

Summary of Changes to the Terms and Conditions for Business Finance

(facilities other than SuperGear or Commonwealth Portfolio Loan)



1. General

From 30 April 2018, CBA's *Current Terms and Conditions for Business Finance* (the current version of which was issued 1 July 2017) (the Old Terms) will be replaced with new terms and conditions (the New Terms) which are shorter, better organised and simpler to read. Also, a separate version of the New Terms has been prepared specifically for SuperGear. The New Terms reflect CBA's commitment to ensure its customer contracts do not contain terms which are unfair and to implement recommendations of the Small Business Inquiry conducted by the Small Business and Family Enterprise Ombudsman.

This document explains the substantive changes that are made to the Old Terms as they apply to facilities other than Commonwealth Portfolio Loan and SuperGear facilities. If there is any inconsistency between this document, the tombstone published [16 March 2018] and the New Terms, the New Terms prevail.

Rights and obligations accrued before 30 April 2018 are unaffected.

Clause references in square brackets like this “[]” are to the Old Terms. Clause references in round brackets like this “()” are to the New Terms.

Find out more:

- The New Terms are available at commbank.com.au/ctcbf.
- There is no change to the terms of the Commonwealth Portfolio Loan. For this, see an abridged version of the Old Terms at commbank.com.au/ctccpl.
- Details of changes and a copy of the New Terms as they apply to SuperGear facilities (renamed *Current Terms and Conditions for SuperGear*) are available at commbank.com.au/businessfinancetandc.
- The Old Terms were issued in a booklet which also contained our standard mortgage and security interest provisions for business facilities. These provisions are now available at commbank.com.au/mopsip.

You can ask for an electronic or paper copy by contacting your relationship manager, business banker or broker, or by calling 13 1998.

2. Large Business Customers

The New Terms distinguish between Large Business Customers and other customers. You are a Large Business Customer if your Offer Document says you are or the total Limits of Facilities which you and your wider customer group have with us have ever been \$3 million or more. Some terms and conditions only apply to Large Business Customers such as certain covenants about financial position in favour of us and some default events.

3. General Changes

Below are the changes made to Part A of the New Terms (which applies to all Facilities):

General	
Added	A table which clarifies which part of Part B you need to read depending on your Facilities (A.1).
	When you make a foreign currency payment, we'll calculate the Australian dollar equivalent at our same day value selling rate, at 11:00am on the day we make the calculation. This previously only applied to trade facilities. [D.1.3]/(A.3.6).
Removed	Express statements that a customer must be at least 18 years old and must not be an undischarged bankrupt or in similar circumstances (because we would not provide a facility without first verifying this) [A.1];
	Some of the declarations you make when you sign including: <ul style="list-style-type: none"> • as to your name being correct; • that the facility is for business or investment purposes; • that you have sole responsibility for managing your financial affairs so you can repay the facility. [A.12.1]/(A.1.5.1)
	Various provisions relating to Security, Security Property, and our authorised powers on default which are already dealt with in the relevant Security documents [A.3.1, A.3.7, A.4] / (A.1.8, A.6.4.1)
	The clause under which anything we do under the contract is subject to any restrictions imposed by law.[A.10.3]
	The express permission you give to pay commission to brokers and referral agents and the exclusion of any liability we may have for their acts or omissions.[A.10.9]
Setting up and using your facility	
Added	General requirement to use a Facility only for the purpose set out in your Offer Document (A.2.1);
Removed	Some circumstances in which we have a right to withdraw our offer if it is not accepted within certain time periods [A.2]/(A.2.2)
	References to payment of a commitment fee because all fee information is separately disclosed [A.2];
	The description of how we disburse funds under a facility [A.3.8]
Costs and Payments	
Added	An explanation of the interest in advance rebate (A.3.1.2);
	An explanation that any default interest must be paid on the day you pay out the Facility (A.3.1.3)
	A customer obligation to reimburse us for costs we incur in establishing or managing a facility (A.3.1.5.)
	Provisions which allowed us to debit accounts other than a Nominated Account or open a payment account in your name for overdue amounts have been moved from the trade finance specific section to Part A (so they now apply to all facilities) [D.1.3]/(A.3.3.4). The rate of interest applying to a payment account is the default interest rate.

Removed	Our express authority to debit any amount exceeding the amount of the loan/facility we give to an account with us which you nominate [A.3.9]
	An explanation that for amounts payable where no payment time is specified, the amount is payable on our request.[A.5.1]
	An explanation that repayments include principal (unless it is an interest only repayment) [A.5.2]
	An explanation that if a loan is not repaid at the end of the term, we may require it to be repaid and until then, it continues on an interest only basis. Facility-specific terms are now set out in Part B. [A.5.2]
	Our express right to debit amounts to an account when due and to use payments we receive to satisfy these amounts [A.5.2]
	An explanation that some facilities allow payment by cheque [A.5.3]
	An express explanation of your right to nominate another account as your Nominated Account for debiting payments [A.5.3] /(A.3.3)
	An explanation of the actions we will take in the Nominated Account has insufficient funds for processing payments.[A.5.3]/(A.3.3)
Changed	Our express authority, where you have multiple loan accounts or sub-accounts, to debit interest to one of these where the Nominated Account has insufficient funds. [A.5.3]/(A.3.3)
	Explanations of the concepts of principal and interest have been included. For details of payment obligations (for principal, interest and fees), you are now referred to Part B and your Offer Document [A.5.1]/(A.3.1)
	The default interest rate. This has been changed to the monthly Excess drawing rate available at commbank.com.au/business/rates-fees.html . [A.7.2]/(A.3.1.3)
	The method of rebating interest paid in advance from a whole of month method to a daily method so the rebate does not only apply to full months. [A.7.6, B.1.5]/(A.3.1.2).
Changes to your facility	
Added	An explanation that fixed rates we disclose are only indicative until the time of drawdown under the Facility (A.4.2.)
Changed	<p>The clauses which describe what changes we can make without your agreement and how and when we must give notice of those changes have been consolidated into a single table and changed.</p> <p>a. Changes to notice period:</p> <ol style="list-style-type: none"> i. you will receive at least 30 days' notice of any change adverse to you relating to interest rates, fees or repayments, except for changes to variable interest rates applicable to our customers generally (which can be notified on the date of change or, if the rate is linked to market rates, as soon as reasonably practicable afterwards) or to already publicised government fee changes; ii. For other changes which are adverse to you, you will generally receive 90 days' notice except where urgent action is necessary to manage our risk; iii. For changes which are not adverse to you, you will receive notice no later than the day the change takes effect; and iv. For changes which reduce your obligations or extend time for payment, you will receive notice no later than when we give you the next statement of account. <p>b. Changes to notice method: Most changes can be made by advertisement in the national or local media – it is only in certain limited circumstances where notice is</p>

