

CommBiz – International Payment and Foreign Exchange

Product Disclosure Statement

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You should read all sections of this Product Disclosure Statement before making a decision to acquire this financial product.



1. Features at a glance

Topic	Description	Paragraph in PDS
IPFX service	<i>IPFX</i> is a service, which allows <i>you</i> to access/transact <i>FX transactions</i> in CommBiz. <i>IPFX</i> also provides a <i>payment service</i> , which allows <i>you</i> to make payments to nominated <i>beneficiaries</i> , subject to certain conditions.	2
Significant benefits	Ability to view indicative <i>spot exchange rates</i> and make real time, online <i>FX transactions</i> , and make payments to nominated <i>beneficiaries</i> from an account <i>you</i> may hold with the <i>Bank</i> or elsewhere provided the <i>Bank</i> holds or receives <i>cleared funds</i> from <i>you</i> .	3
Significant risks	Unless <i>you</i> take adequate security precautions, it may be possible for an unauthorised <i>user</i> to gain access to <i>IPFX</i> and view <i>your</i> account details and give <i>us instructions</i> using <i>your security identification</i> .	4
Fees and charges	There are <i>fees</i> and charges that may apply when <i>you</i> use <i>IPFX</i> . See Appendix A – <i>Fee Schedule</i> for further details.	6

Things you should know. The information in this Product Disclosure Statement (PDS) provides information about *International Payment and Foreign Exchange service* of CommBiz (*IPFX*) and provides *you* with information to help *you* decide whether the *products* in this PDS will meet *your* requirements. It will also help *you* to compare the product with other *products* *you* may be considering. It does not take into account *your* personal objectives, financial situation or needs. Before acquiring or using this product, *you* should be satisfied that the product is suitable for *you* in view of those objectives, and *your* financial situation or needs. We also recommend that *you* consult an appropriately qualified and licensed investment adviser or obtain other independent advice as this product may not be suitable for *you*.

This PDS provides information on the *IPFX* service on CommBiz and does not provide information on *products* transacted on the *IPFX* service or other services available on CommBiz. See also Section 2 of this PDS. *You* should also note the *IPFX* service offers additional features to the international payments offering available in CommBiz.

The information in this PDS is subject to change from time to time and is up to date as at the date stated on the cover. Where the new information is materially adverse information the *Bank* will either issue *you* with a new PDS or a supplementary PDS setting out the updated information. Where the new information is not materially adverse information, we will not issue a new PDS or a supplementary PDS, but we will make the updated information available to *you* on our website commbank.com.au, or *you* can call 13 2221 (6.00am – 10.00pm, Monday to Friday, Sydney time). If *you* ask *us* to, we will send *you* a hard copy of the information.

We will provide *you* (free of charge) with information about the current standard *fees*, charges and interest rates applicable to *IPFX*, if *you* ask *us*.

2. What is IPFX?

IPFX is a service accessed through CommBiz, which is an online electronic banking channel for institutional, corporate and business customers. IPFX allows you to:

- Access/transact *Foreign exchange (FX) transactions* online;
- Access/use the *payment service* to make payments. Payment of settlement proceeds from *FX transactions* to your nominated *beneficiaries* (who may be domestic or international) by the *Bank* holding or receiving *cleared funds* representing all of your obligations on settlement (or otherwise subject to credit approval or prior arrangement). Nominated *beneficiaries* may be trading partners or third parties.

Access to CommBiz is secured with 128-bit encryption and a password to protect each *user's* profile. *Security tokens* are used to secure *FX transactions*, authorisations and system administration. In addition to our channel security, you can customise your *user entitlements* to meet your requirements. CommBiz allows segregation of duties for each *user*, including single and multiple authorisation.

This PDS provides information about IPFX and provides limited information in relation to the *products* that may be acquired or accessed via IPFX, namely *FX transactions*. For further information on *FX transactions*, please refer to the *Foreign Exchange PDS*. *Foreign Exchange PDS* is available on www.commbank.com.au or by calling 13 2221 (6am – 10pm Monday to Friday Sydney time). This PDS also does not cover accounts from and to which payments can be made using IPFX.

To assist you in understanding this PDS, the definition of some words is provided in the “Definitions” section in Appendix B of this PDS. When used in this PDS, these words usually appear in italics.

If you transact using IPFX, you agree to the terms and conditions and the *Special Terms and Conditions* (together, the *agreement*) in this PDS. Please keep this PDS and all documentation relating to IPFX for future reference if you decide to acquire the product.

If you have any questions or wish to contact us call 1300 222 339 between 8am and 6pm (Sydney time), Monday to Friday (excluding Australian national public holidays), or visit our website at www.commbiz.com.au.

3. What are the significant benefits of using IPFX?

Key benefits of IPFX include:

- (a) Access to IPFX from within CommBiz using single sign-on from anywhere in the world where you are able to access the internet.
- (b) Immediate access to your payment and transaction records with the ability to export data into excel for easy reconciliation.
- (c) Use of the CommBiz Mobile App to access some IPFX features, such as payment authorisation.

- (d) Ability to access, print, save or email online *transaction* and settlement *confirmations*.
- (e) Access to a dedicated IPFX Help Desk on 1300 222 339 between 8.00am and 6.00pm (Sydney time), Monday to Friday (excluding Australian national public holidays).
- (f) In relation to *FX transactions*:
 - (i) Ability to make real time, online *FX transactions*.
 - (ii) Ability to choose settlement methods, such as direct debiting an account held at other financial institutions using *Direct Debit Request (DDR)*, BPAY® or *Electronic Funds Transfer (EFT)*.
 - (iii) Ability to view indicative *spot* rates before booking *FX transactions*.
 - (iv) Ability to bulk upload a large number of nominated *beneficiaries* to settle *FX transactions* rather than entering them individually.
 - (v) You do not need to have an account with the *Bank* in order to use IPFX for *FX transactions* and their settlement.
 - (vi) Transact using *forward FX transaction* with optional delivery dates (subject to *Bank* approval).
 - (vii) Ability to pre-deliver and extend *FX transactions* (subject to *Bank* approval)
 - (viii) Ability to view all outstanding foreign exchange trades, including those dealt over the phone with the *Bank*.

4. What are the significant risks of using IPFX?

Significant risks of using IPFX include:

- (a) If you provide an *instruction* to make a payment, the payment may be held or delayed to comply with Australian or foreign laws, including laws to prevent money laundering and terrorism financing. You may not be able to recover the value of the payment, or interest if the payment is delayed.
- (b) Money sent overseas is usually available for payment to the recipient within 3 *business days* of our accepting your *instructions*. This timeframe may be extended due to the requirements and practices of overseas banks and regulators and adversely impacted by other circumstances beyond the *Bank's* control (such as international communications breakdowns and problems or delays in processing of a payment by other banks). Some payments may be subject to delays due to additional screening and processes (e.g. payments to first time *beneficiaries*).
- (c) Although access to IPFX is 24 hours, 7 days a week, online trading and transactional functionality is limited to specific hours. Please see section 7.4 for the specific hours.
- (d) Unless you take adequate security precautions, it may be possible for an unauthorised *user* to gain access

to CommBiz and view *your* account details and give *us instructions* using *your security identification*. *You* should take measures to protect *security identification* and *security tokens* we issue to *you*, and we recommend that *you* implement robust information systems management processes appropriate to *your* PC or network, and recommend *you* implement and regularly review the risks associated with *your* own internal procedures and controls. This should include the use of appropriate anti-‘spamming’, anti-‘key logging’ and anti-‘virus’ software, in addition to appropriate personal computer or network ‘firewall’ protection.

- (e) CommBiz may be unavailable in whole or in part, or there may be delays or errors in the execution of, or the failure to execute, any *transaction* or instruction through use of CommBiz, because of the telecommunication network, any Internet service provider, or any equipment used in connection with the provision of CommBiz.
- (f) *You* should be aware that prices and rates in respect of *FX transactions* obtained through IPFX may differ to prices and rates that may be acquired or accessed through other channels of the *Bank*.
- (g) In relation to *FX transactions*, if *you* do not enter and authorise *your* order by the relevant cut-off time as published on www.commbiz.com.au, *your FX transaction* may not be completed. There may also be circumstances where owing to market conditions, we may not always be able to quote on the particular currency or *currency pair* that *you* want to trade.

5. What are the other risks of using IPFX?

Credit risk

Credit risk is the risk of financial loss (or other disadvantage) associated with a counterparty not being able to meet their financial obligations under a *transaction*. Credit risk is common to all financial market products that *you* may hold with the *Bank*. In all cases, *you* are reliant on the ability of the *Bank* to meet its obligations to *you* under the terms of each *transaction*. This risk is sometimes described as “counterparty risk”. The *Bank* may require *you* to meet *your* settlement obligations before the *Bank* is required to meet its obligations in relation to an *FX transaction*. In this circumstance, *you* have counterparty risk to the *Bank*.

Operational risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or events that are external to the *Bank*.

You are reliant on the ability of the *Bank* to price and settle *your FX transaction* in a timely and accurate manner. The *Bank*, in turn, is dependent on the reliability of its own operational processes, which include communications, computers and computer networks. Disruptions in the *Bank’s* processes may lead to delays in the execution and settlement of *your FX transaction*. Such disruptions may result in contractual outcomes that are less favourable to *you*.

The *Bank* accepts responsibility only for those operational risks that are internal to the *Bank*. In particular, to deliver some currencies, the *Bank* may use agent and correspondent banks. Any delay or failure by such agent or correspondent bank to deliver the required currency may result in a delay or failure by the *Bank* in settling *your FX transaction*, which may result in the *Bank* being unable to make payment under the *payment service* in accordance with *your instructions*. The *Bank* cannot control and does not accept responsibility for any losses resulting from events external to the *Bank*, but will refund any payment *you* have made in relation to *your FX transaction* or *payment service* where the *Bank* is unable to settle *your transaction* due to a failure by an agent or correspondent bank.

Settlement risk

The *Bank* will only settle a *transaction* subject to credit approval or after it unconditionally holds *cleared funds* representing *your* entire liability at settlement of the *transaction*. If we do not receive *cleared funds* by the currency cut-off time on the *settlement date* or if we cannot reasonably identify the receipt of *cleared funds*, we reserve the right not to settle and to either extend the *transaction* or to terminate *your transaction*.

Non-settlement of a *transaction* could result in a cost to *you*. For details on termination costs, please refer to the *Foreign Exchange PDS*.

If *you* do not enter and authorise a *transaction* by the relevant cut-off time then we would not be able to process that *transaction* for delivery on that day (see cut-off times on www.commbiz.com.au).

Sanctions risk

Australia, as a member state of the United Nations, is obliged to implement United Nations Security Council sanctions and is subject to the *Autonomous Sanctions Act 2011* (Cth) and the Regulations under that Act. Australia may also be required to implement other international sanctions, and at times imposes unilateral sanctions.

Sanctions can cover various subject matters including financial restrictions. Consequently, the *Bank* may be prohibited from dealing with or may decline to deal with certain persons or entities.

This means that if the *Bank* is aware, or has reasonable grounds to believe, that *you* are a *proscribed person* or entity under *sanctions law*, or if any dealings with *you* are otherwise in breach of applicable *sanctions law*, then the *Bank* may be required to suspend, cancel or refuse *you* services, or close or terminate any account, facility, *transaction* (including payments and *FX transactions*), arrangement or agreement with *you*. We may also be required to freeze *your* assets.

Where legally obliged to do so, the *Bank* may take any action required to comply with anti-money laundering and counter-terrorism financing law or economic and trade *sanctions laws*, including but not limited to disclosing information held about *you* to relevant regulatory and/or law enforcement agencies in Australia or overseas.

You could incur a significant cost as a result of these actions. Please refer to paragraph 8.7 of this PDS, which refers to information on termination of *FX transactions*.

