

ASX Announcement

COMMONWEALTH SECURITIES LIMITED (“CommSec”) which is a wholly-owned subsidiary of **COMMONWEALTH BANK OF AUSTRALIA (“the Bank”)** has entered into arrangements with the Bank whereby CommSec as broker will acquire on-market the Bank’s ordinary shares for the purposes of satisfying the obligations of the Bank to participants in the Bank’s Employee Share Acquisition Plan (ESAP).

Accordingly, during any trading day in the period commencing 7 September 2009 and concluding 11 September 2009 (both dates inclusive) (herein referred to as the “relevant period”) CommSec may be dealing on its own behalf in the bank’s ordinary shares.

Section 991E(1) of the *Corporations Act* prohibits a financial services licensee from entering into a financial product transaction on the licensee’s own behalf with a non-licensee without first informing the non-licensee that the licensee will be acting on its own behalf and obtaining the consent of the non-licensee.

CommSec may not be able to strictly comply with the requirements of section 991E(1) in its acquisition of shares on market for the purposes of the ESAP. CommSec is concerned that in the event that it receives instructions from clients to sell the Bank’s ordinary shares during the relevant period, if CommSec is required to inform its clients that CommSec is acting on its behalf in the transaction, its clients may miss the opportunity to sell their shares at the best price then prevailing in the market. Instead, CommSec will ensure that every client who gives instructions for the sale of the Bank’s ordinary shares on-market during the relevant period will be informed at the time that the instructions are received that CommSec may act on its own behalf on the buy side of the transaction. If CommSec does act on its own behalf in the transaction it will notify the client in the contract note for the trade.



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