	<p>required in writing (for example, where the change is specific to you, the change relates to the interest methodology or frequency, repayments or repayment frequency or new bank fees) and this is not required if we can't reasonably contact you. 'Writing' includes electronic notice by email or via our online banking platforms.</p> <p>[A.9]/[A.4.2]</p>
Managing your account	
Added	A requirement for customers to provide evidence we need to complete <i>Know Your Customer Checks</i> in relation to a person before appointing that person as an Authorised Representative of the Customer (A.5.1);
Your ongoing obligations	
Added	An obligation for each customer and guarantor to ensure the contract and guarantee is effective (A.6.4.1)
	Our right to request a valuation of Security Property not more than once every 2 years at your cost, but if you pay, you will be entitled to a copy of the report (A.6.4.2)
	A general restriction against assigning your rights under the Contract without our written consent. This supplements similar restrictions in product specific terms (A.6.4.6)
Removed	The customer obligation to notify us of a material default.[A.3.2]
	The customer obligation to notify us if the customer believes we have made an offer to the customer which is not specified in the Offer Document or Account Confirmation Document [A.3.2]
Changed	The customer obligation not to borrow more than \$5,000 without our consent if such borrowing would have a material adverse effect. The relevant threshold amount has been increased to \$100,000 [A.3.4] /(A.6.4.4)
	The Financial Covenants clause has been rewritten such that applicable covenants will appear in the Offer Document. Key definitions have been relocated. Financial Covenants will "usually" only apply to Large Business Customers and for specialised lending, such as margin lending, foreign currency lending, or lending for property development. [A.13]/(A.6.3, A.11.2)
Defaulting on your contract	
Changed	The circumstances of default have changed.
	<p>You will be in Default if:</p> <ul style="list-style-type: none"> a) you miss a scheduled repayment or don't pay us an amount by the due date; b) you exceed your Limit (whether due to Drawings, currency fluctuations, interest or other charges being debited to the Loan Account, or otherwise); c) you or a Guarantor is Insolvent, goes into bankruptcy, voluntary administration, other insolvency process or arrangement, or no longer has legal capacity; d) material creditor enforcement action is taken against you or a Guarantor or their assets; e) we believe on reasonable grounds that: <ul style="list-style-type: none"> i. it becomes unlawful for you or us to continue with the loan; or ii. you or anyone else associated with the Facility is a Proscribed Person;

	<p>f) you or a Guarantor gives us information or makes a representation or warranty to us which is materially incorrect or misleading (including by omission) and which materially increases our risk in relation to a Facility;</p> <p>g) you use the Facility for a non-approved purpose which materially increases our risk in relation to a Facility;</p> <p>h) a Security Provider's assets are dealt with, or attempted to be dealt with in breach of the loan, or any Security or other agreement with us without our consent and such dealing materially increases our risk in relation to a Facility;</p> <p>i) you or a Guarantor do not provide us financial information as required;</p> <p>j) you or a Guarantor no longer hold a material licence or permit required to conduct business;</p> <p>k) you or a Guarantor no longer have required insurance for the Security;</p> <p>l) we decide there has been an unacceptable material change in the legal or beneficial ownership, or management or Control of you or a Guarantor or your or their business changes without our consent; or</p> <p>m) in relation to a Facility which is a property development loan, foreign currency loan or margin loan, you breach a Financial Covenant.</p> <p>[A.15]/(A.7.2)</p> <p>If you are a Large Business Customer, you are also in default if:</p> <p>n) early repayment is required under a separate financing arrangement you or a Guarantor has with us, due to an event of default (however described) arising from failure to meet a payment obligation;</p> <p>o) you have to repay debts of more than \$100,000 to a third party earlier than expected because of default, or you don't pay debts of more than \$100,000 to a third party when they are due;</p> <p>p) you or a Guarantor stop paying creditors, admit that you or they can't pay bills, or stop carrying on business (or threaten to);</p> <p>q) you or a Guarantor propose, or enter into, any arrangement with your creditors because of liquidity problems, or</p> <p>r) a court or any other authority issues an order or attachment notice over money we owe you or a Guarantor which is not set aside;</p> <p>s) you breach a Financial Covenant;</p> <p>t) you are a company and any action is taken to start the winding up or deregistration of the company;</p> <p>u) part or all of the Security Property is lost, stolen, seized, damaged beyond repair or subject to a court order which could have a Material Adverse Effect;</p> <p>v) you don't keep to the other terms or conditions of your Contract;</p> <p>w) you or a Guarantor don't keep to the terms or conditions of any Security; or</p> <p>x) anything happens that in our reasonable opinion could have a Material Adverse Effect.</p> <p>[A.6.1]/(A.7.3)</p> <p>The applicable rate for interest on judgement debts. This is now to be the highest of:</p> <p>a) the rate in the court order;</p> <p>b) the applicable statutory interest rate; or</p> <p>c) the rate in the <i>Contract</i>.</p> <p>[A.7.5]/(A.7.4.5.)</p>
Trustees	
Changed	The assurances you give us when acting as a trustee have been restated and some of those assurances have been removed [A.11]/(A.8.1).

