

# Summary of Changes to the Terms and Conditions for Business Finance – (facilities other than SuperGear or Commonwealth Portfolio Loan)

## 1. General

From 1 March 2020, CBA’s Current Terms and Conditions for Business Finance (the current version of which was issued 14 June 2019) **(the Old Terms)** will be amended and replaced with new terms and conditions **(the New Terms)** which cater to the update to the Default provisions and the definition of Default Interest for Business Finance Customers.

If there is any inconsistency between this document, the tombstone published 24 January 2020 and the New Terms, the New Terms prevail.

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

Find out more:

- The New Terms are available at [commbank.com.au/ctcbf](http://commbank.com.au/ctcbf).
- Details of changes and a copy of the New Terms as they apply to SuperGear and Commonwealth Portfolio Loan facilities are available at [commbank.com.au/businessfinancetandc](http://commbank.com.au/businessfinancetandc).

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

## 2. Current Terms and Conditions for Business Finance

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

General	
<b>Changed</b>	Reference to CBA’s website:  <i>You</i> can obtain a copy of the Code by contacting <i>us</i> or visiting <a href="https://www.commbank.com.au/about-us/opportunity-initiatives/policies-and-practices/banking-code-of-practice.html">https://www.commbank.com.au/about-us/opportunity-initiatives/policies-and-practices/banking-code-of-practice.html</a> [Page 02] (Page 02)
Cost and Payments	
<b>Changed</b>	Reference to Default Interest updated to: (b) <i>You</i> must pay <i>us</i> <i>Default Interest</i> on any amount, including interest, which <i>you</i> fail to pay on the due date. (d) <i>We</i> charge <i>Default Interest</i> : (i) at <i>our</i> default interest rate: see <a href="http://commbank.com.au/business/rates-fees.html">commbank.com.au/business/rates-fees.html</a> ; and (ii) daily on the overdue amount, including interest from the due date until the overdue amount is paid. [A3.1.3] (A3.1.3)
<b>Added</b>	The New Terms will include the following for Excess Drawing Interest: (a) This clause does not apply to Card Facilities

	<p>(b) You must pay us <i>Excess Drawing Interest</i> on any amount which exceeds your <i>Limit</i>.</p> <p>(c) This does not affect <i>your</i> obligation to make all payments on time.</p> <p>(d) We charge <i>Excess Drawing Interest</i>:</p> <ul style="list-style-type: none"> <li>• at our monthly excess drawing interest rate: see <a href="http://commbank.com.au/business/rates-fees.html">commbank.com.au/business/rates-fees.html</a></li> <li>• daily on the overdrawn amount from the date it became overdrawn until the overdrawn amount is paid.</li> </ul> <p>(e) You must pay any outstanding <i>Excess Drawing Interest</i> on the day you pay out the <i>Facility</i>.</p> <p>(A3.1.3A)</p>
<b>Defaulting on your Contract</b>	
<b>Changed</b>	<p>The New Terms will include the following for You will be in Default if:</p> <p>(b) You exceed your <i>Limit</i> (whether due to <i>Drawings</i>, currency fluctuations, interest or other charges being debited to the <i>Loan Account</i>, or otherwise) and you fail to repay such amount as is necessary to reduce the <i>Outstanding Balance</i> to an amount not exceeding the <i>Limit</i>:</p> <ul style="list-style-type: none"> <li>(i) by the time required by these Terms and Conditions; or</li> <li>(ii) if otherwise agreed with you in writing, by the agreed time; or</li> <li>(iii) if neither (i) or (ii) apply, before the expiry of 90 days (whichever of (i), (ii) or (iii) above applies, the relevant time or date is the “due date” for the purposes of <b>clause A3.1.3</b> and the definition of <i>Default Interest</i>).</li> </ul> <p>[A7.2] (A7.2)</p>
<b>Meanings of Words</b>	
<b>Changed</b>	<p>Definition of Default Interest: The interest you pay us on any amount, including interest, which you fail to pay on the due date. [Page 17] (Page 17)</p>
	<p>Definition of Excess Drawing Interest: The interest you pay us on any amount which exceeds your <i>Limit</i>. [Page 17] (Page 17)</p>

**Things you should know:** This notice and existing version of the ‘Current Terms & Conditions for Business Finance’ issued 14 June 2019 can be accessed from [commbank.com.au/businessfinancetandc](http://commbank.com.au/businessfinancetandc). Commonwealth Bank of Australia ABN 48 123 123 124.