

# Currency Term Deposit

## Floating Interest Rate Appendix

This is the Floating Interest Rate Appendix ("**Appendix**") to the Currency Term Deposit Terms and Conditions ("**Terms and Conditions**") of Commonwealth Bank of Australia London Branch ("**the Bank**"). If you elect to enter into a Floating Rate Currency Term Deposit, the Terms and Conditions, as supplemented by the terms of this Appendix, will govern the Currency Term Deposit.

### 1. Definitions and interpretation

#### 1.1 Definitions

In this Appendix, unless the context requires otherwise:

"**Compounded SOFR**" in relation to a Currency Term Deposit and each Interest Period means Compounded SOFR with Lookback.

"**Compounded SOFR with Lookback**" for an Interest Period shall be equal to the compounded average of daily SOFR reference rates for each day during such Interest Period calculated by the Bank in a commercially reasonable manner in accordance with the following formula (with the resulting percentage being rounded up, if necessary, to the nearest four decimal places):

$$\left( \prod_{i=1}^{d_0} \left( 1 + \frac{SOFR_{i-xUSBD} \times n_i}{360} \right) - 1 \right) \times \frac{360}{d}$$

where:

"**SOFR<sub>i-xUSBD</sub>**" for any U.S. Government Securities Business Day "i" in the relevant Interest Period, is equal to the SOFR reference rate for the U.S. Government Securities Business Day falling the number of Lookback Days prior to that U.S. Government Securities Business Day "i";

"**Lookback Days**" means the number of U.S. Government Securities Business Days specified in the Confirmation for the Currency Term Deposit;

"**d**" means the number of calendar days in the relevant Interest Period;

"**d<sub>0</sub>**" for any Interest Period, means the number of U.S. Government Securities Business Days in the relevant Interest Period;

"**i**" means a series of whole numbers ascending from one to d<sub>0</sub>, representing each relevant U.S. Government Securities Business Day in chronological order from (and including) the first U.S. Government Securities Business Day in the relevant Interest Period (each a "**U.S. Government Securities Business Day (i)**"); and

"**n<sub>i</sub>**" for any U.S. Government Securities Business Day "i" in the relevant Interest Period, means the number of calendar days from (and including) such U.S. Government

Securities Business Day "i" up to (but excluding) the following U.S. Government Securities Business Day.

**"Compounded €STR"** in relation to a Currency Term Deposit and each Interest Period means Compounded €STR with Lookback.

**"Compounded €STR with Lookback"** for an Interest Period shall be equal to the compounded average of daily €STR reference rates for each day during such Interest Period calculated by the Bank in a commercially reasonable manner in accordance with the following formula (with the resulting percentage being rounded up, if necessary, to the nearest four decimal places):

$$\left[ \prod_{i=1}^{d_0} \left( 1 + \frac{\text{€STR}_{i-xT2BD} \times n_i}{360} \right) - 1 \right] \times \frac{360}{d}$$

where:

**"€STR<sub>i-xT2BD</sub>"** for any T2 Business Day "i" in the relevant Interest Period, is equal to the €STR reference rate for the T2 Business Day falling the number of Lookback Days prior to that T2 Business Day "i";

**"Lookback Days"** means the number of T2 Business Days specified in the Confirmation for the Currency Term Deposit;

**"d"** means the number of calendar days in the relevant Interest Period;

**"d<sub>0</sub>"** for any Interest Period, means the number of T2 Business Days in the relevant Interest Period;

**"i"** means a series of whole numbers ascending from one to d<sub>0</sub>, representing each relevant T2 Business Day in chronological order from (and including) the first T2 Business Day in the relevant Interest Period (each a **"T2 Business Day "(i)"**); and

**"n<sub>i</sub>"** for any T2 Business Day "i" in the relevant Interest Period, means the number of calendar days from (and including) such T2 Business Day "i" up to (but excluding) the following T2 Business Day.

**"Compounded SONIA"** in relation to a Currency Term Deposit and each Interest Period means Compounded SONIA with Lookback.

**"Compounded SONIA with Lookback"** for an Interest Period shall be equal to the compounded average of daily SONIA reference rates for each day during such Interest Period calculated by the Bank in a commercially reasonable manner in accordance with the following formula (with the resulting percentage being rounded up, if necessary, to the nearest four decimal places):

$$\left[ \prod_{i=1}^{d_0} \left( 1 + \frac{\text{SONIA}_{i-xLBD} \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

where:

"**SONIA<sub>i-xLBD</sub>**" for any London Banking Day "i" in the relevant Interest Period, is equal to the SONIA reference rate for the London Banking Day falling the number of Lookback Days prior to that London Banking Day "i";

"**Lookback Days**" means the number of London Banking Days specified in the Confirmation for the Currency Term Deposit;

"**d**" means the number of calendar days in the relevant Interest Period;

"**d<sub>0</sub>**" for any Interest Period, means the number of London Banking Days in the relevant Interest Period;

"**i**" means a series of whole numbers ascending from one to **d<sub>0</sub>**, representing each relevant London Banking Day in chronological order from (and including) the first London Banking Day in the relevant Interest Period (each a "**London Banking Day (i)**"); and

"**n<sub>i</sub>**" for any London Banking Day "i" in the relevant Interest Period, means the number of calendar days from (and including) such London Banking Day "i" up to (but excluding) the following London Banking Day.

