

StepPay

Terms and Conditions

Issued 9 November 2023

Commonwealth Bank of Australia
ABN 48 123 123 124 and
Australian credit licence 234945.

StepPay Terms and Conditions

What these terms and conditions cover

When you use StepPay to buy a product or pay for a service, these terms and conditions (as amended from time to time), apply. You'll receive notice of amendments to these terms and conditions in accordance with section 12 below. Otherwise you can find a copy of the most up to date version anytime online at commbank.com.au/steppayterms.

Other terms and conditions

Using StepPay is also subject to the following:

- The **Banking Code of Practice** sets out the standards of practice and service in the Australian banking industry. The relevant provisions of the Banking Code of Practice apply to the products and services covered by these terms and conditions.
- When you carry out an electronic transaction using StepPay, we warrant that we will comply with ASIC's ePayments Code.
- The **Electronic Banking Terms and Conditions** apply when you carry out an electronic transaction (for example, a purchase transaction or transaction using online, mobile or telephone banking). This document is available at commbank.com.au/important-info.
- The **CommBank app Terms and Conditions** apply when you use the app and are available when you download the app – to see the most up-to-date terms and conditions for your CommBank app version, go to the app's menu, choose 'Help & support' then select 'terms and conditions'.

You must have a linked CommBank repayment account to use StepPay. Separate terms and conditions apply to your linked CommBank repayment account. These terms and conditions tell you what fees and interest may be charged for using your linked CommBank repayment account. The terms and conditions that apply to your CommBank repayment account are available to view at commbank.com.au.

You should also refer to section 6.3 of these terms and conditions below, to find out more about how fees may apply when you use your linked CommBank repayment account.

What is StepPay?

StepPay is a digital only buy now, pay later product that can be added to your CommBank app or to the digital wallet on your smart phone, iPad or Android tablet. You can use StepPay to pay in-store, using tap and pay, or online, anywhere Mastercard is accepted, up to your credit limit.

When you make a payment equal to or greater than the **Minimum Amount** using StepPay, instead of paying the full amount upfront, we split the full amount into four, equal repayment amounts, and automatically deduct each of the four repayment amounts from your linked CommBank repayment account, every consecutive fortnight – with the first repayment amount deducted on or about the day the payment is posted to your StepPay account and the remaining three, deducted every, consecutive fortnight after that. We'll confirm what your repayment amounts are and when they fall due, in your Repayment Schedule. Any payment which is below the **Minimum Amount** is deducted in one go, from your CommBank repayment account, two days after the payment is posted to your StepPay account. See section 4, for details.

There are no interest charges and no monthly or annual fees for using StepPay. Interest charges and fees may apply to your separate linked CommBank repayment account. See your linked CommBank repayment account terms and conditions and section 6.3 of these terms and conditions, for details of fees that may arise under your linked CommBank repayment account.

A late payment fee will be charged in some circumstances. See section 6.2 of these terms and conditions below, for more information.

1. Things to know before you start

If your online application is successful, we'll send you an email with instructions on how to activate your digital StepPay account via the CommBank app. No physical cards are available for StepPay.

Before you start, you must:

- Nominate a **linked CommBank repayment account**. You won't be able to use StepPay if you close your linked CommBank repayment account. You can change a linked CommBank repayment account anytime in the CommBank app.
- Set a PIN in the CommBank app. Depending on the merchant, you may be prompted for a PIN when transacting in-store. You can change your PIN anytime in the CommBank app.
- Activate your digital StepPay account in the CommBank app or your digital wallet on your smart phone, iPad or Android Tablet.

As this is a digital only product:

- You must be registered for both NetBank and the CommBank app.
- For notices that we are required to give you under these terms and conditions, we'll communicate with you electronically via email. We won't give you paper notices.
- The notices we send you may contain personal information. To safeguard against the risk of unauthorised access to the notices we send you, make sure that we always have your most up to date email address and never disclose the access codes to your email account or CommBank app, to any other person.
- You must provide us with your current email address and if that email address changes at any time, advise us immediately of your new email address.
- To update your email address or contact details you can do one of the following:
 - Log on to NetBank
 - Visit any CommBank branch
 - Call **13 2221**

Important – you're not able to have more than one StepPay account at any one time.

2. Transacting on your account

2.1 How you can transact on your account

In-store:

Make purchases in-store by adding StepPay to your digital wallet. Once you add StepPay to your digital wallet, you can use StepPay to tap and pay in-store anywhere Mastercard contactless payments are accepted, up to your available credit limit. See our list of [supported digital wallets](#).