Notices													
Removed	An explanation of your right to withdraw your agreement to receive information by electronic communication. [A.8.2]/(A.9)												
Changed	The time at which our notices to you take effect has been restated and for a notice given by advertisement in the media, this will take effect on the day it appears. Also, these will be effective even if you are unable to receive or view them [A.8.1]/(A.9.2.2).												
	<table border="1"> <thead> <tr> <th>Notices sent by</th> <th>Take effect as follows (unless a later date is set out in the notice)</th> </tr> </thead> <tbody> <tr> <td>Post</td> <td>On the day they would normally be received</td> </tr> <tr> <td>Fax</td> <td>At the time shown on a transmission report showing the fax was sent in full</td> </tr> <tr> <td>Email</td> <td>On the day the email is received by your email host or internet service provider</td> </tr> <tr> <td>Making it available online</td> <td>On the day the notice advising you it is online takes effect</td> </tr> <tr> <td>Advertising in media</td> <td>On the day the advertisement appears in the media</td> </tr> </tbody> </table>	Notices sent by	Take effect as follows (unless a later date is set out in the notice)	Post	On the day they would normally be received	Fax	At the time shown on a transmission report showing the fax was sent in full	Email	On the day the email is received by your email host or internet service provider	Making it available online	On the day the notice advising you it is online takes effect	Advertising in media	On the day the advertisement appears in the media
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Our rights, reversed payments and refusal of service													
Changed	The exclusion of our liability for loss caused by our exercising, trying to exercise, failing to exercise, or delaying exercising, a right under the Contract includes an expanded proviso such that the exclusion does not apply if we caused the loss by our (or our receiver's) negligence, fraud or wilful conduct [A.10.2]/(A.10.2).												
	The 'mistaken credits' clause has been consolidated with the 'general refunds' clause to make it clear that we may be obliged or may reasonably agree to refund a payment if ordered by a court or if a trustee in bankruptcy, a liquidator or someone else asks us to do so (for example, as a result of a mistaken payment). If that happens, we may return the funds to the relevant party without notice to you and treat the original payment as if it had not been made including by stopping you from withdrawing the amount. [A.5.7, A.10.5]/(A.10.4).												
Meanings of words													
Changed	The definition of 'Group Member' has changed to mean you and each other entity for which we administer a customer service relationship as a group as determined by us and includes co-account holders, related entities, associates, guarantors and Security Providers (note that this will affect any existing financial covenants).												
	<p>The definition of 'insolvency' has changed to the following:</p> <p><i>Insolvent:</i> in respect of a person, means the happening of any of these events:</p> <ol style="list-style-type: none"> the person is, or makes a statement which leads us to reasonably conclude they are, insolvent under administration or insolvent (each as defined in the Corporations Act); the person has had a controller appointed over any property, is in any form of liquidation, is under administration or is wound up; the person is subject to any arrangement, assignment, moratorium or composition, is protected from creditors under any statute, or is dissolved other than on terms we approve ; an application or order has been made (which is not stayed, withdrawn or dismissed within 30 days), resolution passed, proposal put forward, or any other 												

	<p>action taken, in connection with the person, which is preparatory to or could result in any of the things referred to above;</p> <p>e) the person is taken under the Corporations Act to have failed to comply with a statutory demand;</p> <p>f) a court would presume the person to be insolvent or unable to pay the person's debts or the person is otherwise unable to pay the person's debts when they fall due; or</p> <p>g) something having a substantially similar effect to any of the things referred to above happens to the person.</p>
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4. Part B.1 – BetterBusiness Loans

General	
Removed	Terms relating to products or features no longer available (Capped Rate Loans, Variable Rate- Economiser loans, offset accounts), [B.1.9, B.1.10, B.1.8]
	Explanation of Better Business Loans [B.1]
	The specific provisions applicable to "Fixed Rate Residentially Secured". These are instead treated as other Fixed Rate Facilities. [B.1.5, B.1.6, B.1.7]
Setting up and using your facility	
Added	Our right to reduce the Limit to the current Loan amount if we have agreed to progressive drawings and 2 years has elapsed from the date of offer (B.1.1.1).
	Our right to cancel an undrawn facility if you have not drawn funds within agreed timeframes (B.1.1.1.).
	Our right to charge an Early Repayment Adjustment where a loan is not drawn within 3 months [B.1.6].
Removed	The explanation of the specific circumstances when the ability to redraw special repayments (would be cancelled or refused).
	(Eg: \$2,000 minimum redraw amount for offline redraw and \$0 minimum for online redraw, and the specific requirement for all borrowers and authorised signatories to sign the authority form).
	Instead, we rely on our right to approve or deny any redraw request, including by imposing any minimum amount or method of redraw request. [B.1.4]/(B.1.1.2)
	Explanation of the need to make a specific request for the redraw facility on the variable rate loan to continue where the loan is split into fixed and variable rate components. [B.1.4]/(B.1.1.2)
	Explanation of our right to waive the need for you to make minimum repayments where you have made special repayments. [B.1.4]/(B.1.1.2)
Costs and Payments	
Added	Express right for us to charge daily interest on the Outstanding Balance (B.1.2.1). Formerly, we have relied upon a general right to charge interest under Part A [A.7.1].