Product risk

For any information on specific risks for *products* transacted on *IPFX*, please refer to the respective disclosure documents for those *products* available on www.commbank.com.au or by calling 13 2221 (6am – 10pm Monday to Friday Sydney time).

6. What are the costs involved in using IPFX?

There are *fees* and charges that may apply when *you* use *IPFX*. See Appendix A – *Fee Schedule* for further details. These *fees* and charges are in addition to any *fees* and charges that apply in respect of CommBiz (see the *CommBiz Terms and Conditions* which are available on www.commbank.com.au or by calling 13 2221 (6am – 10pm Monday to Friday Sydney time).

If *you* instruct *us* to make a payment to an overseas *beneficiary*, the processing of the payment will be subject to *fees* and charges imposed by the overseas banks involved in the *transaction*, in addition to any *fees* and charges imposed by *us*. See Appendix A – *Fee Schedule* for further details.

The *fees* and charges in respect of *products* that may be accessed or transacted through *IPFX* (i.e. *FX transactions*) are subject to the terms and conditions of those *products*, which are not detailed in this PDS. *You* should consider the *Foreign Exchange PDS* for information on the *fees* and charges of those *products*.

7. Accessing IPFX

IPFX is a service accessed within CommBiz. To access *IPFX*, *you* will first need access to CommBiz.

7.1 Applying for IPFX access

To sign up for *IPFX*, *you* need to complete the following steps:

1. If *you* are already a customer of the *Bank*, contact *your* relationship manager and advise *your* manager that *you* want to sign up for *IPFX*. *Your* relationship manager will either arrange for a sales specialist to give *you* a demonstration of *IPFX* or direct *you* to an online demonstration and the relevant *Application Forms*.

If *you* are not a customer of the *Bank*, or do not have a relationship manager, call 1300 222 339 between 8am and 6pm (Sydney time), Monday to Friday (excluding Australian national public holidays) to find out how *you* can sign up.

Alternatively, *you* can also apply online for the CommBiz (including *IPFX*) service on www.commbiz.com.au. Once we receive *your Application Form*, *your* relationship manager or a sales specialist will call *you* to complete the relevant Identification Forms and, where applicable, *your* foreign exchange credit assessment.

If necessary, *your* relationship manager or the sales specialist will help *you* to complete the relevant *Application Form*.

2. Once *your Application Form* has been approved, we will send the *authorisers* and *administrators* their *security identification*.

If *you* log on to CommBiz for the first time, on first log on, *you* will be prompted to change *your security identification*.

If *you* do not log on to CommBiz within the time specified on the *security identification* communication, *your* Log on Account will expire. If this occurs *you* will need to contact the *IPFX* Help Desk on 1300 222 339 between 8am and 6pm (Sydney time), Monday to Friday (excluding Australian national public holidays) to have *your* password reset.

7.2 Types of Access

There are four access types in CommBiz – *users*, *authorisers*, *Foreign Exchange users* and *administrators*. Each type has certain access rights that control what a person can see and do in the service. These access rights are called entitlements and are set by the *administrator*. The *administrator* is the person who administers CommBiz in *your* organisation.

<i>Users</i>	<ul style="list-style-type: none"> • View <i>transactions</i> • Each <i>user</i> has a unique profile that includes a Log on ID and password
<i>Authorisers</i>	<ul style="list-style-type: none"> • View and create <i>transactions</i> on CBA accounts • Authorise <i>transactions</i> on CBA accounts • Each <i>authoriser</i> has a unique profile that includes a <i>security token</i>, Log on ID and password
<i>Foreign Exchange users</i>	<ul style="list-style-type: none"> • View and create <i>FX transactions</i> • Authorise <i>FX transactions</i> • Authorise settlements of <i>FX transactions</i> with a non-CBA Account • Each <i>Foreign Exchange user</i> has a unique profile that includes a <i>security token</i>, Log on ID and password
<i>Administrators</i>	<ul style="list-style-type: none"> • Manage the CommBiz service within an organisation • Each <i>administrator</i> has a unique profile that includes a <i>security token</i>, Log on ID and password

Your administrator can set the entitlements of *your users* to access any CommBiz function. This includes the ability to view, create and authorise *FX transactions*. Access to authorise specific account *transactions* is controlled by the *Bank* and requires an individual to be registered on the appropriate account authority.

It is possible, depending on *your* business set-up, to have multiple roles. For example, *you* may be a *user*, an *authoriser*, a *Foreign Exchange user* or *administrator*, or any combination of these.

7.3 What to do before you meet with your sales specialist or relationship manager

- Decide who you want to nominate as *users* for CommBiz, including *IPFX*.
- Decide who will act as your *administrator(s)*: Your *administrator* is the first point of contact for all issues regarding CommBiz and is responsible for setting access levels and rights for staff registered on the CommBiz service. This includes:
 - authorising new *users*/setting *user* profiles;
 - specifying *user entitlements*;
 - deleting or amending *user entitlements*;
 - resetting *user* passwords;
 - sending maintenance requests to the *Bank* to add or remove accounts and *authorisers*.
- Decide who will act as your *authoriser(s)* and *Foreign Exchange users*.
- Ensure that the computers you will use meet the minimum browser requirements. Please refer to www.commbiz.com.au for minimum requirements for CommBiz on both CommBiz site and Mobile App. The CommBiz minimum browser requirements are intended as a guide only and, as network requirements may vary, you should consult your IT consultant or supplier.

7.4 Accessing IPFX functionality

Once you have signed up for CommBiz you can access CommBiz functionality from any location where you can access the Internet via www.commbiz.com.au. You will need your Log on ID, Password and security token. An online demonstration will be available on www.commbiz.com.au

You can access *IPFX* functionality during the following business hours. We may vary these access hours, or temporarily restrict access, from time to time if we consider it reasonably necessary to do so, including without limitation, for any systems maintenance and upgrades.

	Monday to Friday Sydney time	Saturday, Sunday & Non-Business Days
<i>IPFX</i> Help Desk	8.00am to 6.00pm	Service not available
View Functions	24 hours	Service available 7 days
Online Dealing	7.00am Monday to 12.00am Saturday	Available until 5.00pm Friday New York Time. Equivalent Sydney time will vary depending on daylight savings. Excluding this, service not available.
<i>Value today Transactions</i> (Trade Entry)	See cut-off times on www.commbiz.com.au Service available times as outlined for Online Dealing.	

<i>Value tomorrow, Spot and Forward Transactions</i> (Trade Entry)	Service available times as outlined for Online Dealing.
Trade Authorisation	24 hours
<i>Direct Debit Request (DDR)</i>	New <i>DDR</i> facility can be established 24 x 7 but have to be submitted by 5.00pm Monday – Friday for same day processing. Refer to section 8.3(b) for making payments using <i>DDR</i> .
Previous Trades information	24 hours
Outstanding Trades Information	24 hours

Note: These times may be changed at the discretion of the **Bank**. Changes will be notified on the CommBiz website. Please refer to www.commbiz.com.au or the latest information on access hours.

8. Using IPFX for Foreign Exchange

8.1 Documentation

If you use *IPFX* to enter into *FX transactions*, and you have entered into a *Derivatives Master Agreement* or *ISDA Master Agreement* with us, the terms of those documents will govern your *FX transaction*. In addition, certain provisions in the *Special Terms and Conditions* will also apply to the *FX transaction*. See clause Fx.1 of the *Special Terms and Conditions*.

If you have not entered into a *Derivatives Master Agreement* or *ISDA Master Agreement*, your *FX transaction* will be governed by the *Special Terms and Conditions* for *FX transactions* in its entirety, and those provisions are deemed to have been included in your *confirmation* for *FX transactions*.

8.2 Entering into, Settling, Varying, Terminating or Extending an FX transaction

1. You should refer to the *Derivatives Master Agreement*, *ISDA Master Agreement* or *Special Terms and Conditions* (as applicable) to understand your rights and obligations when entering into, settling, varying, terminating or extending an *FX transaction*. The *Foreign Exchange PDS* provides further detail and information in respect of these matters.
2. All *FX transactions* must be authorised. So you must also provide us with authorised settlement *instructions* prior to the settlement cut-off times or country cut-off times applicable to your *FX transaction*. If you fail to do so we may extend the delivery date at our discretion. For more information on cut-off times visit www.commbiz.com.au
3. Once you log on to the CommBiz website on www.commbiz.com.au and select the *IPFX* tab, you can request an *exchange rate* for a *currency pair* for a specified *transaction amount* and *settlement date*.

4. If the *Bank* offers you a *spot exchange rate, value today exchange rate, value tomorrow exchange rate or forward exchange rate*, and if you accept the offer, a binding *FX transaction* is entered into between you and the *Bank* at that point in time.
5. The *Bank* will send you a *confirmation* setting out the details of your *FX transaction* (this will be available to you online). If for any reason you do not wish to use *IPFX* or if *IPFX* is not available for any reason, you may use the telephone to enter into an *FX transaction*. This telephone conversation will be recorded and the *confirmation* of the *FX transaction* will be faxed to you. However, the transaction is valid even if the *confirmation* is not signed and returned.

8.3 Ways to make your payment to settle FX transactions

1. You can settle *FX transactions* on *IPFX* using the following payment methods:
 - BPAY[®],
 - DDR
 - eligible bank account
 - EFT
 - RTGS
 - The *Bank's* Settlement Account

Settlement using Australian Dollar	
Payment Type	Available for
1. BPAY [®]	Value tomorrow, Spot & Forward transactions
2. Direct Debit Request (DDR) from other financial institutions	Spot & Forward transactions
3. Electronic Funds Transfer (EFT) to a CBA settlement account	Value tomorrow, Spot & Forward transactions
4. Payment from an eligible account held at the <i>Bank</i> (if you are registered as an <i>authoriser</i> of one of the <i>Bank's</i> electronic banking products)	Value today, Value tomorrow, Spot & Forward transactions
5. Subject to credit approval Direct Payment to the <i>Bank's</i> foreign currency accounts.	Value today, Value tomorrow, Spot & Forward transactions

Settlement using all currencies	
Payment Type	Available for
1. Payment from a Foreign Currency Account (FCA) held with the <i>Bank</i> (For additional information on FCAs refer to the relevant Terms & Conditions on www.commbank.com.au)	Value today, Value tomorrow, Spot & Forward transactions
2. Settlement against a trade finance transaction with the <i>Bank</i>	Value today, Value tomorrow, Spot & Forward transactions
3. Settlement against an inward International Money Transfer (IMT) received by the <i>Bank</i>	Value today, Value tomorrow, Spot & Forward transactions
4. Subject to credit approval, Direct Payment to the <i>Bank's</i> foreign currency Settlement accounts	Value today, Value tomorrow, Spot & Forward transactions

2. Where an *FX transaction* is settled using BPAY[®], DDR or EFT, settlement will only occur subject to credit approval, or when the *Bank* unconditionally holds *cleared funds* for the *FX transaction*, or if alternative arrangements have been made with the *Bank*.
3. If the receipt of *cleared funds* is delayed for whatever reason including by a BPAY[®], RTGS, EFT or DDR system related error, we reserve the right to extend the *transaction* or to terminate your *transaction*.

You should familiarise yourself with the various payment methods available to you. These are discussed in further detail below.

(a) Settlement using BPAY[®]

BPAY[®] enables you to make payments in Australian dollars online or by telephone to settle an *FX transaction* when you do not hold an account with the *Bank*.

You will be able to use standard *IPFX* settlement instructions using BPAY[®].

You can simply pay for an *FX transaction* using Australian dollars, by accessing BPAY[®] through your bank. You will need to provide the *Bank's* biller code, your unique client reference number, and the relevant *transaction* details. The *Bank's* biller code and your client reference number will be available online at www.commbiz.com.au or by calling the *IPFX* Help Desk on 1300 222 339 between 8am and 6pm (Sydney time), Monday to Friday (excluding Australian national public holidays).