Online:

You can use StepPay to shop online or via the CommBank app.

By using the CommBank app, you can lock online transactions using your digital StepPay account details.

Keep in mind

When you use your StepPay account or provide your StepPay account details in order to make a payment, you authorise us to act on those instructions, for example, pay a supplier of goods.

We debit your StepPay account with (and then you owe us) the amount of any purchases or payments, as well as any fees and other amounts provided in your contract. You must then make repayments on the amounts owed as set out in these terms and conditions (see section 4 for more details).

2.2 What else can you use StepPay for?

International transactions

StepPay can be used for international transactions. You will be charged in Australian dollars for purchases in other currencies using StepPay. International transactions performed using StepPay are converted to Australian dollars by Mastercard, who determines the exchange rate and conversion process. In some cases, overseas merchants may allow you to transact in Australian dollars, in which case they set the exchange rate.

Regular payments

- You can arrange for a regular payment such as a bill to be automatically debited periodically, from your StepPay account.
- If your StepPay account number changes, remember to give each biller your updated account details so payments continue. In some cases we automatically provide your new account details to Mastercard and subject to arrangements between Mastercard and the merchant, Mastercard may provide those details to merchants with whom you have a regular payments. We recommend that you provide your new account details to merchants with whom you have a regular payment arrangement if your account number changes.

- To cancel a regular payment, give the merchant at least 15 days' notice before the next scheduled transaction is due. If the merchant continues debiting money, contact us immediately so we can try to get your money back.

2.3 What you can't use StepPay for

- You cannot access cash using StepPay, including via an ATM, in Branch or by making transfers from your StepPay account.
- You cannot use StepPay for Gambling.

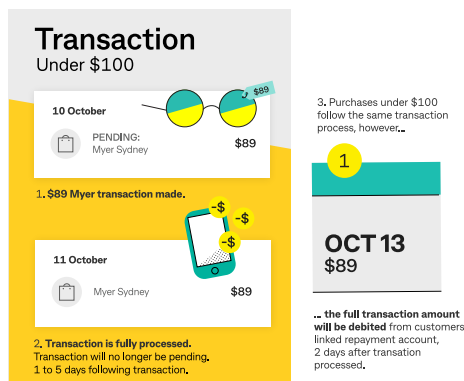
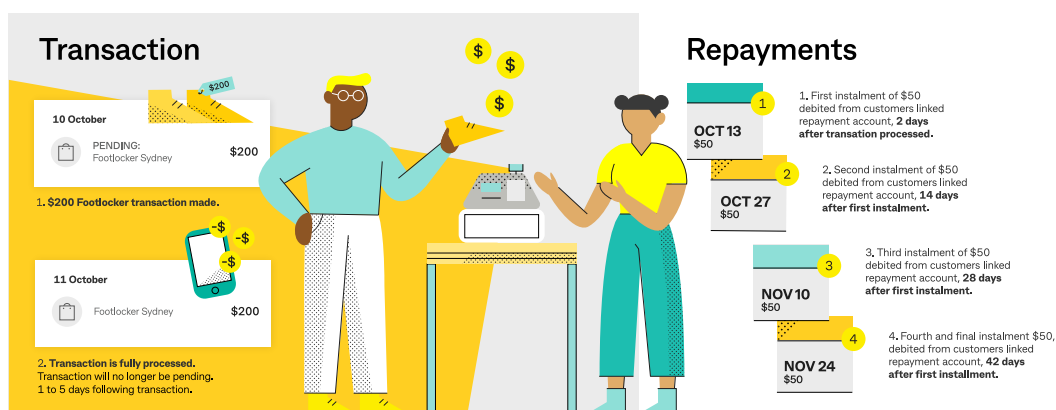
3. Limits that apply

Your StepPay account has a set credit limit. We let you know what it is when you apply and that information is also available in the CommBank app. As you pay off purchases via repayments, your available credit will increase.

We will take reasonable steps to prevent you going over your StepPay credit limit. However, in certain circumstances, for example, when systems are down, authorisation is not required or errors occur as a result of your failure to comply with these terms and conditions, it may be possible for your StepPay Account to go over your approved credit limit. If this happens, the transaction which caused your credit limit to be exceeded will be due and payable to us in accordance with section 4, below.