	Express statement of our right (without obligation) to change scheduled repayments in line with interest rate changes and a warning that if we don't, a larger than expected Outstanding Balance may result when the facility ends (B.1.2.4).
	Express statement that interest rates are disclosed in the Offer Document or Account Confirmation Document (B.1.2.1). Formerly, we have relied upon an explanation in Part A - [A.7.1].
	Explanation of your obligation to pay the Outstanding Balance and other amounts payable by the end of the Term and to pay interest until then (B.1.2.4).
Removed	The explanation of your right to ask to change to a fixed rate from a variable rate. [B.1.8]
	Explanation of our right to retain accrued fees after withdrawal of our approval for the facility. [B.1.13]. This is now in Part A (A.3.5).
Changed	The interest margin (where interest is charged other than monthly) is now referred to as a premium to match the term used in the Offer Document (B.1.2.1)
	Your obligation to give 2 days' notice of a pre-payment during a fixed rate period has been removed. We now have a right to refuse any request for pre-payment [B.1.6]/(B.1.2.2).
Changes to your facility	
Added	A customer obligation to repay any amount exceeding the Limit when it is reduced or cancelled. In this case, an Early Repayment Adjustment may have to be paid (as for any pre-payment in a Fixed Rate Period). Applicable only to Large Business Customers [B.1.1, B.1.6]/(B.1.3.1)
Removed	Our right to review your Limit except where you are a Large Business Customer. [B.1]/(B.1.3.1)
	Prohibition on further drawings during the notice period for a cancellation or reduction of the Limit. [B.1]/(B.1.3.1)
	Your express right to reduce or cancel the Limit at any time [B.1.12].
Changed	The period of notice we must give for reducing or cancelling the Limit is increased from 30 days to 90 days. Note our right to review Limits is now limited to Large Business Customers. [B.1]/(B.3.1)
Defaulting on your contract	
Changed	The explanation of your obligations regarding fees payable for a fixed rate loan in default has been changed to consolidate the description of your obligations to pay an Early Repayment Adjustment and an Administration Fee because the loan is being repaid early in circumstances of default. [B.1.6]/(A.3.3.1, A.7.4.3, B.1.2.2).

5. Part B.2 – Bill Facilities

General	
Removed	One of the stated circumstance in which we can refuse to discount bills, being when approval for the facility has been withdrawn. This is an irrelevant circumstance because no bills would have been issued under the facility. [B.2.3]
	Express statement that all bills will be drawn or accepted by us no later than 11am [B.2.7].

Changed	The Explanation of Bill Facilities has been clarified to explain our role in drawing and accepting bills and your payment obligation on maturity [B.2]/ (B.2.1).
Setting up and using your facility	
Removed	Express statement that if the bill rate is not fixed, we will seek your instructions to proceed at the current Bill rate. [B.2.7]
Changed	The indemnity you give us against liabilities under a Bill Facility does not apply to the extent the liability is caused by our negligence, wilful misconduct or fraud [B.2.17]/(B.2.2.1).
Costs and Payments	
Added	Express statement of your obligation to pay the face value of bills on maturity (information only) (B.2.1).
	Express customer obligation to pay the Outstanding Balance and other amounts payable by the end of the Term and to continue payments until then (information only) (B.2.3.9.).
Removed	The explanation that if you want to change to a Fixed Rate Facility, you must ask (Information only) [B.2.7].
	The specific fees and charges clause [B.2.14] and the specific nominated account clause [B.2.15]. Instead we rely on (B.2.3.1) and general terms in Part A (A3.3) which cover all payments. (information only).
Changed	We have clarified the descriptions of the relevant Bill Rates. This has included the removal of the defined term 'CBA Fixed Bill Rate' and changing the definition of 'Bill Rate' to refer the agreed bill rate generally (including the CBA Bill Rate) .
	Under the current terms, if the Term exceeded the fixed maturity date, the customer was required to choose to continue at the new variable Bill Rate or variable CBA Bill Rate or to continue with a new fixed rate offered or to repay the facility in full. Failing such a choice being made, the first option would apply. Under the new terms, the Bill Rate reverts at CBA's discretion to the variable BBSY (Bid) Rate plus a margin set by CBA. [B.2.11]/(B.2.3.3)
	The rate of interest on the Bills-matured account (it was the monthly Index Rate for overdraft accounts plus a margin of 4.5% per annum and is now the default interest rate described in Part A) [B.2.12, B.2.13]/(B.2.6.3)
Changes to your facility	
Added	A customer obligation to repay any amount exceeding the Limit when it is reduced or cancelled. In this case, an Early Repayment Adjustment may have to be paid (as for any pre-payment in a Fixed Rate Period). Applicable only to Large Business Customers [B.2.2]/(B.2.4.2).
Removed	Our right to review your Limit except where you are a Large Business Customer. [B.2.2]/(B.2.4.2)
	Prohibition on further drawings during the notice period for a cancellation or reduction of the Limit. [B.2.2]/(B.2.4.2).
Defaulting on your contract	
Changed	The explanation of your obligations regarding fees payable for a fixed rate facility in default has been changed to consolidate the description of your obligations to pay an Early Repayment Adjustment and an Administration Fee because the facility is being repaid early in circumstances of default. [B.2.13]/(A.3.3.1, A.7.4.3, B.2.5.2).