To accommodate BPAY[®] processing timeframes for each transaction, you will need to initiate your BPAY[®] instructions at least 1 business day prior to the settlement date for that particular *FX transaction* i.e. 1 business day prior to the day on which the *currency pair* subject to an *FX transaction* is to be exchanged.

If we do not receive your BPAY® instructions by 6pm (Sydney time), 1 business day prior to settlement date or we cannot reasonably identify your BPAY® transaction, your FX transaction may not be settled.

(b) Settlement using Direct Debit Requests (DDR)

The Direct Entry system allows approved organisations (such as the Bank) to make arrangements with their financial institution to debit and/or credit large numbers of customer accounts on a regular basis. Direct debiting of accounts is carried out under an authority signed by each customer.

A DDR is an electronic transaction initiated by the Bank to take funds from your nominated bank account for the purposes of settling your transaction.

You can also use DDR to settle FX transactions in Australian dollars or to pay fees online by debiting your account held with any financial institution that is a member of the Direct Entry system, provided that the appropriate authorities are in place. A list of participating financial institutions can be obtained from the Australian Payments Network (APN, previously APCA) website www.auspaynet.com.au

If you would like to use DDR as a method of settlement or fees payment, you will need to complete and sign a Direct Debit Request (DDR) authority. This can be done in your Application Form or a Direct Debit Request Form is available on request.

DDR for settlement of FX transactions and payment of fees cannot be made from some accounts, e.g. Credit Card accounts, Term Deposit accounts, Cash Management Trust accounts.

Once you have set up your DDR authorities, you can simply pay for an FX transaction using IPFX, by selecting your Direct Debit settlement instructions.

To accommodate the Direct Entry processing timeframes for each transaction, we will require that you attach and authorise your DDR settlement instructions at least 2 business days prior to the settlement date of the particular FX transaction, i.e. 2 business days prior to the business day on which the currency pair subject to an FX transaction is to be exchanged.

If we do not receive your DDR settlement instructions at least 2 business days prior to settlement date, you may still have time to settle your transaction by using BPAY®, or EFT provided you meet the deadlines for those methods.

Settlement of the FX transaction using DDR will only occur subject to credit approval, or when the Bank unconditionally holds cleared funds for the transaction, or if alternative arrangements have been made with the Bank.

(c) Settlement using an eligible CBA account

If you hold an eligible account with the Bank you may elect to use this account for settlement and/or billing of IPFX deals. Contact the Bank to confirm that your account is eligible.

If you would like to use an eligible CBA account as a method of settlement or fees payments, you will need to add it to your service, and complete and sign an Account Authority Form. This can be done during registration in your Application Form or through a maintenance request.

The Bank will establish the settlement instruction within IPFX for you to confirm and activate.

By electing to use an existing CBA account you are instructing the Bank to debit and/or credit the elected account for settlement and fee purposes.

(d) Settlement using Electronic Funds Transfer (EFT)

EFT involves debiting your AUD account held at any financial institution and payments being credited to an account with the Bank or settled against the Bank's Exchange Settlement Account.

There are two types of electronic EFT settlement methods which may be used with IPFX.

1. Funds deposit or transfer: where you electronically transfer funds in AUD from your account to our settlement account.
2. Real Time Gross Settlement (RTGS): where the funds are transferred by the financial institution at which your account is held to the Bank and these funds are settled immediately against the Exchange Settlement Accounts held by each bank with the Reserve Bank of Australia. You should have an arrangement with your financial institution for payment to be made this way and will have to instruct it to initiate this funds transfer. A fee may be payable to your financial institution.

If you intend to pay by EFT you advise the Bank by selecting EFT in settlement instructions and you then arrange appropriate EFT with your bank.

To accommodate EFT processing timeframes for each transaction, you will need to initiate your EFT instructions at least 1 business day prior to the settlement date for that particular FX transaction i.e. 1 business day prior to the day on which the currency pair subject to an FX transaction is to be exchanged.

If we do not receive or cannot reasonably identify your EFT payment by cut-off time for the currency involved in your transaction, your FX transaction may not be settled.

(e) Real Time Gross Settlement (RTGS)

If you are using RTGS to pay Australian dollars to settle your FX transaction, the funds must reach the Bank prior to the cut-off time for the foreign currency that you are buying. Because the RTGS transfer is initiated by your financial institution (in response to your instructions) we recommend that you advise the Bank that you are using RTGS to settle your transaction.

(f) Settlement by direct payments to the Bank's Settlement Account

The Bank has a different settlement account for each currency that you may trade using IPFX. If you have prior credit approval this settlement method will be available to use and, your template will automatically populate with the Bank account details relevant to the currency you are using. Once you have submitted your settlement templates, you will need to contact your bank to initiate payment to the bank account specified.

You will be able to attach, authorise and submit your Direct Payment settlement instructions up to and including the settlement date. However, we recommend that you initiate your Direct Payment one day in advance

of the *settlement date*. This is because intra day settlement times vary by currency type. Refer to the website www.commbiz.com.au or call the IPFX Help Desk on 1300 222 339 between 8am and 6pm (Sydney time), Monday to Friday (excluding Australian national public holidays) for details of currency cut-off times.

8.4 Payment to nominated beneficiary

You can use the *payment service* by instructing the *Bank* of your nominated *beneficiary* at the time you are entering into the *FX transaction* and directing the settlement proceeds of the *FX transaction* to be paid to the nominated *beneficiary*.

8.5 Transaction extension or termination due to lack of cleared funds

If an *FX transaction* does not settle on the *settlement date* due to non-receipt of *cleared funds* by the *Bank*, (i.e. if you do not pay the *Bank* due to a payment error or delay (including by a BPAY®, DDR, EFT or RTGS) or the *Bank* cannot reasonably identify the receipt of *cleared funds*), the *Bank* reserves the right to terminate or extend the *FX transaction*.

You should refer to the *Foreign Exchange PDS* for more information on extension or termination due to lack of *cleared funds*.

8.6 Variations to settlement dates

The *settlement date* for *FX transactions* may be varied subject to approval of the *Bank*. Two variations are available subject to approval by the *Bank*, “Pre-delivery” and “Extension”. If you need to vary the *settlement date* after you have entered into an *FX transaction*, you should refer to the *Foreign Exchange PDS* for further information.

Requests for variations to *settlement dates* may be made online through IPFX. Where the adjusted *exchange rate* is agreed to by you, the *Bank* will send you a *confirmation* setting out the new details of your *FX transaction*. The variation takes effect from the time of agreement through IPFX, when you click on the “Accept & execute” button on the Extension or Pre-delivery screen.

If for any reason you do not wish to use IPFX or if IPFX is not available for any reason, you may use the telephone to enter into variations to the *settlement date* for an *FX transaction*. This telephone conversation will be recorded and the *confirmation* setting out the new details of your *FX transaction* will be sent to you.

8.7 Terminating an FX transaction

In addition to termination of an *FX transaction* due to lack of *cleared funds* as discussed above, an *FX transaction* may be terminated before the *settlement date* either:

- by agreement between you and the *Bank*; or
- as set out in the *Derivatives Master Agreement*, *ISDA Master Agreement* (if you are a wholesale client who has entered into an *ISDA Master Agreement*), or the *Special Terms and Conditions* (if you have not entered into the *Derivatives Master Agreement* or *ISDA Master Agreement*), as applicable.

You should refer to the *Foreign Exchange PDS* for more information on terminating an *FX transaction*, including the calculation of *close-out amounts* and break amounts.

9. Are there any tax implications I should be aware of?

Some *fees* directly applicable to this product are input taxed which means that the *Bank* does not charge GST on these *fees*. However, for some *fees*, the *Bank* may be required to charge GST.

The tax implications of entering into *FX transactions* can be complex, may change over time and are invariably specific to your circumstances including, but not limited to, your tax status, any elections you have made and the purpose for which you have entered into the *FX transaction*. *FX transactions* may give rise to taxable income and/or deductions or alternatively may impact other tax calculations you may be required to prepare.

Therefore, you should seek tax advice specific to your own circumstances before transacting using IPFX.

10. Notification of changes

We will notify you of any material changes to the *agreement*, including changes in *fees* and charges, by way of a prominent notice on our website www.commbank.com.au.

If the change is not unfavourable to you, we will notify you no later than the day on which the change takes place.

If the change is unfavourable to you, we will notify you 30 days before the change takes place.

We may notify you less than 30 days prior, or give you no notice at all, of an unfavourable change if:

- (a) we believe doing so is necessary for us to avoid, or to reduce, a material increase in our credit risk or our loss; or
- (b) there is a change to, or introduction of, a government charge that you pay directly, or indirectly, as part of you using IPFX. In that case, we will tell you about the introduction or change reasonably promptly after the government notifies us (however, we will not notify you if the government publicises the introduction or change).

11. Banking Code of Practice

The Banking Code of Practice (the *Code*) is a voluntary code outlining standards of practice for banks, their staff and their representatives when dealing with small businesses and individuals. A business will be a small business for the purposes of the Code where its annual turnover for the previous financial year is less than \$10 million and it has fewer than 100 full-time equivalent employees and it has less than \$3 million total debt outstanding. The Code does not apply to financial products and financial services that are provided to wholesale clients for the purposes of the *Corporations Act 2001* (Cth).

The *Bank* is a voluntary signatory to the *Code*, and as such the *Code* applies to IPFX as described in this PDS where it is provided to retail clients who are individuals or small businesses.

If *you* would like more information about the *Code* and whether it applies to *you*, please contact *us* on 13 2221 (6am – 10pm, Monday to Friday, Sydney time).

12. What if I have a complaint?

Most problems can be resolved quickly and simply by talking with *us*. *You* can talk with *us* by:

- (a) Calling into one of our branches
- (b) Phoning our Customer Complaints team on 1800 805 605 or, if *you* are overseas, call +61 2 9687 0756
- (c) Completing the online feedback form at commbank.com.au/feedback, where *you* can also view our complaint process, or
- (d) Writing to *us* at CBA Group Customer Relations, Commonwealth Bank Group, Reply Paid 41, Sydney NSW 2001

If *you* are not satisfied with the resolution and wish to proceed further, *you* can contact the *Bank's* Customer Advocate for an independent review of *your* complaint. The Customer Advocate can be contacted via:

Telephone: 1800 832 806 (between 8.30am and 5pm (Sydney time), from Monday to Friday);

Email: customeradvocate@cba.com.au; or

Writing: Customer Advocate Commonwealth Bank
Reply Paid 88915
Sydney NSW 2001

Please quote *your* Case Reference Number that we provide *you* in all correspondence.

If an issue has not been resolved to *your* satisfaction, *you* can lodge a complaint with the Australian Financial Complaints Authority (AFCA). AFCA provides fair and independent financial services complaint resolution that is free to consumers. AFCA can be contacted through the following means:

Website: www.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

You can also contact the Australian Securities & Investments Commission (ASIC) to make a complaint and to find further information on *your* rights. ASIC can be contacted through the following means:

Website: www.asic.gov.au

Email: infoline@asic.gov.au

Telephone: 1300 300 630

13. Customer information and privacy

What information we collect

In this clause '*you*' includes our customer and any person who holds office in an entity which is a customer. *We* collect information about *you* (such as *your* name, address and contact details), and information about *your* interactions with *us*, such as *transactions* on *your* account. *We* may also collect publicly available information about *you*.

Why we collect *your* information and what we use it for

We collect *your* information because *we* are required to identify *you* in accordance with applicable anti-money laundering, financial crimes and *sanctions laws*, currency control regulations and in order to comply with taxation laws. *We* also collect it to administer our customer relationships and internal processes including risk management and pricing, to meet our obligations in relation to external payment systems and under our arrangements with government agencies, and to identify and tell *you* about products and services that may interest *you* (unless *you* tell *us* not to). If *you* don't want to receive marketing information *you* can tell *us* by calling 13 2221 (6am – 10pm, Monday to Friday, Sydney time), or speak to *your* relationship manager.