4. What and how you have to pay

- Each payment equal to or greater than the **Minimum Amount**, that you make using StepPay, is split into four, equal, repayment amounts. Each repayment amount must be repaid to us by four consecutive fortnightly instalments, the first falling due on the day shown in your Repayment Schedule, (which will be on or about the day the payment transaction is posted to your account) and the three remaining, falling due on each consecutive fortnight after that.
- What repayments you need to make and when, will be confirmed in your Repayments Schedule. You can access your Repayment Schedule in the CommBank app. We may also send you reminders about when your repayments are due.
- You are obliged to meet each repayment set out in your Repayment Schedule, without deduction, regardless of refunds or pending disputes and without off setting amounts you believe we owe you. However, see section 11 below for details on how we will apply refunds that we receive to your StepPay account.
- You authorise us to automatically deduct each payment amount from your linked CommBank repayment account on its due date for payment, as shown in your Repayment Schedule and/or in accordance with these terms and conditions. If a payment is unsuccessful, we may continue to attempt to deduct the payment, after the due date for repayment.
- Each payment you make using StepPay which is under the **Minimum Amount**, is deducted from your linked CommBank repayment account in full two days after the payment transaction is posted to your StepPay account. This amount will show in your Repayment Schedule.



Important things to know about your repayments

- See section 6 of these terms and conditions below, for important information about what happens if you miss a StepPay repayment.
- You can change your linked CommBank repayment account any time in the CommBank app. When you change your **linked CommBank repayment account**, all repayments that fall due thereafter will be debited from the new linked CommBank repayment account – including pending repayments of any payment transaction made using your StepPay account before you changed your linked CommBank repayment account.
- You can make your repayments ahead of their due date any time, by depositing funds into your StepPay account via the CommBank app. Any such deposit will be allocated to repayments in the order they fall due. Where only part of a scheduled repayment is satisfied by an early repayment, you must repay the remaining portion by the due date.
- You must not transfer funds to your StepPay account so that your StepPay account is placed in credit. We will transfer credit balances to your linked CommBank repayment account.

5. Keeping track of your payments

You can check your transaction history at any time by logging onto the CommBank app or by calling us. You can query any listed transactions for current or closed StepPay accounts, by contacting us.

We will give you a notice by email every 3 months to let you know that a list of your transactions for the past 3 months, is available to view in the CommBank app provided:

- a. your email address is valid and/or you remain registered for the CommBank app;
- b. you have transactions or a balance greater than zero during the six month period; and
- c. your card is not expired and/or your account is not closed.

You can also access this information as frequently as you like in the CommBank app, or print your transaction history via NetBank. We won't give you a paper copy of transactions.

If your email address is invalid and/or you are no longer registered for the CommBank app, we may suspend or close your account. If we do this, you'll be liable for any amount still owing. See section 14 for further details as to what happens when your account is suspended or closed.

6. Rights we have

6.1 When we can suspend or close your account or not process a transaction and/or reduce or suspend your credit limit

We may suspend or close your account or not process a transaction and/or reduce or suspend your credit limit without giving you prior notice. When we do this, we will act fairly and reasonably towards you. We may do this in the following circumstances:

- If you are in default (see section 6.2.1, for what this means).
- If we believe, on reasonable grounds, that doing so, may prevent fraud or other losses (including but not limited to, losses based on our credit risk assessment, of you or the transaction type generally).
- To manage regulatory risk, including but not limited to, where we believe on reasonable grounds that you, or an additional card holder, may be a person:
 - with whom we are not permitted to deal with by law or a regulatory authority; or
 - in breach of laws relating to money-laundering and terrorism financing. (Keep in mind, the law may prevent us from providing specific information to you or others in these circumstances).
- If we reasonably believe that suspension or cancellation of your account or a block on a transaction is necessary to protect our legitimate interests.

We can also suspend or cancel your account or not process a transaction for any reason, after giving you reasonable notice.

6.2 What we'll do if you're in default

6.2.1 You're in default if:

- You miss a payment due under these terms and conditions, including because your linked CommBank repayment account does not have funds sufficient to satisfy the payment as and when it falls due; and/or
- You otherwise breach these terms and conditions in a way that materially increases our risks in relation to your credit contract.

6.2.2 When we will charge you a late payment fee:

If you're in default because you've missed a repayment:

- a. We will charge you a late payment fee (subject to whether or not the Fee Cap has been exceeded); and/or
- b. We may also suspend or close your StepPay account, not process a transaction or reduce or suspend your credit limit (see section 6.1 above).