6. Part B.3 – Line of Credit Facilities

General	
Removed	Explanation of Line of Credit Facilities (Information only). [B.3]
	Explanation that our offer of the facility can be withdrawn if the Offer Document is not signed and returned within one month [B.3.7] (Information only). Instead, we rely on an equivalent clause in Part A (A.2.2).
	The restriction on us from withdrawing our offer of the facility where we have received a commitment fee [B.3.7] (Information only).
	Explanation that the Offer Document prevails over the Business Transaction and Savings Account Terms and Conditions to the extent of any inconsistency [B.3.10].
Setting up and using your facility	
Added	Explanation of the Facility Limit (Information only) (B.3.1.).
Removed	Explanation of the various means by which funds may be drawn [B.3.3].
	The description of when we won't provide funds [B.3.3]. Instead we rely on the general requirements in Part A (A2.3).
Costs and Payments	
Added	Explanation that interest is calculated on the second-last calendar day each month (or other agreed cycle) and is then charged the next day by debiting it to the Loan Account, or if payment is made by direct debit, to the Nominated Account. (previously there was less detail) [B.3.4]/(B.3.2.1).
Removed	Explanation that the Interest Rate is an Index Rate plus or minus a margin. Note that the new definition of Interest Rate explains the inclusion of a margin without reference to any Index Rate. [B.3.4]
	Explanation that interest is charged on overdrawn amounts at the Overdraft Index Rate plus 4.5% p.a. [B.3.4]. Note that this has been replaced by the relevant default interest clause in Part A (A.3.1.3).
	Explanation that you can repay the facility at any time (information only).[B.3.5]
	Explanation of payment requirements for Capital Equity Facilities. This information will be in the Offer Document in any event. (Information only). [B.3.9]
Changes to your facility	
Changed	Our right to conduct annual reviews has been changed so such reviews may be conducted at any time, however, 90 days' notice of any reduction or cancellation must be given (B.3.3.). The limit change does not apply until the end of the notice period (current terms restrict drawings to the new limit immediately). [B.3.5]/(B.3.3.1).

7. Part B.4 – Market Rate Loans

General	
Removed	Explanation of how the facility can be used for multiple loan accounts and Interest Rate Risk Management (IRRM) options (Information only).[B.5, B.5.1]

Setting up and using your facility	
Added	Explanation of a Facility Limit being "in reduction" (i.e. it reduces by the total of repayments set out in the Repayment Schedules for your loan accounts) (B.4.1.1).
Costs and Payments	
Removed	The description of when we won't provide funds [B.5.4]. Instead we rely on the general requirements in Part A (A2.3).
	The description of your inability during the term of an IRRM to instruct us to enter a further IRRM for the same Loan Account or to repay all or part of the Loan Account (except in accordance with the IRRM Agreement). (Information only). [B.5.14]
	The specific nominated account clause [B.5.3]. Instead we rely on (B.4.2.8) and general terms in Part A (A3.3) which cover all payment. (Information only).
Changed	The defined term "Variable Market Rate" is used in place of "BBSY" or "CBA Market Rate". They mean the same thing.
	The full description of options available to you when the Term exceeds the Scheduled Maturity Date of the IRRM (eg continue at the Variable Market Rate, enter a new IRRM or repay the loan) (Information only). These options still apply but are phrased differently. [B.5.13]/(B.4.2.6)
Changes to your facility	
Added	Description of changes which you can request (to add or close accounts or transfer funds) (B.4.3.1).
Removed	The description of the circumstances in which we can terminate the IRRM Agreement. [B.5.11]. Please refer directly to the relevant IRRM Agreement for this type of information.
Changed	The period of notice we must give for reducing or cancelling the Limit is increased from 30 days to 90 days. Note our right to review Limits is now limited to Large Business Customers [B.5.2]/(B.4.3.2).
	We have clarified that when making a new Drawdown, you can either: do so under an existing Loan Account if it is a Reset Date, or open a new Loan Account. [B.5.1, B.5.3]/(B.4.1.3).
Defaulting on your contract	
Removed	Our right to cancel the facility on default. Instead, the general default clause in A.6 will apply and it will generally require a default notice to be served before we can cancel [B.5.8]/(A.7.4.2, B.4.2.3).

8. Part B.5 – Contingent Liability and Trade Finance Facilities

General	
Added	Explanation that reducing or cancelling the Limit does not affect Beneficiary rights or your obligations for instruments already issued (Information only) (B.5.2.6.(a)).

	<p>There is a new concept of an ‘Uncommitted Facility’ in relation to which no notice is required for us to cancel the Limit. The Offer Document identifies whether a facility is an ‘Uncommitted Facility’.</p> <p>A new table regarding general trade finance fees has been inserted (B.5.8).</p>
Removed	<p>Provisions relating to products not currently offered under these terms, including back-to-back credits, bill avalisation and banker’s countersigning. [D.1.9, D.1.10]</p> <p>Explanation of and terms relating to Trade Finance Facilities have either been removed or consolidated in (B.6). [D.1.1, D.1.2].</p> <p>The explanation about how to apply (Information only) [D.1.3].</p> <p>The indemnity for losses/claims for making the facility available and for terminating it. Note there is still a right of reimbursement for paying claims and additional indemnities under terms for specific trade products [D.1.3]/(A.3.1.5, B.5.4.1(a), B.5.5.1(y), B.5.7.2(a)).</p> <p>Provisions which related to amounts in foreign currencies have been moved from the trade finance specific section to Part A (so they now apply to all facilities) [D.1.3]/(A3.6).</p> <p>Specific requirement for the Nominated Account. However this is covered in general terms in Part A [D.1.3]/(A.3.3).</p> <p>Explanation that we may notify you if we are unable to establish the facility in which case you are taken to have withdrawn the application (Information only) [D.1.4]</p>
Changed	<p>“Payment account” provisions have been moved to Part A. Your obligation to pay the balance of the "payment account" within 62 days unless earlier payment is required has not been included in the new clause in Part A. [D.1.3]/(A3.3.4). Interest on amounts debited to the payment account is to be charged as default interest (as now defined under Part A).</p>
Contingent Liability Facilities	
Added	<p>Explanation that any Contingent Liability Instrument issued will be in accordance with your instructions but we determine the form (B.5.2.1.(c)).</p> <p>Explanation that before we issue, endorse or countersign a <i>Letter of Guarantee</i> or indemnity, if we ask, you must arrange for an issuer acceptable to us to deliver to us a backing <i>Letter of Guarantee</i> or indemnity in our favour and in terms acceptable to us. This previously only applied to shipping guarantees, release of air way bills, and missing bill of lading guarantees. [D.1.14]/(B.5.2.1.(d)).</p> <p>Express customer obligation to reimburse us if we are called upon to pay a Beneficiary under a Contingent Liability Instrument as a result of:</p> <ul style="list-style-type: none"> i. endorsing, countersigning or issuing letters of guarantee or indemnity; ii. authorising the release of <i>Goods</i> covered by air waybills or customs assessment notices or consignments; or iii. delivering air waybills or customs assessment notices or control of consignments to you. <p>This previously only applied to shipping guarantees, release of air way bills, and missing bill of lading guarantees. [D.1.14]/ (B.5.2.5.)</p>
Removed	<p>Your express authorisation and direction to pay contingent liability amounts without reference to you. Note that we can still pay out the contingent facility at any time. [D.1.4]/(B.5.2.6(b)).</p> <p>Your express acknowledgement that a demand is conclusive evidence that the sum demanded is properly payable.[D.1.4]</p>