If *you* give *us* *your* electronic and telephone details, *you* agree *we* may use this to communicate with *you* electronically, by phone or SMS, including providing updates, reminders and (unless *you* tell *us* not to) marketing information.

You must give *us* accurate and complete information; otherwise *you* may be breaking the law and *we* may not be able to provide *you* with the *products* and services that *you* require.

If *you* change *your* personal details (e.g. address, name or email address) *you* must tell *us* straight away.

Who we may exchange *your* information with

We may exchange *your* information with other members of the *Group* who may use *your* information for any of the purposes *we* can.

We may also exchange *your* information with others outside the *Group*, for example, *your* representatives, our service providers, other financial institutions (for example, in relation to a mistaken payment claim), enforcement and government authorities, relevant public registers and payment system operators (for example, BPAY®).

Sometimes it may be necessary to send *your* information overseas – for example, where *we* outsource functions overseas, send information to *Group* members overseas, where *we* need to complete a *transaction* on *your* behalf or where this is required by laws and regulations in Australia or in another country. See our *Group* Privacy Policy for more information.

Our Group Privacy Policy

Our *Group Privacy Policy* is available on our website at www.commbank.com.au (search Privacy and follow the Privacy Policy link) or upon request from any branch of the *Bank* and should be read in conjunction with the above. It contains further details about our information collection and handling practices, including information about:

- other ways we may collect, use or exchange *your* information;
- how *you* may access and seek correction of the information; and
- how to make a complaint about a breach of *your* privacy rights, and our complaint handling procedures.

How to contact us

For privacy-related enquiries, please contact us by:

Email: CustomerRelations@cba.com.au

Telephone: 1800 805 605 (free call), or

In writing: to the address in our *Group Privacy Policy*.

Appendix A – Fee Schedule

1. IPFX fees

Item	Fee	GST	Total
FX Settlement Fee (per settlement)	\$10.00	not applicable	\$10.00

Note: Fees are charged on the 15th of each month (or the next *business day* if a non-*business day*).

2. Other Fees

Other fees and charges may apply, including fees for using *Electronic Funds Transfers*, transfers using correspondent banks or overseas banks. Please refer to fees associated with *your* method of *transaction* (for example *Bank* branch, credit card, or CommBiz). In particular, for more information about other fees, correspondent bank or overseas bank fees, please refer to *CommBiz Terms and Conditions* that can be found on www.commbiz.com.au

3. Charges by overseas banks

As well as any *fees* and charges *we* apply, *you* may also have to pay fees and charges to overseas banks and their correspondent banks involved in the *transaction*. There may be more than one other bank involved, each of which may charge a fee.

We will generally tell the other banks involved in the *transaction* to deduct their fees from the payment. This means that the person receiving the payment will receive a lower amount than the amount *you* sent.

If the overseas bank or their correspondent bank doesn't deduct their fees and charges from the payment, *you* agree to reimburse *us* for any fees and charges they pass on to *us*. *You* agree that *we* can debit this amount from *your* fees account.

For payments to selected countries and currencies, overseas bank charges may apply as set out in the *CommBiz Terms and Conditions*.

For further information please contact the *IPFX* Help Desk on 1300 222 339 between 8am and 6pm (Sydney time), Monday to Friday (excluding Australian national public holidays). Some related products and services, such as bank cheques and inward international money transfers, will incur a separate fee. These fees will be set out in the PDS or terms and conditions brochures for these other products and services.

4. Other Government taxes

If *you* do not provide *us* with a Tax File Number (TFN), TFN exemption or Australian Business Number (ABN), the *Bank* is obliged by law to deduct withholding tax from certain amounts (including interest) *you* have earned.

Your investments and *transactions* processed through *IPFX* may also be subject to other Government taxes or duties (if any). These may vary from State to State.

Appendix B – Definitions

“acceptance”

Your acceptance of our *acknowledgment* of the *transaction* which you send us by clicking the “Accept & execute” button on your computer monitor while using IPFX.

“acknowledgment”

The message we send you through IPFX accepting the *transaction* initiated by your instructions.

“administrator”

The person or persons you authorise to act on your behalf as administrator in connection with IPFX. The administrator’s responsibilities include adding, deleting and amending *user entitlements*.

“agreement”

The terms and conditions of IPFX, including any *Special Terms and Conditions*.

“Application Form”

The IPFX application form which you sign in order to enter into this *agreement*.

“authorised user”

The person who you nominate in the *Application Form* or who is subsequently nominated by the *administrator* as having the authority to access and operate IPFX or to give us instructions.

“authoriser”

Person who is nominated in a *CommBiz Account Authority* or by the *administrator* as an authoriser to approve transactions.

“the Bank”, “our”, “us”, “we”, “CBA”

Commonwealth Bank of Australia ABN 48 123 123 124.

“beneficiary”

A person or account you nominated as a recipient of funds as indicated by you in your instructions (which, in respect of an *FX transaction*, may be nominated at the time of entering into the *FX transaction*). You and the *beneficiary* may be the same person.

“business day”

A day on which banks are open for business in Sydney.

“cleared funds”

Funds that are immediately available to you for settlement.

“Close-out Amount”

Means in relation to each terminated *FX transaction* or each group of terminated *FX transactions*, the amount expressed in Australian Dollars of the losses or costs that are or would be incurred by us under prevailing circumstances (expressed as a positive number) or gains that are or would be realised by us under prevailing circumstances (expressed as a negative number) in replacing the terminated *FX transaction* or group of terminated *FX transactions* or providing us with the economic equivalent of the material terms of the terminated *FX transaction* or group of terminated *FX transactions* (including any option rights), determined

as at the *Termination Date* or if that would not be commercially reasonable as of the date or dates following the *Termination Date*.

Any *Close-out Amount* must be determined by us using commercially reasonable procedures and prevailing market rates or quotes chosen by us in good faith in order to produce a commercially reasonable result. We may include in the *Close-out Amount* costs of funding, transaction costs and any loss or gain or cost incurred by us in connection with its terminating, liquidating or re-establishing any hedge position related to a terminated *FX transaction* or group of terminated *FX transactions* (to the extent not already included in the calculation of *Close-out Amount*).

“CommBiz Account Authority”

The CommBiz Account Authority, and any additional CommBiz Account Authority, signed by you or your authorised representative appointing *authorisers* or varying *authorisers* or the electronic method of operation.

“CommBiz Terms and Conditions”

The terms and conditions for CommBiz, as amended from time to time and which may be accessed at www.commbank.com.au.

“confirmation”

A document or electronic message confirming the details of a particular *transaction*.

“currency pair”

The two currencies that are the subject of the *FX transaction*.

“Derivatives Master Agreement”

An agreement of the same name between you and the *Bank* which governs your *FX transactions*.

“Direct Debit Request (DDR)”

A *DDR* is an instruction given by the client to the *Bank* authorising the *Bank* to debit a nominated bank account to facilitate the transfer of funds for settlement of a *transaction*.

“Electronic Funds Transfer (EFT)”

EFT involves the debiting of your account held at any financial institution and payments being credited to an account with the *Bank* or settled against the *Bank’s* Exchange Settlement Account, subject to the recipient financial institution being a member of the Bulk Electronic Clearing System (BECS) or funds being transferred by your bank to the *Bank* where the funds are settled immediately against the Exchange Settlement Accounts held by each bank with the Reserve Bank.

“exchange rate”

The expression of the value of one currency in terms of another. For example, in the *exchange rate* AUD/USD 0.7000, one Australian dollar is equal to 70 United States cents (AUD 1.0000 = USD 0.7000).

“Execution factors”

The amounts (as an overall component of the *exchange rate* offered by the *Bank* to you) which are attributable to

risk management and trade execution – which includes (but is not limited to) items such as:

- (a) the cost of the execution via the relevant channel;
- (b) the liquidity in the foreign exchange market for the type of foreign exchange transaction;
- (c) the transaction amount; and
- (d) the type of foreign exchange transaction.

“fees”

The fees specified in the *Fee Schedule*.

“Fee Schedule”

The applicable *fees* and charges in respect of *IPFX* as set out in Appendix A of the *General Information Section* of this PDS or as posted from time to time on the CommBiz website (as varied in accordance with this *agreement*).

“Foreign Exchange PDS”

A product disclosure statement issued by the *Bank* in respect of *FX transactions*, as amended from time to time and which may be accessed at www.commbank.com.au.

“Foreign Exchange users”

Person nominated by the *administrator* to view and/or create and/or authorise *FX transactions*.

“forward”

An *FX transaction* with a *settlement date* that is more than 2 *business days* after the *trade date*.

“forward exchange rate”

The expression of the value of one currency in terms of another where the *settlement date* is more than 2 *business days* after the *trade date*. A *forward exchange rate* is the *spot exchange rate* of the *currency pair* on the *trade date* adjusted for the *forward points*.

“forward points”

The value of the *interest rate differential* for the *currency pair* over the period from the *spot settlement date* to the *forward settlement date*, expressed as an adjustment to the *spot exchange rate*.

“forward settlement date”

The *settlement date* for a *forward* transaction.

“FX transaction”

A transaction which allows *you* to exchange one currency for another at an agreed *exchange rate* on an agreed *settlement date* or settlement period that is between the *trade date* and two years after the *trade date*. Further information can be found in the *Foreign Exchange PDS*.

“General Information Section”

The Product Disclosure Statement section of this document.

“Group”

means the *Bank* and its subsidiaries.

“insolvent”

Insolvent or an insolvent under administration (each as defined in the *Corporations Act 2001* (Cth)), having a

receiver, receiver and manager or administrator appointed, in liquidation or provisional liquidation, or subject to any arrangement or composition or otherwise unable to pay debts when they fall due. This applies to individuals as well as companies.

“interest rate differential”

The difference between the interest rates applicable to the *currency pair* for the *term* of a *value today*, *value tomorrow* or *forward transaction*.

“instructions”

Instructions given to *us* using *IPFX*.

“IPFX”

A service of the *Bank* known as International Payment and Foreign Exchange (IPFX) that is accessed through CommBiz and used for both making international payments and arranging *FX transactions*.

“ISDA Master Agreement”

An agreement of the same name between *you* and the *Bank* which governs *your FX transactions*.

“Net Termination Amount”

Has the meaning the term is given in Clause Fx.11(d) of the *Special Terms and Conditions*.

“payment service”

The payment service a service on *IPFX* through which *you* can make payments to nominated *beneficiaries* in respect of *your FX transactions*.

“products”

The products or services *you* have selected, and the accounts *you* have nominated, in the *IPFX Application Form*, *CommBiz Account Authority Form* or any subsequent additional or replacement *Application Form* signed by *you*.

“proscribed person”

A person who we reasonably consider to be:

- (a) a proscribed person or entity under the *Charter of the United Nations Act 1945* (Cth);
- (b) in breach of the laws of any jurisdiction relating to money-laundering or counter-terrorism;
- (c) a person with whom dealings are proscribed by the government or a regulatory authority of any jurisdiction; or
- (d) acting on behalf of, or for the benefit of, a person referred to in (a) – (c) above.

“RTGS”

Real Time Gross Settlement – a payment system operated by the Reserve Bank of Australia.

“sanctions law”

Any trade, economic or financial sanctions administered or enforced by the Australian Department of Foreign Affairs and Trade, and to the extent applicable, the U.S. Department of Treasury’s Office of Foreign Assets Control; the United Nations Security Council; the European Union; Her Majesty’s Treasury; the New Zealand Ministry of Foreign Affairs and Trade; the Hong Kong Commerce,

Industry and Tourism Branch of the Commerce and Economic Development Bureau; the Monetary Authority of Singapore; the Ministry of Finance Japan; or any other relevant sanctions authority.

“security identification”

All log on identity, passwords, key encryption numbers and any other *security tokens* or devices, used from time to time to access CommBiz and effect *transactions*.

