

**Important notice to
Commonwealth Bank of Australia customers**



With effect from 13 July 2021, the current terms and conditions for CommBank's Business Finance products will be amended.

From 13 July 2021, CommBank's current terms and conditions for Business Finance (current version issued 23 June 2020) will be amended and replaced with new terms and conditions.

Key changes in the new terms

The key changes to the terms and conditions are provided below and a copy of the new terms will be available to download at commbank.com.au/businessfinancetandc including a summary of change table.

To receive an electronic or paper copy of the new terms, please contact your relationship manager, business banker, broker or by calling 131 998. The New Terms have been updated as follows:

1. The inclusion of a definition of 'Sanctioned Jurisdiction' and a condition about funding of a Facility linked to this new definition:
In section A2.3 a condition has been added which reads 'We are reasonably satisfied that *you* are not, and will not soon be, a resident of, or visitor to, a Sanctioned Jurisdiction'. For existing customers, this change is limited to *Large Business Customers*.
 - a. The definition of 'Sanctioned jurisdiction' in sections A11.3 has been included to read 'Certain jurisdictions, which are the subject of Australian or international sanctions, and which may be found at commbank.com.au/sanctionedcountries (this list may change from time to time without notice to *you*)'.
2. The removal of all references to Bill Facility/ies and Bill Rate:
 - a. The removal of Bill Facility/ies and Bill Rate references to definitions in section A11.3
 - b. The removal of section B.2 (relating to Bill Facilities) in its entirety.
3. The inclusion of a definition in section A11.3 of 'Available Redraw Balance', namely 'Available Redraw Balance means the difference between the balance owing on the Facility and the estimated contracted balance at that point in time as calculated by us. This amount may be less than the total of any special payments you have paid'.
4. Updates to the definitions of 'Bank Bill Swap Bid Rate (BBSY)', 'Contingent Liability Instrument' and 'Proscribed Person' in section A11.3.
5. The addition of new section A5.3 relating to privacy and titled 'Protecting your Privacy' has been added.
6. Changes to clause A7.4 concerning the rights the Bank has on *Default* (most of these changes are for the purpose of more closely aligning with the Banking Code of Practice).
7. An addition to clause B1.1.1 that permits the Bank to suspend or cancel the undrawn component of a Better Business Loan if the customer's financial position has changed and the Bank reasonably considers that the customer will not be able to meet its obligations under the Contract.
8. An addition of sub-clause B1.1.2(f) which details specific circumstances in which the Bank may refuse to allow access to Special Repayments.
9. Changes to clause A10.5.1 which introduce new grounds for refusing to serve a customer relating to compliance with financial crime and sanctions related laws and policies.
10. The renaming of Section B5 as '*Contingent Liability Facility and Trade Finance Facilities*'.
11. In section B5.1, changes to the description of the *Facilities and Trade Products and Services* to which section B5 applies.
12. The addition of a qualification to section B5.2.3(b) relating to *anti-money laundering, counter-terrorism and sanctions* policies.
13. Changes to clause B5.2.5 to clarify the application of the reimbursement obligation and to introduce an indemnity obligation for *Large Business Customers*.
14. Including restrictions in section B5.2.6(a) on the ability of the Bank to reduce or cancel a *Limit*.
15. In section B5.3.2, introducing and changing obligations relating to credit insurance policies and insurance more generally.
16. In section B5.3.4(c)(ii), expanding the description of one of the reference rates used to calculate *break costs*, in B5.3.4(d) clarifying that any *break cost* related gain will be retained by the Bank, and in B5.3.4(e) describing circumstances in which break costs do not need to be paid.
17. Including restrictions in sections B5.3.5, B5.4.4 and B5.6.4 on the ability of the Bank to reduce or cancel a *Limit*.
18. In section B5.4.2, including a reference to when (from a timing perspective) the Bank will endeavour to issue the *Import Documentary Credit*.
19. In section B5.6.2, including a reference to when (from a timing perspective) the Bank will endeavour to discount or negotiate a *Foreign Bill*, and clarifying that the Bank may discount or negotiate the *Foreign Bill* on a 'with recourse' or 'without recourse' basis as specified in the 'Lodgement Authority for Overseas Documentary Bill' and agreed to by the Bank.
20. In section B5.6.3, including an *indemnity* obligation for *Large Business Customers*.
21. In section B5.7.1, including an *indemnity* obligation for *Large Business Customers*.
22. Introducing a new section B5.8 limiting the Bank's liability subject to stated exceptions (and, for existing customers, limited to *Large Business Customers*).
23. In section B5.10, updates to the definitions of Amount Owing, Approved Percentage and Uncommitted Facility.
24. In section B5.10, the introduction of definitions for 'Application for Irrevocable Import Documentary', 'Australian Trade Finance Rate', 'Bank Guarantee', 'Break Cost', 'Export Documentary Collections', 'Import Documentary Collections', 'Insured Export Finance', 'Lodgement Authority for Overseas Documentary Bill', 'Personal Information', 'Privacy Law', 'Recourse Event', 'Shipping Guarantee and/or Missing Bill of Landing Guarantee' and 'Trade Advance'.
25. A new section B.8 'Procurement Management Account (PMA)' has been added.
26. Other changes to Section A and Section B of a clarifying, grammatical or otherwise minor nature, or immaterial changes made for the purpose of consistency (as set out in the Summary of Changes Table).