Any late payment fee charged in respect of a missed repayment amount, will be added to, and form part of, that missed repayment amount. For details regarding the amount of late payment fees and the Fee Cap that applies – see commbank.com.au/steppay-rates-fees.

6.2.3 Additional things we may do if you're in default

In addition to section 6.2.2 if you're in default for any reason, we may:

- a. send you a notice asking you to fix a default within a certain time period (at least 30 days); and
- b. exercise any one or more of the following additional rights if you fail to comply with the notice:
 - i. Decide, without further notice, that the entire outstanding balance of your StepPay account is due and payable, immediately;
 - ii. Take legal action to recover any overdue amounts; and/or
 - iii. Exercise our common law right to combine any money you have on deposit with us (for example, in a transaction account) with your StepPay account.

We don't have to give you a notice before exercising the above rights, if we aren't able to give you a notice (for example, because your last notified electronic address is invalid) or the default cannot be fixed.

You'll have to pay any expenses we reasonably incur in enforcing these rights. We'll debit these to your StepPay account, and they'll be payable from the debit date.

6.3 Important things you should know about fees charged to your linked CommBank repayment account when you miss a repayment

Dishonour fees

We won't charge a fee to your linked CommBank repayment account if we are not able to deduct a StepPay repayment when due because there are insufficient funds in your linked CommBank repayment account (for example, a dishonour fee). However, you may be charged a late payment fee to your StepPay account (see section 6.2.2 of these terms and conditions, above).

Overdrawing fees and interest

Wherever possible, we won't allow the available funds in your linked CommBank repayment account or any agreed overdraft limit on your linked CommBank repayment account, to be exceeded in order to deduct a StepPay repayment when due.

However, if your linked CommBank repayment account is overdrawn to meet a StepPay repayment due to circumstances beyond our control (for example, because of systems outages), overdrawing fees and interest may be charged to your linked CommBank repayment account. See the terms and conditions applicable to your linked CommBank repayment account for details.

7. What to do if you are concerned about a transaction

Contact us as soon as possible (see last page for contact details), if you think there has been an unauthorised transaction on your StepPay account or you want to request a refund for a transaction.

If you don't tell us as soon as possible, we may lose any chargeback right we have under the Mastercard scheme rules. We'll accept a report under the ePayments Code of an unauthorised transaction, if we receive the report within 6 years from the day that you first become aware or should reasonably have become aware of the unauthorised transaction.

You should regularly check your transaction history to make sure there are no errors or unauthorised transactions.

You must tell us straight away if:

- A digital account or other device (including the smart phone, iPad or Android Tablet you use to access StepPay) has been lost, stolen or misused.
- You suspect someone else has used your account without your permission or may know a PIN or password.

You may be liable for transactions if you don't sufficiently protect your account details, devices, PINs and/or passwords or you don't immediately tell us when something happens to them.

8. When you'll get a refund for unauthorised transactions

- It is clear that you did not contribute to the loss.
- Someone uses the digital account or device after you told us it was lost, stolen or misused or that someone else may know the PIN or password.
- A bank employee or anyone involved in processing your transaction, or a merchant or their employee or agent, is fraudulent or negligent.
- The transaction involved faulty equipment, a forged or faulty digital account or device or an expired or cancelled digital card, PIN or password.
- Someone uses your digital account, PIN or password before you receive it from us.
- The transaction was made using an identifier and did not require a PIN or password or device.
- The transaction was made using a device, or a device and an identifier, but did not require a PIN or password and you did not unreasonably delay in reporting the loss or theft of the device.
- The same transaction is charged to your account more than once.
- The ePayments Code otherwise entitles you to a refund.

9. When you won't get a refund

We will not refund a transaction where you:

- Authorised the transaction,
- Contributed to the loss through fraud.
- Tells someone your PIN or password, keeps an undisguised record of them, creates a PIN or password that is easy to guess (like your name or date of birth) or otherwise doesn't comply with the password security obligations under the ePayments Code, but only if such breach was the dominant cause of the loss.
- Doesn't promptly tell us that your digital account or device was lost or stolen or that someone else may know their PIN or password (you'll be liable for transactions after you should have told us).

If any of these occur, we may hold you responsible for the transaction unless we are able to obtain a refund for you under the card scheme rules or the ePayments Code entitles you to a refund (for example, because the loss exceeded your available limit).

Where you have contributed to losses due to an unreasonable delay in notifying us the digital account has been lost, stolen or misused or that someone else may know the PIN or password, the transactions we will not refund will be limited to those occurring between the time you became aware (or should reasonably have become aware in the case of a lost or stolen device) of the security compromise and the time the security compromise was reported to us.