“security token”

A device that produces random 6 digit codes to be used in conjunction with *your* Log on ID and password to access CommBiz and authorise settlements. Each code can only be used once and provides a second level of authentication to CommBiz.

“service factors”

The amount (as an overall component of the *exchange rate* offered by the *Bank to you*) which is attributable to pre- and post-trade services provided by the *Bank to you* – which includes (but is not limited to) items such as:

- (a) the complexity of the service required;
- (b) the impact of the transaction on the *Bank’s* balance sheet and capital usage;
- (c) processing and settlement costs;
- (d) compliance and oversight costs required to support a regulated, professionally operated FX business; and
- (e) costs associated with maintaining required infrastructure.

“settlement date”

A *business day* on which the *currency pair* subject to an *FX transaction* is exchanged, being a *business day* in the commercial centre of the country of the foreign currency or currencies being exchanged but does not include a Saturday, Sunday or public holiday.

“Special Terms and Conditions”

The terms and conditions relating to *FX transactions* using *IPFX* and set out on page 24.

“spot”

An *FX transaction* with a *settlement date* that is 2 *business days* after the *trade date*.

“spot exchange rate”

The expression of one currency in terms of another for exchange on the *spot settlement date* after taking into account the *execution factors* and *service factors*.

“spot settlement date”

The *settlement date* for a *spot transaction*, which is 2 *business days* from the *trade date*.

“term”

The period from and including the *trade date* to and including the *settlement date*.

“Termination Date”

This term has the meaning given to it in clause Fx.10 of the *Special Terms and Conditions*.

“Termination Event”

This term has the meaning given to it in clause Fx.10 of the *Special Terms and Conditions*.

“trade date”

The date on which an *FX transaction* is entered into.

“transaction”

Any transaction using *IPFX* whereby *you* instruct and authorise *us* to carry out or settle an *FX transaction*.

“Unpaid Amount”

In relation to a *Termination Date*, the aggregate of amounts that became due and payable (including such amounts that would have been payable but for clause Fx.11(a) and (b)) expressed in Australian Dollars in relation to each terminated *FX transaction* or group of *terminated FX transactions* on or before the *Termination Date* and which remain unpaid as at the *Termination Date*. If an amount is not expressed in Australian Dollars, we can convert it into Australian Dollars using commercially reasonable procedures and prevailing market rates or quotes chosen by *us* in good faith in order to produce a commercially reasonable result.

“user”

Person who has the authority to log onto CommBiz.

“user entitlements”

The authority of the *authorised user* to use CommBiz as advised to *us* by *you* or the *administrator* from time to time in the form approved by *us*.

“value today”

An *FX transaction* with a *settlement date* that is on the same day as the *trade date*.

“value today exchange rate”

The expression of the value of one currency in terms of another where the *settlement date* is the same *business day* as the *trade date*.

“value tomorrow”

An *FX transaction* with a *settlement date* that is 1 *business day* after the *trade date*.

“value tomorrow exchange rate”

The expression of the value of one currency in terms of another where the *settlement date* is 1 *business day* after the *trade date*.

“you”, “your”

You, the contracting party, and where the context requires, includes any person using the *security identification* to access or use CommBiz.

Terms and Conditions - IPFX

1. About these Terms and Conditions

1.1 Interpretation

In this *agreement*:

- (a) words importing any gender include each other gender;
- (b) the word person includes a firm, a body corporate, an unincorporated association or partnership;
- (c) the singular includes the plural and vice versa;
- (d) where one or more customers are parties to the *agreement*, the expression “you”, “your”, “yours” shall include each or any of them;
- (e) where one or more persons are parties to the *agreement* each person shall be bound jointly and severally by these Terms and Conditions and any relevant *Special Terms and Conditions*; and
- (f) headings are inserted for the sake of convenience of reference only and do not affect the interpretation of the *agreement*.

1.2 Definitions

Terms used in this *agreement* have the same meaning they are given in Appendix B of the *General Information Section* of this PDS unless otherwise defined.

1.3 CommBiz Terms and Conditions

You acknowledge, in addition to the *CommBiz Terms and Conditions*, that this *agreement* applies in respect of your access and use of IPFX, and the provision of the products through IPFX.

1.4 Single agreement

The *agreement* between us which governs IPFX including transactions and inquiries consists of the *Application Form*, *CommBiz Account Authority Form* (which includes *user entitlements* (as applicable) and any subsequent additional or replacement *CommBiz Account Authority Variation Form* and *CommBiz user identification form(s)* signed by you), all matters, terms and conditions set out in this PDS, including the *Special Terms and Conditions*, the *General Information Section* and the *Fee Schedule*.

In the event of any inconsistency between these documents, the following order of precedence will prevail:

- (a) the terms and conditions in this PDS;
- (b) the *Application Form*;
- (c) *CommBiz Terms and Conditions*; and
- (d) any other documentation,

only to the extent of the inconsistency and only in respect of the access and use of IPFX, and the provision of the products through IPFX.

1.5 Writing requirement

Except for any variation pursuant to Clause 5.2, any variation to the *agreement* must be in writing and signed by both parties.

1.6 Undertaking

You must procure that any of your subsidiaries wishing to use IPFX becomes a party to this *agreement*.

1.7 Relationship

This *agreement* does not affect the existing relationship between you and us regarding Terms and Conditions of your accounts or the operation of your accounts including, for example only, our right to deduct fees and costs including transaction costs from your accounts and our right to vary the Terms and Conditions relating to your accounts.

1.8 Banking Code of Practice

The relevant provisions of the Banking Code of Practice apply if you are an individual or a “small business” as defined in the Code.

2. Terms

2.1 Commencement and duration

The *agreement* will commence on the day that we accept your *Application Form* applying to use IPFX and the *CommBiz Account Authority*, or as otherwise agreed, and continues in force until terminated pursuant to Clause 9.

3. Access

3.1 Access to IPFX

We will provide you with access to IPFX at such times and in such manner as we may display on the CommBiz site. We may vary these access hours, or temporarily restrict access, from time to time if we consider it reasonably necessary to do so, including without limitation, for any systems maintenance and upgrades. We will not be responsible for access outside these hours or for difficulties in access caused by matters beyond our reasonable control.

3.2 Security identification

We will provide you with the *security identification* but you will be responsible for protecting your *security identification*/passwords.

3.3 Provision of products

We will provide you with the products for the term of the *agreement* and any other applicable documents for a specific product, subject to procurement and maintenance by you of the required equipment and all such other equipment, telecommunications links, software and facilities required to operate IPFX and subject to the terms of the *agreement*.

3.4 Your obligation

You must ensure that all information you input into IPFX is correct before you provide your instructions. We are not liable for any failure on your part either to follow such procedures correctly or to input correct information

into *IPFX*. You must ensure that only *authorised users* use *your security identification*.

You are responsible for providing suitably skilled staff to operate and maintain the required equipment and any software that is used by *you* in connection with *IPFX*. You should back up all data once it is received from *us*.

4. Fees

4.1 Payment

Any *fee* must be paid by either the date specified in the *Fee Schedule* or such other date notified by *us*.

You authorise *us* to debit *your fees* account or any nominated account with the *fee* on the date of the *agreement*, or if specified, the date(s) set out in the *Fee Schedule*.

All *fees* are charged in Australian dollars. You must nominate an Australian dollar bank account to which *fees* may be charged. Certain accounts such as Foreign Currency Account, Cash Deposit Account and Cash Relationship Account cannot be nominated for the purpose of charging *fees*.

If you choose to pay *your fees* by debiting an account held with another financial institution, you must complete and sign a *Direct Debit Request Form*.

4.2 Fee variations

We are entitled to increase or decrease the *fees* or introduce a new *fee*, in accordance with Clause 5.1.

4.3 Charges by overseas banks

As well as any *fees* and charges we apply, you may also have to pay fees and charges to overseas banks and their correspondent banks involved in the *transaction*. There may be more than one other bank involved, each of which may charge a fee.

We will generally tell the other banks involved in the *transaction* to deduct their fees from the payment. This means that the person receiving the payment will receive a lower amount than the amount you sent.

If the overseas bank or their correspondent bank doesn't deduct their fees and charges from the payment, you agree to reimburse *us* for any fees and charges they pass on to *us*. You agree that we can debit this amount from *your fees* account.

For payments to selected countries and currencies, overseas bank charges may apply as set out in the *CommBiz Terms and Conditions*.

5. Variation

5.1 Variation of the agreement

We will notify you of any material changes to this *agreement*, including changes in *fees* and charges, by way of a prominent notice on our website www.commbank.com.au.

If the change is not unfavourable to you, we will notify you no later than the day on which the change takes place.

If the change is unfavourable to you, we will notify you 30 days before the change takes place.

We may notify you less than 30 days prior, or give you no notice at all, of an unfavourable change if:

- (a) we believe doing so is necessary for *us* to avoid, or to reduce, a material increase in our credit risk or our loss; or
- (b) there is a change to, or introduction of, a government charge that you pay directly, or indirectly, as part of you using *IPFX*. In that case, we will tell you about the introduction or change reasonably promptly after the government notifies *us* (however, we will not notify you if the government publicises the introduction or change).

Any changes to the *agreement* will apply to *transactions*, *inquiries* and *products* on and from the day the change takes place.

If you do not accept these changes, you may request that we withdraw electronic access to your account without *fee* or charge.

5.2 Changes to service

We may at any time vary the technical requirements, appearance or both of *IPFX* including *security identification* or *security tokens* or software required to use the service, whether separately from or in conjunction with varying the *agreement* pursuant to clause 5.1.

If any change has a material effect on the way you access *IPFX* or the way *IPFX* is provided to you, we will give you 30 days' notice of any such change, but in any other case we will give you notice no later than the day on which the change takes effect.

6. Your security

6.1 Security

- (a) You must keep secure and protected from unauthorised use all *security identification* and *security tokens*. To prevent unauthorised access we recommend that you log out of CommBiz when you have completed *your transactions* or *inquiries* and that you have firewalls or other security precautions in place.

Unless you take adequate security precautions, it may be possible, while you are logged into CommBiz, for a computer hacker or other unauthorised user to gain access to CommBiz and view your account details.

- (b) We strongly recommend that you implement and use sound information systems management processes appropriate to your systems environment. Examples of suitable processes are standards which recommend processes such as an information security policy, data and system integrity, anti-virus measures, individual user identifiers, passwords for every user which are changed on a regular basis, audit records of all user activity, and system security reviews are implemented and followed.

6.2 Security identification

We will give you *security identification* and will enable you to access *IPFX*. We grant to you the non-exclusive and non-transferable right to use *IPFX*. You must use all *security identification* provided to you by us in accordance with the *CommBiz Terms and Conditions* and these terms and conditions.

6.3 Delivery of security identification

When you sign up for CommBiz, you will receive *security identification* from the Bank.

We will send *security identification* to the *authorised user(s)* specified on the *Application Form*. Upon each *authorised user(s)* first log onto CommBiz the user will be prompted to change their *security identification*.

6.4 Loss of security identification

You must tell us as soon as possible of the loss or theft of a record of any of your *security identification* or if you suspect that any of your *security identification* has become known to someone else.

6.5 Changes to security identification

You must change passwords which are part of your *security identification* regularly.

6.6 Changes to authorised users/administrator(s)

You must notify us immediately if you wish to add to or change the *authorised user*. We will be entitled to act on a written notification (in a form provided by us) signed by the *administrator*. If you wish to change the *administrator*, you must provide us with your written notification (in a form provided by us) signed by you in the same or similar manner as you signed the *agreement*.