Changed	The terms relating to the contingent liability facility and various instruments which can be drawn under that facility (Shipping Guarantee, Release of Air Way Bills, Missing Bill of Lading Guarantee, Payment Instruments) have been consolidated.
	Provisions which allowed us to debit accounts other than a Nominated Account or open a payment account in your name for overdue amounts has been moved from the trade finance specific section to Part A (so they now apply to all facilities)
	Interest on amounts debited to the payment account is to be charged as default interest (as now defined under Part A) instead of at an interest rate equal to our monthly index rate for overdraft accounts, plus a margin of 4.5% per annum. [D.1.3]/(A3.3.4).
	The authorisation and direction to debit the contingent liability payment account has been changed to an authorisation and direction to debit the Nominated Account or a payment account set up under (A.3.3.4). [D.1.4]/(B.5.2.5.)
	The notice period for cancelling or reducing the limit (for unscheduled or annual reviews) has been increased to 90 days unless it is an uncommitted facility in which case no notice is required [D.1.3]/(B.5.2.6.).
Trade Advance Facilities (including Insured Export Finance)	
Added	(Insured Export Finance) - Customer obligations in relation to insured export finance have been replaced with a limit on the amount of the Trade Advance determined by reference to the percentage of the invoiced amount specified in the Offer Document and: <ul style="list-style-type: none"> the security provided; any claim limits under the eligible trade credit insurance policy; and other factors, such as the relevant countries of trade and credit risk. (B.5.3.3.(b))
	Explanation that the customer can borrow up to the Facility Limit set out in the Offer Document (B.5.3.3).
	Specific right to change or cancel the Limit. 90 days' advance notice is required except for an Uncommitted Facility. (B.5.3.5).
Removed	Description of the approved purposes for which a trade advance and export trade advances may be provided and the fact that finance may be approved on an insured or uninsured basis. [D.1.16].
	Requirements for insured export finance. The following customer obligations have been removed in relation to insured export finance: <ul style="list-style-type: none"> ensure that the credit insurance policy that covers non-payment with respect to the invoices for export of Goods (Policy) is current and acceptable to us at all times for the term of the Trade Finance Loan; assign to us your interest in the proceeds of the Policy and provide proof of the insurer's consent to the assignment; provide to us a copy of the Policy and all related schedules; provide to us a list of buyer credit limits and any changes to it as they occur; maintain the Policy, pay all premiums, make any claims, take any actions required to ensure continued compliance with the Policy and provide to us evidence of doing so; promptly notify us of any changes to or breaches of the Policy; promptly provide copies of any correspondence between you and the insurer regarding the Policy; and

	<ul style="list-style-type: none"> the fact it will be a default if the insurer denies a claim. <p>[D.1.16]/(B.5.3.2)</p> <p>However, see item below regarding additional obligations which apply to goods under insured export finance facilities.</p>
Changed	<p>The provisions relating to ‘Trade Finance Loans’ have been rewritten under terms relating to ‘Trade Advance Facilities’ to match the terminology used in current Offer Documents. [D1.1.16, D.1.17]/(B.5.3).</p>
	<p>The obligations in relation to goods in possession that previously applied only to Import Trade Advances now also apply to insured export finance facilities, which include:</p> <ul style="list-style-type: none"> to hold the goods exclusively for an approved purpose; to pay us proceeds of sale (which we may use as we think fit); to hold documents and goods on trust for us; until the goods are sold or delivered, to hold them in our name and provide us access, insure the goods, and not grant any security interest over them, to acknowledge that the goods are our property and that you have no claim to them until we have been paid; to the acknowledge that the risk in the goods remains with you; and to comply with any other reasonable conditions we may make. <p>[D.1.16]/(B.5.3.2)</p>
Import Documentary Credits	
Added	<p>Statement that the conditions set out in each Application for Irrevocable Documentary Credit submitted also forms part of the Contract. (B.5.4.2(b)).</p>
	<p>Our right to change or cancel the Limit at any time by notice to you. Advance notice is required except for an Uncommitted Facility (B.5.4.3.)</p>
Removed	<p>The following explanations under the heading“General”:</p> <ul style="list-style-type: none"> we will determine the form of each Import Documentary Credit; and if you ask in writing, we may agree to make alterations to the wording or other information in an Import Documentary Credit. <p>[D.1.8]</p>
Export Documentary Credits	
Added	<p>Explanation that we may use the proceeds from the Export Documentary Credit to repay the Amount Owning. [D.1.11]/(B.5.5.2.).</p>
	<p>Express statement that we will notify you of the interest rate, margin and interest period in writing or when you ask us to negotiate the Export Documentary Credit [D.1.18]/(B.5.5.2.).</p>
Removed	<p>Example of one of the types of action and assistance you must take or provide at our request. The example removed was assistance in connection with any claim by us against any party in respect of the assigned Export Documentary Credit related Documents or any contract or agreement in respect of the relevant Goods, Services or insurances. [D.1.11]/(B.5.5.1(e))</p>
	<p>The statement that we or a correspondent bank may (but are not obliged to) notify discrepancies. [D.1.11]</p>
	<p>Your obligation to pay the amount of a dishonoured bill and interest and costs where you give us or our corresponding bank instructions to proceed with a claim notwithstanding a discrepancy. [D.1.11]</p>
	<p>Various standard provisions regarding our rights when we grant a confirmation. These are set out below. Note that we can (and may already have) imposed these or other</p>