10. When you'll get a partial refund

When your situation does not fall into sections 8 and 9 above, the maximum we can charge you for an unauthorised transaction is \$150 (where the ePayments Code permits), and we will refund the remainder.

11. Merchant refund, dispute refund or other credit.

- If you receive a refund from a merchant to your StepPay account we will attempt to match the refund by merchant name and transaction value. If successfully matched, we will adjust your repayments for that purchase, by the refund amount. If there is residual amount left, we credit that amount to your linked CommBank repayment account.
- If we cannot match the refund by merchant name or transaction value we will apply the amount to overdue amounts first and then to any future repayments in the order they fall due, until the amount is exhausted. If there is residual credit left after adjustments we will credit that amount to your linked CommBank repayment account.
- To the extent that any amount either transferred to the account or applied to repayments results in the account having a credit balance, that amount will be transferred to the linked CommBank repayment account.

Matched refund

1. Customer returns purchase to Footlocker.

11 October
Footlocker Sydney \$200

2. \$200 Footlocker refund comes through and is matched with the original purchase transaction.

Repayments

13 October
StepPay: Payment 1
Footlocker Sydney -\$50

1. First instalment of \$50 was debited from customers linked repayment account.

2. The following three scheduled instalments are cancelled.

OCT 27 \$50
NOV 10 \$50
NOV 24 \$50

3. The first instalment that was paid, is credited to linked repayment account.

StepPay: Payment 1
Refund \$50

Unmatched refund

Customer returns purchase to XY Cosmetics.

11 October
XY Cosmetics

If the transaction cannot be matched.

SEPT 20 \$50
SEPT 24 \$50

1. Credit used to first cover overdue payments on the accounts...

OCT 13 \$50
OCT 27 \$50

2. then any future repayments in the order they fall until amount is exhausted.

3. If the account has a credit balance after above steps, that amount will be transferred to the linked CommBank repayment account.

12. Changes to your contract

We can change the terms of this contract at any time, including account features and fees. However, we cannot change the terms of this contract to impose a charge for the provision of credit and we'll only make changes where we consider that doing so is reasonably necessary to achieve a legitimate business purpose, including, for example:

- when the cost of providing this product to you changes;
- as necessary or desirable to comply with any legal or regulatory requirement;
- to reflect changes in technology or our processes;
- to include new product features or services or reflect our operational processes;
- to discontinue or replace a product;
- to consolidate or simplify our terms and conditions and contractual documents;
- to add, change or remove any concessions or benefits;
- to bring us into line with our competitors, industry, market practice or best practice;
- to manage risks including credit risk, fraud, operational or regulatory risk; or
- to correct errors, omissions, inconsistencies or ambiguities.

Each of the paragraphs (a) to (j) above, is a separate right for us to make changes. Without limiting our rights under these paragraphs, we may from time to time change any of the terms and conditions of your contract for other reasons (e.g. due to unforeseen events).

If you don't like a change you can close your account at any time. You'll just need to repay the outstanding balance of your account before it's closed.

How we tell you about changes

Account	Notice method	Minimum notice period
Fees		
Introducing a fee or increasing the amount or frequency of a fee	In writing or by advertising in the national or local media	30 days
Credit limit		
Reducing or suspending your credit limit	In writing (no notice is required if you are in default)	As soon as practical
Other changes		
Changing your minimum repayment or making any other change to your contract	In writing (no notice required if the change reduces your obligations)	30 days if the change is adverse to you (otherwise 20 days)

Where we notify by national or local media, we will confirm the change electronically via email.

13. Closing your StepPay account

- You can close your account at any time if all amounts owing to us (including late fees) have been paid to us in full and there are no remaining scheduled repayments required. Visit any branch with appropriate identification or call **13 2221**.
- See section 14 below, for information about what happens after your StepPay account is closed.

14. What happens when a stop is put on your StepPay account or StepPay account is suspended or closed

- You'll continue to have to pay the repayments in accordance with your Repayment Schedule and any late payment fees if you do not pay the repayments on time. Enforcement expenses reasonably incurred will also be charged until your account is paid in full.
- You'll need to cancel and make new arrangements for any regular payments you've scheduled from your account that may be impacted.
- We will process a request to stop or close your account as soon as we can.
- You continue to be responsible for:
 - Transactions made before we process your request.
 - Transactions that don't require our authorisation. Some regular payments don't require our authorisation, so may continue to be charged to your account if you don't cancel them, even after we close your account.
- If there is a credit balance in your StepPay account after it has been closed, we will transfer that balance to your linked CommBank repayment account, another CBA deposit account in your name, or to an internal unclaimed moneys fund.