6.7 Unauthorised access

- (a) You must take adequate precautions to prevent unauthorised users gaining access to your computer systems, accounts. This includes the use of appropriate anti-‘spamming’, anti-‘key logging’ and anti-‘virus’ software, as well as appropriate personal computer or network ‘firewall’ protection.
- (b) If you fail to take adequate precautions it is possible that unauthorised persons may alter your *instructions* or give us *instructions* using your *security identification*. You are liable for losses resulting from any such altered or unauthorised *instructions* except where clause 8.8(d) applies.
- (c) We recommend that you constantly monitor your accounts to check that all *transactions* are accurate and properly authorised by you.
- (d) It is each *administrator’s* responsibility to ensure you have authorised each *user’s* respective level of access to your CommBiz service including *IPFX*.

6.8 Tokens

If you are provided with tokens, you must not alter, change, modify or repair the token.

6.9 Modification of IPFX

You must not modify, adapt, delete or replace any pages, material or other data on, or accessible from, the *IPFX* or link or append any material or other data to the site, or data contained on it.

7. Receiving instructions and acceptances**7.1 Instructions**

We are not obliged to accept your *instructions* but subject to you complying with this *agreement* and the terms of your account or facility with us, we will use our reasonable endeavours to do so. We may refuse to accept an *instruction* or *acceptance* if it is from an *authorised user* whose *user entitlement* does not authorise him/her to enter into the *transaction* or if we know or suspect that the *instruction* or *acceptance* is not from an *authorised user*.

7.2 Acknowledgments

When we accept your *instructions* we will send you our *acknowledgment*. We may withdraw our *acknowledgment* at any time before we receive your *acceptance*.

7.3 Acceptances

You must provide your *acceptance* within the time specified in our *acknowledgment*. By way of illustration, when you provide your *instructions* in the form of a request for a quote, our *acknowledgment* will provide an *exchange rate* based on *currency pair*, *settlement date* and amount. Our *acknowledgment* will also include the time you will have for *acceptance*. You and we are bound from the time we receive your *acceptance*. By you sending your *acceptance*, you irrevocably authorise us to carry out all aspects of the *transaction*. In particular, you irrevocably authorise us to debit your account in accordance with those *instructions*.

Because CommBiz is Internet-based, potentially there can be delays between the time you send your *acceptance* and our receipt of your *acceptance*. In some circumstances, if there is such a delay in transmission we may withdraw our *acknowledgment* before we receive your *acceptance*, even though the *acceptance* has already been sent by you. In other cases, because of such a delay in transmission, we may withdraw our *acknowledgment* before we receive your *acceptance*, even though the *acceptance* has already been sent by you within the time specified in our *acknowledgment*. In some cases, for example due to a failure in telecommunications links, we may not receive your *acceptance* at all.

Where we withdraw our *acknowledgment* prior to receipt of your *acceptance*, or we do not receive your *acceptance*, either within the time specified or at all, we will not act on your *instructions*. We will endeavour to notify you if we have withdrawn our *acknowledgment* prior to receipt of your *acceptance*, or we have not received your *acceptance* within the time specified, but it may not always be possible to do so. You therefore should check the record of your *transactions* on *IPFX* at a later time to confirm that your *acceptance* has been acted on by us and the *transaction* has been effected.

Dependent upon individual *user entitlements*, we may require that *your acceptance* be sent by an *authorised user* (using that user's *security identification*) different from the *authorised user* who sent *us* the *instructions* for the *transaction*.

7.4 Deemed authority

You agree that:

- (a) we are authorised to act upon all *instructions* and *acceptances* using *your security identification*;
- (b) we are authorised to provide information through *IPFX* to *you* and to anyone using *your security identification*;
- (c) we are authorised to treat any act or *transaction* effected through *IPFX* by the use of *your security identification* as an act or *transaction* which is undertaken with *your* authority without *us* being required to verify *your* authority in any case unless, prior to the *transaction*, *you* have instructed *us* to cancel *your security identification*;
- (d) we are not required to check the accuracy of any *instructions*, *acceptances*, notifications or requests; and
- (e) in consideration of *us* so acting, and subject to clause 8.8 Special Provisions for Unauthorised *EFT Transactions*, *you* release *us* from all actions, suits, proceedings, claims, costs and demands that may be made, brought or incurred by or against *us* arising from any incorrect *instructions* or *acceptances* and any unauthorised *instructions* using *your* access codes.

7.5 Incorrect information

If we quote *you* information in relation to *your* account or a *transaction*, or a proposed *transaction*, or in an *acknowledgment* which is clearly incorrect (because, for example, a typographical error), *you* must notify *us* of the error and *you* shall not seek to enter into a *transaction* based on that information. If *you* enter into a *transaction* based on that incorrect information, upon becoming aware of that error we may, if it is reasonable for *us* to do so, immediately reverse the *transaction* and make corresponding correcting entries to *your* accounts.

7.6 Instructions to pay another bank

If in any *instruction* (including a settlement instruction, standard settlement instruction or authorised settlement instruction) *you* instruct *us* to pay monies to the credit of an account at another bank or financial institution, we and the other bank or financial institution:

- (a) are entitled to rely solely on the account number details *you* provide *us*, regardless of whether any *beneficiary* name details are provided with the *instructions* or are provided to or known by *us* or the other bank or financial institution; and
- (b) will not be obliged in any circumstances to check that the account number details match the *beneficiary* name details.

7.7 Incorrect account details

If in any *instruction* (including a settlement instruction, standard settlement instruction or authorised settlement instruction) *you* instruct *us* to pay monies to the credit of an account at another bank or financial institution and specify

an account number as the recipient of those funds which is incorrect, *you* must indemnify and hold *us* harmless from all actions, suits, proceedings, claims, costs and demands that may be made, brought or incurred by or against *us* arising from *our* payment of such monies to the incorrect account number in accordance with the instruction.

8. Liability

8.1 Limited warranty

We disclaim and exclude any warranty or representation that the performance of or access to *IPFX* or the *products* will be uninterrupted and error free.

We do not warrant that the services provided to *you* in relation to *IPFX* will be fault free or that any problem with *IPFX* or the Internet can be solved immediately or at all. *You* acknowledge that those services may rely on factors outside *our* control. We will use reasonable endeavours to overcome any fault in the services we provide to *you* as quickly as possible.

8.2 Suspension of access

You acknowledge that, during any technical failure, modification or maintenance involved in connection with *IPFX* *your* access may be suspended or disconnected by *us*. If we are reasonably able to do so, we will give *you* prior notice if *your* access to *IPFX* may be suspended or disconnected. We will use reasonable endeavours to procure the resumption of *your* access to *IPFX* as soon as reasonably practicable, after being put on notice of any suspension or disconnection of that access.

8.3 Non-availability of IPFX

We undertake to make all reasonable efforts to ensure that *IPFX* is available to *you*, but we are not liable to *you* for or in connection with:

- (a) the failure of *IPFX* to perform in whole or in part any function which we have specified it will perform due to circumstances outside of our reasonable control;
- (b) the unavailability of *IPFX* to *you* in whole or in part, because of the failure of the telecommunication network, any Internet service provider, or any equipment used in connection with the inputting of information by *you* or in connection with the provision by *us* of *IPFX*, or because of any circumstance beyond *our* reasonable control;
- (c) delays or errors in the execution of, or the failure to execute, any *transaction* or *instruction* through use of *IPFX*, because of the telecommunication network, any Internet service provider, or any equipment used in connection with the provision of *IPFX*, or because of any circumstance beyond *our* reasonable control; or
- (d) any failure on *our* part to quote on a particular currency or *currency pair* as a result of adverse market conditions.

It is *your* responsibility to use other means of effecting *transactions* and obtaining information if for any reason, including a failure on *our* part, *you* are unable to use *IPFX* or access a product. *You* may call *us* on 1300 222 339 between 8am and 6pm (Sydney time), Monday to Friday (excluding Australian national public holidays) to discuss *your* options.

8.4 Exclusion of liability

Where we have acted with due care and skill, neither we nor any of *our* officers, employees or agents will be liable to *you* for any loss or damage suffered by *you* in connection with the *agreement*, the *products* or the use of *IPFX* caused directly or indirectly by any act or any refusal or omission to do any act by *us*, *our* officers, employees or agent. This clause does not limit *our* liability to *you* if we fail to complete a *money market transaction* where we have received in time *your* acceptance of that *transaction*.

This service when supplied to *you* as a consumer comes with a non-excludable warranty under consumer protection laws that it will be carried out with due care and skill and be reasonably fit for the purpose. If the *Bank* breaches any of those warranties *you* may be entitled to compensation. When *you* are not a consumer under consumer protection laws *our* liability for loss or damage is limited to re-supplying the service to *you* or paying the costs of having the service resupplied to *you*. When *you* are a consumer under consumer protection laws *our* liability is limited in this way only to the extent permitted by those laws.

8.5 Consequential loss

Notwithstanding the generality of Clause 8.4, we expressly exclude liability which may arise in respect of the *agreement*, *IPFX*, the *products*, or the tokens, for consequential loss or damage or for loss of profit, business, revenue, goodwill or anticipated savings. For *transactions* subject to the ePayments Code, this clause does not limit *your* right (if any) to claim consequential damages against *us* as a result of the malfunction of our systems or equipment however caused. But if *you* were aware or should have been aware that the system or equipment was unavailable for use or was malfunctioning, our responsibility is limited to correcting any errors in *your* account and refunding any *fees* or charges imposed on *your* account as a result.

8.6 Other banks

We will not be liable for any claims or damages made against or sustained by *you*, arising from delays or errors in the execution of, or the failure to execute any *instructions* or *transaction* occasioned by the fault or negligence of any other bank or financial institution including any correspondent bank or paying bank employed by *us* to make or collect a payment. We are not liable if a money transfer or payment is refused or rejected for any reason by any party connected with or having jurisdiction over the *transaction*. Any proceeds returned to *us* may be credited to the account to which the money transfer or payment was originally debited.

8.7 *Your* responsibility for *administrator* or *authorised users*

In addition to *your* normal liability as principal *you* are entirely responsible for any breach of the *agreement* by an *administrator* or *authorised user*.

You must indemnify *us* for any loss that *we* may suffer, or any costs or expenses that *we* may incur in any litigation, actions or proposed litigation or action, as a result of the *administrator's* or *authorised user's* use of or participation in *IPFX*.

8.8 Special Provisions for Unauthorised EFT Transactions

(a) What is an EFT Transaction?

An *EFT Transaction* is a funds transfer, either from or to an account of yours with *us* which is not a 'business account' initiated by the giving of an instruction. A 'business account' is one that is designed primarily for use by a business and established for business purposes. This clause 8.8 only apply to *EFT Transactions*.

(b) Application of the ePayments Code

The ePayment Code governs e-banking transactions. It does not apply to accounts which are only available for business purposes. To the extent that they apply, we will comply with the provisions of the ePayments Code applying to *EFT Transactions*.

(c) What is an unauthorised EFT transaction?

An unauthorised *EFT transaction* is one which *you* or *your* nominated *authorisers* have not authorised. An *EFT transaction* that *you* make, or that someone else makes with *your* consent, is not an unauthorised *EFT transaction*. An *EFT transaction* carried out by an *authoriser* is not unauthorised unless *you* instructed *us* to cancel their *security identification* before the *transaction*.

(d) When *you* are not liable for loss

You will not be liable for any loss arising out of an unauthorised *EFT transaction* which:

- (i) a *user* did not contribute to; or
- (ii) arises after *you* have notified *us* that any *security token* forming part of the *security identification* has been misused, lost or stolen or that the security of passwords forming part of the *security identification* has been breached; or
- (iii) is caused by any act, or fraudulent or negligent conduct of any of our employees or agents; or
- (iv) results from any device which is part of *your security identification* being forged, faulty, expired or cancelled; or
- (v) arose from an *EFT transaction* made before *you* or another *user* receiving a *security token* or password forming part of *your security identification*; or
- (vi) is caused by the same *EFT transaction* being incorrectly debited more than once to *your* account.

(e) When *you* are liable for loss

(i) Compromised *security identification*

If we can prove on the balance of probability that *you* contributed to the loss, *you* are liable for losses from unauthorised *EFT transactions* that occur when the *security identification* is compromised.

