- (a) An objection may be raised to the qualification of a voter only at the Meeting where the vote objected to is given or tendered.
- (b) An objection must be referred to the chair whose decision is final.
- (c) The chair may consult with any representative of CBA present at the Meeting.
- (d) A vote allowed at a Meeting is valid for all purposes.

## 14 Proxies

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A Holder is entitled to appoint another person as their proxy to attend and vote at a Meeting. Any person including a Holder may act as a proxy, and that proxy has the same rights as the appointer to vote, to speak, and be reckoned in the quorum.

## 15 Proxy Instruments

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- (a) If the appointer of a proxy is an individual, the instrument of appointment must be in writing and signed by the appointer or the appointer's attorney authorised in writing.
- (b) If the appointer of a proxy is a corporation, the instrument of appointment must be:
  - (1) under its common seal or in accordance with section 127 of the Corporations Act; or
  - (2) under the hand of an officer or attorney who has been authorised by the corporation.



## 16 Voting authority to be deposited with CBA

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- (a) The instrument appointing a proxy or a copy of it and the original or duly certified copy of the power of attorney or authority under which it is signed or a duly certified copy of it must be deposited at such place as CBA may in the notice convening the meeting direct (or if no such place is appointed, then at the address of CBA in accordance with clause 12) at least 48 hours, or any shorter period determined by CBA from time to time, before the time appointed for the Meeting or adjourned Meeting at which the proxy proposes to vote.
- (b) If paragraph (a) of this Schedule 2 is not complied with, the proxy is invalid.
- (c) An instrument appointing a proxy is only valid for 12 months from its execution date.

## 17 Effect of death or insanity on vote under proxy

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- (a) A vote given under an instrument of proxy is valid even though the principal is insane at the time, has died or has revoked the proxy or the authority under which the proxy was executed.
- (b) Paragraph (a) of this Schedule 2 does not apply if CBA has notice in writing of the death, insanity or revocation before the Meeting at which the proxy is to be used.

## 18 Adjournments

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The chair may adjourn a Meeting with the consent of the majority of Holders present.

## 19 Demand for a poll and manner of poll

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- (a) A poll is to be conducted as directed by the chair at the Meeting or any adjournment of the Meeting.
- (b) The demand for a poll may be withdrawn by the person who demanded it.
- (c) The demand for a poll does not discontinue the Meeting except to decide the question for which the poll is demanded.
- (d) The result of the poll is regarded as the resolution of the Meeting.

## 20 Poll on election of chair or question of adjournment

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A poll demanded on the election of a chair (where a nominee of CBA is not appointed to preside at the Meeting) or on a question of adjournment must be taken forthwith.



## 21 Effect of resolution

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A resolution passed at a Meeting held in accordance with this deed is binding upon all the Holders.

## 22 Minutes

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- (a) The chair must ensure that minutes of proceedings at a Meeting are taken and entered in a minute book provided by CBA.
- (b) The signature by the chair of minutes of a Meeting is conclusive evidence of the matters stated in the minutes.
- (c) Unless there is proof to the contrary a minuted Meeting is regarded as properly held and a resolution passed at the Meeting is regarded as properly passed.

## 23 Resolution by Postal Ballot

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- (a) A resolution of Holders may be passed by the Holders completing, signing and returning copies of a written resolution, which has been sent by CBA, within a period specified by CBA.
- (b) In respect of such a resolution each Holder is entitled to have one vote for each PERLS XVI held.

## 24 Powers

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- (a) A Meeting may exercise the following powers by Special Resolution:
  - (1) power to sanction the release by CBA from any obligation under this deed or the PERLS XVI;
  - (2) power to sanction agreement by CBA to any modification or compromise of any of the rights of all the Holders against CBA;
  - (3) power to consent to any amendment of the Terms approved by CBA in accordance with clause 12.4 of the Terms;
  - (4) power to authorise CBA to undertake a Restricted Action as contemplated by clause 2.7 of the Terms;
  - (5) power to authorise CBA to agree to the postponement of the repayment of the Face Value in respect of any part of PERLS XVI beyond their due dates and to the suspension or postponement of the payment of Distributions on any part of PERLS XVI;
  - (6) power to authorise CBA to sanction on behalf of all the Holders any scheme for reconstruction of CBA or for the amalgamation of CBA with any other corporation;
  - (7) power to authorise CBA to accept on behalf of the Holders any other property or securities instead of any part of the Holder's rights and in particular any debt securities of CBA; and





- (8) power to give any release or waiver in respect of any breach or default by CBA.
- (b) A Meeting may, by Ordinary Resolution, do anything for which a Special Resolution is not required.
- (c) CBA may only take action, including with respect to any of the paragraphs of paragraph 24(a), if where required CBA has obtained APRA's prior written approval (APRA's approval is required where the proposed modification or waiver may affect the capital treatment of PERLS XVI under APRA's prudential standards).

## 25 Further assurances

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CBA may prescribe further regulations for the holding of, attendance and voting at Meetings or by postal ballot as are necessary or desirable and do not adversely affect the interests of the Holders.



## Signing page

Executed as a Deed Poll in Sydney

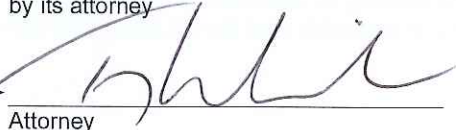
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**CBA**

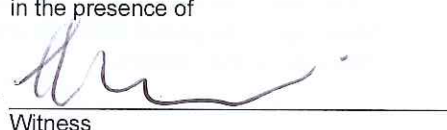
Signed sealed and delivered for  
**Commonwealth Bank of  
Australia**  
by its attorney

in the presence of

sign here ▶

  
\_\_\_\_\_  
Attorney

sign here ▶

  
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Witness

print name

Terry Worgan

print name

Tjaart van der Walt