15. Things we need to do to comply with laws

To comply with laws here or overseas (for example, those that address taxation), we may ask you to provide information about you or your account, or take other action, such as suspending or closing your account, where we consider doing so is reasonably necessary to protect our legitimate interests.

16. If you have a complaint

You should first discuss the matter with us to see whether we can satisfactorily resolve it by contacting us:

- Complete the online feedback form at commbank.com.au/feedback
- Call into one of our branches or phone our Customer Relations team on **1800 805 605**, 8am-6pm (Sydney/Eastern standard time), 7 days a week. If you're overseas, call **+61 2 9841 7000**.
- Write to us at:
Customer Relations, Commonwealth Bank Group, GPO Box 41, Sydney, NSW, 2001.

If we are unable to resolve the dispute to your satisfaction, you may apply to the Australian Financial Complaints Authority, or AFCA. AFCA provides fair and independent financial services complaint resolution that is free to consumers. Before AFCA can investigate the matter, you must have first given us the opportunity to review it.

The contact details for AFCA are:

Website: afca.org.au Email: info@afca.org.au

Telephone: **1800 931 678** (free call)

In writing to: Australian Financial Complaints Authority, GPO Box 3, Melbourne VIC 3001

17. Privacy and Credit Reporting

- We may share information about your StepPay product with credit reporting bodies
- This includes information about:
 - your identity,
 - The type and amount of credit you have applied for, or have, with us,
 - If you have committed fraud or another serious infringement.
- Your Privacy is important to us. For details of when and how we collect, use and disclose your information, and rights you have (for example how you want us to communicate with you), see our Privacy Policy at commbank.com.au or contact us on **13 2221**.

Meaning of words used in this document

Term	Meaning
Fee Cap	The maximum amount of late payment fees that we will charge pursuant to these terms and conditions, in each consecutive 12 month period starting from when your StepPay account is activated. Fees charged pursuant to the terms and conditions that apply to your linked CommBank repayment account do not count toward the Fee Cap. For details regarding the dollar amount of the Fee Cap – see commbank.com.au/steppay-rates-fees .
Gambling	Any transaction identified by us relying on information provided by a merchant or their financial institution, as being for gambling, gaming or equivalent purposes, including (but not limited to) purchases from or transfers to TAB, gambling sites, lottery ticket sellers, online and internet casino transactions, betting transactions on dog or horse races, sports or other events, wagering, lottery and the purchase of gambling tickets or chips.
linked CommBank repayment account	An account nominated by you from our list of <u>eligible linked CommBank repayment accounts</u> , from which you authorise us to automatically deduct your StepPay repayments on or about their repayment due dates.
Minimum Amount	The minimum amount that any purchase or payment must be equal to or greater than in order for you to make that payment in four equal fortnightly instalments as set out in these terms and conditions, using StepPay. See commbank.com.au/steppay for the current Minimum Amount that applies to your StepPay account.
Post, posted, or posting	A payment from your StepPay account is posted when the transaction is processed, and the balance due to the relevant merchant, is paid from your StepPay account. Prior to this, a payment is pending only.
Repayment Schedule	The schedule that is displayed to you in the CommBank app, showing the repayments in respect of purchases you have made using StepPay, the repayment amounts and due dates for payment.
Tap & Pay	The contactless payments functionality by which you can tap your phone at contactless terminals to pay.

Term	Meaning
we, us, our or CBA	Commonwealth Bank of Australia (ABN 48 123 123 124, Australian credit licence 234945) and any third party to whom we assign our rights under your account.
you or your	The person who holds this account.

Contact us



By phone

Australia

13 2221

USA

Mastercard:
1800 627 8372

Other Enquiries:
+61 2 9999 3283 (reverse charges)
OR +61 13 2221

Anywhere else:

Mastercard:
+1 636 722 7111 (reverse charges)

Other Enquiries:
+61 2 9999 3283 (reverse charges)
OR +61 13 2221



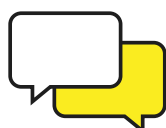
In person

Australia

Go to your nearest CommBank branch in business hours.

International

Go to any financial institution showing the Mastercard sign.



Mobile

Log on to the CommBank app.