Your security identification is said to be compromised when:

- (A) a device forming part of a *security identification* has been misused, lost or stolen;
- (B) the security of a password forming part of the *security identification* has been breached.
- (ii) Unreasonable delay
- You are liable if the loss resulted from *your* unreasonable delay in telling *us* once *you* became aware that the *security identification* was compromised or that *your* mobile device is lost or stolen.
- (iii) Fraud and disclosure
- You are liable if the loss resulted from any *user*:
- (A) committing fraud;
- (B) voluntarily disclosing their password;
- (C) acting with extreme carelessness in failing to protect the security of all their passwords;
- (D) recording one or more of the passwords on the outside of a security device;
- (E) keeping a record of one or more of the passwords, such as making a reasonable attempt to disguise the password within another record, hiding the record of the password where it would not be expected to be found, keeping the record of the password in a securely locked container or in password protected device)) on the one article, or on several articles, carried with the security device, or likely to be lost or stolen with the device.
- (iv) Choice of passwords
- You are liable if we have specifically told a *user* not to choose a password that represents their date of birth or their name, and they have done so anyway.
- (f) **What you are liable for**
- Where any of the circumstances in clause 8.8(e) apply, *you* are liable for losses that occur before we are notified that the *security identification* has been compromised.
- Where none of the circumstances in clause 8.8(e) apply and a password was required for the unauthorised *EFT transaction*, *you* are liable for the least of:
- (i) \$150;
- (ii) the balance of the accounts from which value was transferred in the unauthorised *EFT transactions* and which we had agreed with *you* were accessible using the *security identification* (including any pre-arranged credit);
- (iii) the actual loss at the time that we are notified that the *security identification* has been compromised (where relevant).
- (g) **What you are not liable for**
- You are not liable for:
- (i) any amount higher than the balance of the account;
- (ii) losses from accounts which we had not previously agreed were accessible using the *security identification*.
- (h) **Mistaken payment**
- If, after *you* give *us instructions* to make a payment, *you* discover that the account to which *you* told *us* to make the payment was incorrect or was not *your* intended recipient's *you* can contact *us* to seek a refund. We will attempt to recover the funds on *your* behalf but we are not liable unless we fail to comply with the process set out below.
- We will acknowledge receipt of *your* report and provide *you* with a reference number which *you* can use to verify that *your* report has been recorded by *us* and to enquire about progress of *your* claim.
- Once we have the information we require and are satisfied that *you* have made a mistaken payment, we will send a request for return of the funds to the recipient's financial institution. Where *your* report is made within 10 *business days* of the mistaken payment and the unintended recipient has sufficient credit funds in their account, we may be able to take advantage of industry rules which allow *us* to recover the funds for *you* with the unintended recipient's consent.
- We will advise *you* in writing of the outcome of the request within 30 *business days* of receiving the information from *you*.
- (i) **Making a complaint**
- If *you* make a complaint which is subject to the ePayments Code, including an unauthorised *EFT Transaction* or a mistaken payment, we will make a record and give *you* our name, a reference number and contact details so that *you* can follow up if *you* want to. Within 21 days we will provide a response to the complaint or advise *you* of the need for more time to complete our investigation. If we are unable to provide a final response to *your* complaint within 45 days, we will:
- (i) inform *you* of the reasons for the delay and when we reasonably expect a decision;
- (ii) thereafter give *you* monthly progress updates;
- (iii) advise of *your* right to complain to the Australian Financial Complaints Authority (AFCA); and
- (iv) provide *you* with AFCA contact details.

9. Termination

9.1 Termination

If *you*:

- (a) become *insolvent*; or
- (b) otherwise breach the *agreement*;

we are entitled to immediately terminate the *agreement* either by notifying *you* in writing or by ceasing to provide *products* and the services to *you* and may immediately terminate any *transaction* which has not been completed by *us*. *We* will not exercise this right unreasonably.

9.2 Continuing rights

Termination will not affect *your* right or *our* right to take action for breaches that have occurred before termination including *our* right to recover *fees* from *you*.

9.3 Termination requirements

Upon termination *you* must:

- (a) immediately cease to use *IPFX* and any access to the CommBiz site;
- (b) immediately destroy all *security identification*, software and any other security code and all records of access codes.

9.4 Termination by either party

Either party may terminate this *agreement* by 7 days' notice in writing to the other party, unless otherwise agreed.

10. Intellectual Property

You acknowledge that:

- (a) *you* do not obtain any intellectual property rights whatsoever used or embodied in, or in connection with *IPFX* or the *products*;
- (b) *we* reserve the right to grant rights to use *IPFX* and the *products* to any other person; and
- (c) in the event that new inventions, designs or processes evolve in performance of or as a result of the *agreement*, these also shall be *our* property unless otherwise agreed in writing by *us*.

11. General Provisions

11.1 Governing law

The *agreement* is to be governed and construed in accordance with the law of the State of New South Wales and the parties agree to submit to the non-exclusive jurisdiction of the courts of New South Wales.

11.2 Non-assignability

Unless otherwise provided, *you* may not assign, mortgage, charge, declare a trust, or otherwise deal with *your* rights and obligations under the *agreement* without first obtaining *our* consent (see Clause 11.9).

11.3 Waiver

No delay, neglect or forbearance by either party in enforcing its rights at law or any provision of the *agreement* against the other party shall be a waiver or in any way prejudice any right of either party, unless expressly stated in writing.

11.4 Severability

If any provision of this *agreement* is found to be illegal, void or unenforceable for unfairness or any other reason (for example, if a court or other tribunal or authority declares it so), the remaining provisions of this *agreement* will continue to apply to the extent possible as if the void or unenforceable part had never existed.

11.5 Government duties, fees and charges

You must pay all Government duties, taxes, *fees* and charges which arise as result of the execution of the *agreement* and the rights given to *you* by the *agreement*.

11.6 Notices and delivery of documents

Unless otherwise provided in this *agreement*:

- (a) *you* agree that in addition to being able to deliver them to *you* in person, by post or by facsimile, *we* can send *you* electronic notices and any document or communication electronically by:
 - (i) sending the information to an electronic address *you* nominate; and/or
 - (ii) making the information available on the CommBiz and giving *you* an electronic notification that the information is available;
- (b) *you* agree that any communication from *you* to *us* must be signed (in the case of postal or faxed communication) by an *authorised user*; and
- (c) any notices or communication will be deemed to be duly given or made:
 - (i) in the case of delivery in person, when delivered personally or to the address, place of business or registered office of the intended recipient referred to in this section;
 - (ii) in the case of post, on the third day after having been posted as prepaid ordinary mail;
 - (iii) in the case of facsimile, on the production by the despatching facsimile machine of a transmission control report showing the relevant number of pages comprising the relevant document to have been sent to the facsimile number of the recipient and the result of the transmission as "OK" (or an equivalent expression), unless the recipient notifies the sender within 2 hours that the transmission was not received in its entirety in a legible form; and
 - (iv) in the case of an electronic messaging system (email), on production of a "return receipt" (or an equivalent expression) by the despatching electronic message delivering system stating that the "document" (or transmission by whatever name called) was received by the intended recipient unless the recipient notifies the sender within 2 hours that the transmission was not received in its entirety in legible form;
 - (v) if a notice or other communication is taken to have been duly given or made after 4.30pm in the place to which the communication is addressed or on a day which is not a working day in that place, it will be deemed to be duly given or made at 8.30am on the next working day in that place.

11.7 Change of name and address

You are required to notify us promptly in writing of a change to your name or address.

11.8 Disclosure

You agree that we may supply information regarding your liability under the agreement from time to time to any person who has undertaken to the Bank to indemnify it for your liability under the agreement.

11.9 Consent

Whenever you ask for our consent we will only refuse our consent if it is reasonable to refuse it. If we give our consent, we may impose reasonable conditions. You must comply with any reasonable conditions we impose in giving our consent.

12. Refusal of service

If you appear to be a *proscribed person*, or if any dealings with you are otherwise in breach of any *sanctions law*, then we can immediately:

- refuse to process or complete any *transaction* or dealing of yours;
- suspend the provision of a product or service to you;
- refuse to allow or to facilitate any of your assets we hold to be used or dealt with;
- refuse to make any asset available to you or to any other *proscribed person* or entity; and
- terminate these arrangements with you.

We are under no liability to you if we do any or all of these things and these rights are in addition to all other rights we may have.

If we exercise our rights, you must pay us any damages, losses, costs or expenses that we incur for any action taken under this clause, including without limitation:

- negative interest owed;
- administrative costs; and
- costs of sale or purchase of any *transaction* or deal put in place to meet our obligations under these terms and conditions.

Special Terms and Conditions for Foreign Exchange

Fx.1

- (a) These *Special Terms and Conditions* govern each *Foreign Exchange (FX) transaction* to the extent set out below.
- (b) If you have not entered into an *ISDA Master Agreement* or a *Derivatives Master Agreement* with us, these *Special Terms and Conditions* will apply to govern all *FX transactions* from the date on which these terms take effect (including all *FX transactions* outstanding as at that date) and replace any previous *Special Terms and Conditions for Foreign Exchange*. If you subsequently enter into an *ISDA Master Agreement* or a *Derivatives Master Agreement* with us, these *Special Terms and Conditions* will then apply to govern those *FX transactions* only to the extent as set out in (c) below.
- (c) If you have entered into, or do enter into, an *ISDA Master Agreement* or *Derivatives Master Agreement* with us, that *ISDA Master Agreement* or *Derivatives Master Agreement* will govern all *FX transactions*, and these *Special Terms and Conditions* will only apply to the extent that in respect of each *FX transaction* entered into by you using *IPFX*:
- (i) Clauses Fx.3, Fx.4, Fx.5, Fx.6, Fx.7, Fx.8 (first sentence), Fx.9, Fx.13, Fx.17, Fx.18, Fx.20; and
 - (ii) Clause 1.2 in relation to any terms defined in those clauses which appear in the clauses referred to in paragraph (i),

will apply and you and we agree that these clauses are taken to be incorporated into each *confirmation* for such *FX transaction* under the *ISDA Master Agreement* or the *Derivatives Master Agreement*, as the case may be. We are not obliged to enter into any *FX transaction* with you.

Fx.2

In relation to an *FX transaction* entered into otherwise than by using *IPFX* including without limitation by telephone or facsimile:

- (a) You and we are bound from the time the deal is agreed by us. *FX transactions* may be entered orally and you consent to our recording the telephone conversations with you.
- (b) We will send you a written *confirmation* setting out the details of each *FX transaction*. Promptly after receiving the *confirmation*, you must either:
- (i) notify us that there is an error in the *confirmation* (you are bound by the *confirmation* unless you tell us there is an error within that time); or
 - (ii) sign a copy of the *confirmation* and return it to us to acknowledge it is correct.

However, the *FX transaction* is valid even if these steps are not followed.

If we agree to amend the *settlement date* for an existing *FX transaction*, we will issue a *confirmation*, which shall

supersede and replace the previous *confirmation* in all respects.

For the avoidance of doubt, Clause 8 of the *Terms and Conditions* does not apply to an *FX transaction* entered into otherwise than by using *IPFX*.

Fx.3

In relation to an *FX transaction* entered into by using *IPFX*:

- (a) Subject to Clause 7.3 of the *Terms and Conditions*, upon receipt of your acceptance of an *FX transaction*, we will send you a *confirmation* setting out the details of that *FX transaction*.
- (b) Upon your receipt of the *confirmation* (online or by fax), you must notify us immediately if there is an error in the *confirmation*. The *confirmation* will be binding conclusive evidence of the details of the *transaction* unless you immediately notify us that there is an error. A *confirmation* is deemed to have been received by you when it has been displayed to you on the *IPFX* site.