"**€STR**" means:

- (a) the rate, determined by the Bank, in good faith and in a commercially reasonable manner, with respect to any T2 Business Day, that is the daily euro short-term rate ("**€STR**") as provided by the European Central Bank (or any successor administrator) (the "**€STR Administrator**") on the website of the €STR Administrator or any successor source, or as published by authorised distributors of €STR, as of 9 a.m. Frankfurt time (or any amended publication time as specified by the €STR Administrator in its benchmark methodology) on the T2 Business Day immediately following such T2 Business Day. The rate will be subject to any correction to the level of the benchmark subsequently specified by the €STR Administrator accordance with its applicable methodology, policies or guidelines.
- (b) If the rate referred to in paragraph (a) above is not published by the €STR Administrator (or an authorised distributor) and is not otherwise provided by the €STR Administrator on the date on which it is required, then the rate will be the rate last provided or published for €STR as at the day on which €STR was required.
- (c) If the rate referred to in paragraph (a) is the subject of a public statement by the €STR Administrator (or by its regulatory supervisor or other authority) announcing the €STR Administrator is ceasing or will cease to provide €STR permanently or indefinitely and there is no successor administrator or provider, or a public statement by the regulatory supervisor for the €STR Administrator that €STR is no longer representative of the underlying market and economic reality, the rate for a day which falls on or after the first date on which €STR is no longer published or provided (or is not representative), will be the rate (inclusive of any spreads or adjustments) recommended as the replacement for €STR by the €STR Administrator (or by its regulatory supervisor or other authority) and as provided by the administrator of such rate (or published by an authorised distributor) as determined by the Bank acting in good faith and in a commercially reasonable manner.

**"Interest Rate"** in relation to each Interest Period for a Currency Term Deposit means the sum of the Market Rate and the Margin for such Interest Period (which may be a positive or negative rate of interest).

**"London Banking Day"** means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London.

**"Margin"** in relation to an Interest Period for a Currency Term Deposit means the percentage rate specified as such for that Interest Period in the Confirmation for the Currency Term Deposit.

**"Market Rate"** in relation to an Interest Period for a Currency Term Deposit:

- (a) where the Deposit Currency for the applicable Deposit Amount is USD, means Compounded SOFR, or as agreed by You and the Bank for that Interest Period in the Confirmation for the Currency Term Deposit;
- (b) where the Deposit Currency for the applicable Deposit Amount is GBP, means Compounded SONIA, or as agreed by You and the Bank for that Interest Period in the Confirmation for the Currency Term Deposit;
- (c) where the Deposit Currency for the applicable Deposit Amount is EUR, means Compounded €STR, or as agreed by You and the Bank for that Interest Period in the Confirmation for the Currency Term Deposit; and
- (d) where the Deposit Currency for the applicable Deposit Amount is a currency other than USD, GBP or EUR, the rate agreed by You and the Bank as the "Market Rate" in respect of that Interest Period in the Confirmation for the Currency Term Deposit.

**"SOFR"** means:

- (a) the rate, determined by the Bank, in good faith and in a commercially reasonable manner, with respect to a US Government Securities Business Day, that is the Secured Overnight Financing Rate (known as SOFR) as provided by the Federal Reserve Bank of New York (or any successor administrator) (the **"SOFR Administrator"**) or as published by authorised distributors of SOFR, as of 8 a.m. New York City time (or any amended publication time specified by the SOFR Administrator in its benchmark methodology) on the immediately following US Government Securities Business Day. The rate will be subject to any correction to the level of the benchmark subsequently provided by the SOFR Administrator and published within the period for corrections specified by the SOFR Administrator in its benchmark methodology.
- (b) If the rate referred to in paragraph (a) above is not published by the SOFR Administrator (or an authorised distributor) and is not otherwise provided by the SOFR Administrator on the date on which it is required, then the rate will be the rate last provided or published for SOFR as at the day on which SOFR was required.
- (c) If the rate referred to in paragraph (a) is the subject of a public statement by the SOFR Administrator (or by its regulatory supervisor or other authority) announcing the SOFR Administrator is ceasing or will cease to provide SOFR permanently or indefinitely and there is no successor administrator or provider, or a public statement by the