	<p>conditions on you when we agree to a particular confirmation. The changes do not affect those separate conditions and requirements.</p> <ul style="list-style-type: none"> • Statement that you will pay us on demand any losses, liability, cost or expenses whatsoever incurred or suffered by us as a result of confirming an Export Documentary Credit while in possession of an incomplete original Export Documentary Credit and/or an Export Documentary Credit without a complete set of amendments. • Prohibition on you disclosing our confirmation without our consent or without legal compulsion. • Explanation that at the time fully compliant Documents are presented by you, you may ask us to honour and negotiate or discount the Documents under the Export Documentary Credit and to credit proceeds to your account immediately or on acceptance of the Documents by the Issuing Bank on the basis that if we agree, our liability under the confirmation ends upon the account being credited. • Explanation your obligation to assist us on request and take all steps we require to achieve payment under the confirmed Export Documentary Credit, including instituting proceedings to enforce recovery; • Explanation of your obligation on confirmation of the relevant Export Documentary Credit to assign absolutely and irrevocably all your right, title and interests in the relevant Export Documentary Credit (including in the Documents and the Goods and the proceeds of sale of such Goods) to us. <p>[D.1.11]/(B.5.5.1(m)).</p>
Changed	Statement that Export Documentary Credits will be “with” or “without” recourse has been replaced with a statement that “We will negotiate an Export Documentary Credit “with recourse” unless otherwise agreed (a fee may apply) [D.1.11]/(B.5.5.1(g)).
Foreign Bills Negotiated	
Added	Express statement that the Limit in the Offer Document represents the maximum total value in Australian dollars of the foreign bills negotiated (B.5.6.2.)
	Express statement that when we receive them, we can use the proceeds of the Foreign Bill to repay the advance and the interest owed (B.5.6.3.).
	Express customer obligation to repay foreign bills negotiated if not honoured on presentation (B.5.6.3.).
	Our right to change or cancel the Limit at any time by notice to you. Advance notice is required except for an Uncommitted Facility (B.5.6.4.)
Removed	Explanation that a Foreign Bill Negotiated Facility may be concluded on a “with” or “without recourse” basis as specified in the Offer Document.

9. Part B.6 – Multi-Option Facilities and Trade Finance Facilities (now Master Facilities)

General	
Changed	The separate terms applying to Multi-Option Facilities and Trade Finance Facilities have now been consolidated under (B.6). They are each now referred to as “Master Facilities”

	with “Master Limits”, with individual facilities now being referred to as “Sub-Facilities” with “Sub Limits”.. They had previously been dealt with under [B.4] and [D].
Changes to your facility	
Changed	The Master Limit may be reduced or cancelled without cause. Previously, this could only happen on default or for a change in the customer's financial circumstances [B.5.2, D.1.3]/(B.6.3.1.).
	The notice period for a cancellation or reduction of limit by us has been increased to 90 days from 30 days. The limit change does not apply until the end of the notice period (current terms restrict drawings to the new limit immediately). [B.5.2, D.1.3]/(B.6.3.1.)

10. Part B.7 – Card Products

General	
Added	Explanation that CBA Business Credit Card is no longer available with an explanation that these terms apply to existing CBA Business Credit Cards (B.7.2.).
Removed	Introductory explanation of the types of corporate customer the CBA Corporate Card is for and its advantages (Information only).[E]
	The description of the CBA Business Credit Card (Information only). [E]
	Accurate but unnecessary statement that the ePayments Code does not apply. [E].
	The concept of ‘Accountholder’ has been removed as this is the same as ‘you’ or ‘Borrower’.
	Express statement as to joint and individual liability of multiple account holders. [E.1.15]/definition of ‘you/your’ in (A.11.3)
	Statement of your agreement to disclose your account details to the card scheme so they can process transactions.[E.1.4]
Setting up and using your facility	
Added	Statement that for Corporate Cards, the Card Limits may add up to more than the Facility Limit which means that not all Cardholders will be able to draw up to their full Card Limit at the same time. (B.7.3.5)
Removed	Our exclusion of liability for deposits lodged at ATMs and the statement that our count is final. [E.1.4]
	Our express right to withhold a card and cancel its use with electronic equipment where we believe its use may result in losses. [E.1.4]. We still have a general right to cancel or suspend a facility (B.7.5.1).
Changed	The explanation of electronic banking transaction limits has been condensed. It now states that electronic banking limits may apply to ATM, debit EFTPOS transactions requiring a pin and for withdrawals using electronic equipment. The statement that the limits do not apply to telephone banking, internet banking and credit card purchases through electronic equipment and over-the-counter withdrawals has been removed. [E.1.4]/(B.7.3.4)
	The description of how we provisionally authorise transactions and reduce the amount of available credit for up to 5 business days has changed and now indicates that we