However, the *FX transaction* is valid even if you fail to receive the *confirmation* from us due to a telecommunication malfunction or other circumstance beyond our control. We may issue a further *confirmation* if the previous *confirmation* contained any error, whether or not you advised us of that error and, in this event, the further *confirmation* shall supersede the previous *confirmation* in all respects.

If we agree to amend the *settlement date* for an existing *FX transaction*, we will issue a further *confirmation*, which shall supersede and replace the previous *confirmation* in all respects.

Fx.4

If we quote you an *exchange rate* which is clearly outside the then current market rate, you must notify us of the error and you shall not enter into an *FX transaction* at that *exchange rate*. If you enter into an *FX transaction* at an *exchange rate* which is clearly outside the then current market rate, upon becoming aware of that error, we may immediately terminate the *FX transaction*. We will not exercise this right unreasonably.

Fx.5

You must provide us with a standard form of settlement instruction template which you will use to settle *FX transactions*. The instruction templates outline to us how we are to deal with funds payable by us and how you will pay us. The proposed instruction template must be submitted to us via *IPFX* for acceptance. Once these instruction templates are accepted by us and activated by you, they are then your active instruction templates for settlement of *FX transactions*, and can/will be stored on *IPFX* as reusable instruction templates. Only active instruction templates can be used to settle *FX transactions*.

Fx.6

Prior to the *settlement date* of each *FX transaction*, or the currency cut-off time or country cut-off time if earlier, you must combine an active instruction template with the cashflows of that *FX transaction* so that you provide us with instructions of how, at settlement, we are to deal with the funds payable

by us and how you will pay us funds. Once these settlement instructions are completed and authorised by you, they are then your authorised settlement instructions for settlement of that FX transaction, and will be stored on IPFX and used by us to settle the FX transaction. Once you have given us an authorised settlement instruction, you may not cancel or change it without our agreement. You may give us an authorised settlement instruction in respect of more than one FX transaction, provided that all such transactions that are the subject of that instruction have a common settlement date. You have the ability to select one or more outstanding FX transactions of the same currency pair and settlement date for net, bulk, multiple or partial settlement. Settlement of FX transactions will be effected by us electronically in accordance with your authorised settlement instructions.

Fx.7

You must give us an authorised settlement instruction in respect of an FX transaction prior to the currency cut-off times or country cut-off times for the relevant currencies for the FX transaction. If you fail to do so, we may extend the settlement date at our discretion or, if we choose, we may contact you by telephone. You authorise us to record any telephone conversation. If we contact you, we are authorised and requested to act on the telephone instructions or facsimile instructions to settle the FX transaction or extend the settlement date given to us without the need to verify the authority of the person or the accuracy of any such instructions. A facsimile instruction which is complete and regular on the face of it shall be deemed to have been properly completed and sent by you and in the event of any dispute (including litigation) concerning any such instructions, you waive the right to claim that any signature thereon is not genuine or that the person was not authorised by you.

In consideration of our acting on the authority, in this Clause, you release us from all actions, suits, proceedings, claims, costs and demands that may be, or may have been, brought against or incurred by us as a result of any unauthorised or incorrect telephone instructions or facsimile instructions.

Except that you will have no liability in respect of any such claims arising from our or our employees' bad faith or wilful misconduct. If we extend the delivery date, we will record that on the record of your FX transactions on the IPFX service but are not otherwise obliged to notify you.

Fx.8

We must make the payments due to you under each FX transaction in accordance with your authorised settlement instruction. You must make the payments due to us under each FX transaction by Electronic Funds Transfer to our designated account as advised to you, but we will not accept a cheque or other negotiable instrument as a means of settlement of FX transactions. However, if you and we owe each other amounts for FX transactions in the same currency on the same day, then, unless specified by your authorised settlement instruction for all FX transactions on that day, the party owing the higher amount must pay the difference between those amounts and the other party does not make a payment. You must first make all payments due to us on the settlement date before we are obliged to make any payments to you, or at your direction. If we choose, we may pay any funds due by us on the settlement date.

- (a) to you or at your direction prior to receipt of any payment due to us; or
- (b) into an account in your name or at your direction or on the condition that the funds are not available until we have received payment from you and until that time are repayable to us.

Each of our obligations to make a payment to you is subject to the condition precedent that no Termination Event has occurred and is continuing.

Fx.9

In the event that you become aware that you will be unable to settle in full an FX transaction on the settlement date you must notify us immediately. We may either effect settlement of the FX transaction in accordance with the procedures in Clauses Fx.11 and Fx.12, or we may extend the settlement date in accordance with the procedure in Clause Fx.7.

Fx.10

We may terminate all (or at our election, some) outstanding FX transactions on a date specified by us (the Termination Date) if any of the following events or circumstances occur (each a Termination Event):

- (a) you do not pay us any amount due under this agreement or an FX transaction on the date required for payment; or
- (b) you breach a term of this agreement or an FX transaction fail to perform any of your obligations to us under any other agreement or security; or
- (c) you make a representation to us in connection with this agreement or an FX transaction that is untrue or misleading in any material respect; or
- (d) you become insolvent; or
- (e) if you are required under these Special Terms and Conditions to sign and return a confirmation, you do not sign and return a copy of a confirmation in the form issued by us within 5 business days of the date of the confirmation (regardless of whether, in your opinion, there is an error in the confirmation) (and we may only terminate the FX transaction to which the unsigned confirmation relates, after having taken reasonable steps to establish that there is no error in the confirmation); or
- (f) if you are an individual, you die or lose your legal capacity whether due to mental illness or otherwise; or
- (g) if you enter into this agreement or FX transactions as trustee of a trust:
 - (i) you breach any of your obligations as trustee of the trust; or
 - (ii) without our prior written consent, you cease to be the trustee of the trust; or
 - (iii) without our prior written consent, the trust is terminated, the trust deed is varied, the trust fund is resettled or a vesting date is determined; or

- (iv) *you* do not have a right of indemnity from the trust fund for all liabilities in respect of the *FX transactions* or this *agreement* or that right of indemnity is restricted or limited in any way; or
- (h) if *you* enter into this *agreement* or *FX transactions* as a partnership:
 - (i) there is a proposal to terminate or wind up the partnership or the partnership is terminated or wound up or a step is taken towards doing any of these things; or
 - (ii) without *our* prior written consent, the partnership agreement is terminated or varied; or
- (i) the performance of any obligation, or the exercise of any right, under this *agreement* or any *FX transaction* becomes illegal after the time the obligation was incurred or the right was given; or
- (j) any deduction or withholding for or on account of any present or future tax, duty or charge is required by law to be made from a payment to be made under this *agreement* or any *FX transaction*; or
- (k) *you* or a person related to *you* or a person authorised to enter into and settle *FX transactions* on *your* behalf and sign *confirmations* becomes a *proscribed person*; or
- (l) anything else occurs that *you* and *we* agree is a *Termination Event* whether in a *confirmation* or otherwise; or
- (m) *we* terminate this *agreement* in accordance with Clause 9.1 of the *agreement*.

We will not exercise this right unreasonably.

Fx.11

If *we* elect to terminate outstanding *FX transactions* under Clause Fx.10:

- (a) neither party need make further payments under Clause Fx.8 for the *FX transactions* *we* have elected to terminate. Instead, this Clause Fx.11 applies.
- (b) if *we* exercise *our* right to terminate under Clause Fx.10 but *we* do not terminate all *FX transactions*, *we* can exercise *our* rights to terminate other *FX transactions* at a later date (including if the same *Termination Event* that gave rise to the earlier termination continues to exist).
- (c) if *we* terminate one or more *FX transactions* on the *Termination Date*, *we* must, acting reasonably calculate, in Australian Dollars, the *Net Termination Amount* in relation to the terminated *FX transaction* or group of terminated *FX transactions* in accordance with the next paragraph (d) for the purpose of calculating a single net sum.
- (d) The *Net Termination Amount* is an amount equal to (i) the sum of (A) the *Close-out Amount* or *Close-out Amounts* (whether positive or negative) for each terminated *FX transaction* or group of terminated *FX transactions*; and (B) the *Unpaid Amounts* owing

to *us* under all terminated *FX transactions*; less (ii) the *Unpaid Amounts* owed by *us* under all terminated *FX transactions*.

- (e) *We* must notify *you* as soon as practicable after calculating the *Net Termination Amount*.
- (f) If as a result of this calculation the *Net Termination Amount* is positive *you* must pay *us* the *Net Termination Amount*. Alternatively, if as a result of this calculation the *Net Termination Amount* is negative, then, subject to paragraph (g) below and Clause Fx.14, *we* must pay *you* the absolute value of that *Net Termination Amount*. Payments due must be made not later than 2 *business days* after *we* give the notice under paragraph (e) above.
- (g) Despite any other provision *we* may be required by law (including laws relating to sanctions, anti-money laundering, counter-terrorism financing or currency controls) to refuse, and may accordingly so refuse, to pay to *you* any amount payable by *us* to *you* under or in connection with this *agreement* or any *FX transaction* and will be under no liability to *you* in such circumstances.

Fx.12

If payment is due by *you* but not effected within 2 *business days* as set out in Fx.11(f), *we* may debit *your* accounts with *us* for the amount of the payment. If payment is due by *us*, *we* will pay *you* by crediting *your* account with *us*.

Fx.13

If *we* consider that there has been a significant disruption to the operation of the foreign exchange market in respect of any currency which is the subject of any outstanding *FX transactions*, *we* may terminate all or any *FX transactions* involving that currency in accordance with the procedure set out in Clauses Fx.11 and Fx.12.

Fx.14

At any time after *we* exercise *our* rights under Clauses Fx.10, Fx.11 and Fx.12 (or terminate or settle *FX transactions* pursuant to Clauses Fx.7 or Fx.9), *we* may set-off any money *we* owe *you* under this *agreement* against any money *you* owe *us* (whether or not under this *agreement*).

Fx.15

You must pay *us* for *our* reasonable expenses, reasonably incurred in enforcing or taking any other action in connection with *our* rights if *we* become entitled to take action under Clauses Fx.9 or Fx.10. *You* must also pay *us* on demand *our* fees, charges and expenses in connection with *FX transactions*.

Fx.16

Unless *you* can provide satisfactory evidence to the contrary, a statement by *us* (including, but not limited to, a statement stating the value of an *FX transaction* terminated by the procedure in Clause Fx.11) about a matter or about a sum payable in connection with this *agreement* is sufficient evidence of the matter or sum stated in the statement.

Fx.17

We reserve the right to suspend trading in any *currency pairs* as a result of local or international market conditions.

Fx.18

If *you* or *we* make an error in entering into an *FX transaction*, as soon as *you* or *we* become aware of the error *you* or *we* will advise the other. As soon as possible after:

- (a) such advice of an error in entering into an *FX transaction*;
or
- (b) *you* notify *us* in accordance with special condition Fx.2 or Fx.3 of an error in the *confirmation* of the *FX transaction*; *we* and *you* will immediately refer the matter to respective senior personnel who have authority to intervene and who will negotiate in good faith to attempt to resolve, in accordance with prevailing market practice and, so far as applicable, the complaint procedures available to *you* as described in the *Foreign Exchange PDS*. In attempting to resolve any such dispute *we* and *you* agree to act in good faith to minimise any loss which *we* or *you* might otherwise suffer in respect of the *FX transaction*.

Fx.19

You acknowledge that *FX transactions* involve the risk of loss due to adverse movement in the *exchange rates* or interest rates. *You* should not enter into *FX transactions* unless *you* understand the risks. It is *your* responsibility to monitor the *exchange rates* and interest rates affecting *your FX transactions*.

Fx.20

Please be aware that due to *exchange rate* fluctuations, a tolerance of +2.5% or –2.5% will be applied in calculating the daily trading limit.

Fx.21

In addition, each *FX transaction* is governed by the Australian foreign exchange market conventions, to the extent not inconsistent with these *Special Terms and Conditions*.



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