regulatory supervisor for the SOFR Administrator that SOFR is no longer representative of the underlying market and economic reality, the rate for a day which falls on or after the first date on which SOFR is no longer published or provided (or is not representative), will be the Fed Recommended Rate. The "**Fed Recommended Rate**" is the rate (inclusive of any spreads or adjustments) recommended as the replacement for SOFR by the Federal Reserve Board or the Federal Reserve Bank of New York (or a committee officially endorsed or convened for the purpose of recommending a replacement for SOFR and as provided by the administrator of such rate or published by an authorised distributor) as determined by the Bank acting in good faith and in a commercially reasonable manner.

"**SONIA**" means the rate, determined by the Bank, in good faith and in a commercially reasonable manner, with respect to any London Banking Day, that is the daily Sterling Overnight Index Average ("**SONIA**") rate for such London Banking Day as provided by the Bank of England, as administrator of such rate (or any successor administrator of such rate) (the "**SONIA Administrator**") or as published by authorised distributors of SONIA on the London Banking Day immediately following such London Banking Day, provided that if, in respect of any London Banking Day, the applicable SONIA rate has not been published by the SONIA Administrator (or an authorised distributor) by 5.00 p.m. London time, then the SONIA rate in respect of such London Banking Day shall be the rate as determined by the Bank acting in good faith and in a commercially reasonable manner that is:

- (a) the sum of (i) the Bank of England's Bank Rate (the "**Bank Rate**") prevailing at 5.00 p.m. London time (or, if earlier, close of business) on such London Banking Day; and (ii) the mean of the spread of the SONIA rate to the Bank Rate over the previous five London Banking Days on which a SONIA rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and the lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads); or
- (b) if the Bank Rate described in sub-clause (a) above is not available at such time on such London Banking Day, the SONIA rate published by the SONIA Administrator (or an authorised distributor) for the first preceding London Banking Day on which the SONIA rate was published by the SONIA Administrator (or an authorised distributor).

The rate will be subject to any correction to the level of the benchmark subsequently provided by the SONIA Administrator and published within the period for corrections specified by the SONIA Administrator in its benchmark methodology.

"**T2**" means the Trans-European Automated Real-Time Gross Settlement Express Transfer System or any successor or replacement for that system.

"**T2 Business Day**" means any day on which T2 is open.

"**US Government Securities Business Day**" means any day except for a Saturday, a Sunday or a day on which the Securities Industry and Financial Markets Association (or a successor) recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

## 1.2 Interpretation

Capitalised terms or phrases which are used in this Appendix but not defined in clause 1.1 above have the meanings given to them in the Terms and Conditions.

## **2. Calculation of Interest**

- (a) Interest will accrue on the Deposit Amount for a Currency Term Deposit on a daily basis from and including the Start Date for that Currency Term Deposit, to but excluding, the Maturity Date for that Currency Term Deposit.
- (b) The amount of Interest payable in respect of each Interest Period for a Currency Term Deposit will be calculated by the Bank, acting in good faith and in a commercially reasonable manner, by multiplying the product of the Deposit Amount for the Currency Term Deposit and the applicable Interest Rate for the Interest Period by the actual number of days in the Interest Period divided by the applicable day count basis (as specified in the Confirmation for the Currency Term Deposit).
- (c) Any Interest payable in respect of an Interest Period for a Currency Term Deposit is payable in arrears on the Interest Payment Date on which the relevant Interest Period ends. Where the amount of Interest payable in respect of an Interest Period for a Currency Term Deposit is calculated by the Bank to be a positive amount, that amount will be payable by the Bank to You on the relevant Interest Payment Date by payment into Your Nominated Bank Account. Where the amount of Interest payable in respect of an Interest Period for a Currency Term Deposit is calculated by the Bank to be a negative amount, the absolute value of that amount will be payable by You to the Bank by the Deposit Currency settlement cut off time on the relevant Interest Payment Date in cleared and immediately available funds to the account nominated by the Bank to You for such purpose.
- (d) All calculations and determinations made by the Bank in connection with the payment of Interest under this Appendix must be made in good faith and in a commercially reasonable manner. Upon request, the Bank will provide you with reasonable details about how the Bank came to these calculations and determinations. If you wish to dispute any calculations or determinations, you should contact your Global Markets representative. Please refer to clause 30 of the Terms and Conditions for more information.

## **3. Other terms**

In addition to the terms set out in this Appendix, each Currency Term Deposit will be governed by and subject to the Terms and Conditions. In the event of any inconsistency between the provisions of the Terms and Conditions and this Appendix, this Appendix will prevail.