	may reduce the available credit for that transaction amount by up to 31 Business Days.[E.1.4]/(B.7.3.4).
Costs and Payments	
Added	Disclosure that we charge an international transaction fee (this was otherwise disclosed in separate fee information). (B.7.4.1.)
Removed	Statement that we may debit any over limit amounts on a Corporate Charge Card against the Nominated Account [E.1.6]. Note we can still do this under (A.3.3) and (B.7.3.5).
	Express statement that additional fees may be set out in the Offer Document [E.1.12].
	Statement that the Card Account or Consolidated Account statement shows the Interest rate that applies to the Card Account as an annual percentage rate and that it also shows the details of the interest charges debited to the Card Account in the Statement Period. [E.1.13]
	Explanation of how the interest rate is set (ie adding or subtracting a margin to/from an index rate). [E.1.13]. Details of any relevant margin would be set out in the Offer Document.
Changed	Express statement that the interest rate and methodology may be varied by us. [E.1.13]/(A.4).
	The specific explanation for US dollar transactions and other currency transactions has been removed. Instead, we inform you that MasterCard determines the relevant currency conversion process [E.1.7]/(B.7.4.1).
	Previously, we could require payment of the outstanding balance of a credit card at any time. We can now only require you to do so on cancellation of the a credit card facility [E.1.8]/(B.7.4.2, B.7.5.2).
	The method of payment for credit cards now includes direct debit to the Nominated Account (previously this option was only stated for charge cards) [E.1.8]/(B.7.4.2.).
Changes to your facility	
Changed	Description of circumstances in which CBA can cancel or suspend use of a Card including by adding default and to manage regulatory risk [E.1.18]/(B.7.5.1).
	Our right to reduce or cancel the Facility without a reason is now subject to a 90 day written notice period [E.1.19]/(B.7.5.2).
	Customer obligation to cancel direct debits linked to a card which is cancelled. Formerly this only applied to periodical payment authorities [E.1.18]/(B.7.5.2.).
Managing your account	
Removed	Statement that we are not responsible for goods or services provided by a merchant unless required by law.[E.1.5]/(B.7.6)
	Statement that we can only credit the card account with a refund when we receive the voucher from the merchant's bank. [E.1.5]/ (B.7.6)
	Recommendation to keep vouchers and transaction records. [E.1.11]/(B.7.6)
	General information and recommendations about protecting the PIN. [E.1.14]/(B.7.6.5)
Changed	Description of liability for unauthorised transactions is now described through the use of a table depicting when refunds will and will not be available, set out below. This includes changed parameters for unauthorised transactions (including removal of the \$150 threshold).

When you'll get a refund	When you won't get a refund
<p>You will get a refund for an unauthorised transaction if it's clear you or any other User didn't contribute to the loss, or the loss is because:</p> <ul style="list-style-type: none"> a <i>Cardholder</i> can't report a lost Card or <i>PIN</i> or register a suspicion of misuse because our hotline facilities are unavailable someone uses a <i>Card, PIN</i> or <i>Password</i> after you tell us the <i>Card</i> was lost, stolen or misused or that someone else may know the <i>PIN</i> or <i>Password</i> a bank employee or anyone involved in processing your transaction contributed to a loss by acting fraudulently or negligently the transaction involved faulty equipment, a forged or faulty <i>Card</i> or device or an expired or cancelled <i>Card, PIN</i> or <i>Password</i> someone uses a <i>Card, PIN</i> or <i>Password</i> before the <i>Cardholder</i> receives it, or the same transaction is debited more than once. <p>You might get a partial refund for any unauthorised transaction:</p> <ul style="list-style-type: none"> conducted on any one day if the applicable daily transaction limit is exceeded before or as a result of the transaction on any <i>Card Account</i> where the available limit of that <i>Card Account</i> is exceeded before or as a result of the transaction on any account to which we had not agreed with you to give a <i>Cardholder</i> access using the <i>Access Method</i>. 	<p>You will not get a refund for an unauthorised transaction if you or any other <i>Cardholder</i> has contributed to the loss:</p> <ul style="list-style-type: none"> committing fraud telling someone the <i>PIN</i> or <i>Password</i>, keeping an undisguised record of them, creating a <i>PIN</i> or <i>Password</i> that is easily guessed (like their name or date of birth) or otherwise contributing to the loss by not protecting the <i>PIN</i> or <i>Password</i> not promptly telling us that their <i>Card</i> was lost or stolen, or that someone else may know the <i>PIN</i> or <i>Password</i> (you'll be liable for transactions after you or the User should have told us); or forgetting to collect the <i>Card</i> after using an ATM. <p>In any in other circumstance not covered in the left hand column, we may hold you responsible for the transaction unless we are able to obtain a refund for you under the MasterCard scheme rules.</p>
<p>[E.1.16, E.1.17]/(B.7.6.6)</p>	
<p>The circumstances in which a statement will be given, or not be given, for all cards are now based upon the circumstances formerly described only for Business Credit Cards. This means statements are sent monthly to the customer (not the cardholder) and are not sent if:</p> <ul style="list-style-type: none"> • no account activity since the previous statement and the balance is less than \$2.00; 	

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| | <ul style="list-style-type: none">• we have written off any amount owed and no other entries have been made since the closing date for the previous statement; or• you have been in <i>Default</i> over three consecutive <i>Statement Periods</i>, including the most recent <i>Statement Period</i>, and we have not given credit during the most recent <i>Statement Period</i>. |
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[E.1.10]/(B.7.5.2).

Things you should know:

This notice and the existing version of the 'Current Terms & Conditions for Business Finance' issued 01 July 2017 can be accessed from ommbank.com.au/businessfinancetandc. The New Terms effective from 30 April 2018 are also available at commbank.com.au/businessfinancetandc.