

Important Notice: Redraw

- Redraw is not available during a fixed rate period.
- However, if you make additional repayments during a fixed rate period, or had available redraw when you entered your fixed rate period, the amount available for redraw at the end of the fixed rate period may be lower.
- This is because the amount is adjusted so that at the end of your agreed loan term, both your loan balance and the available redraw will be zero.
- Visit commbank.com.au/manage-repayments to find out more.

Important Notice: Mortgage Interest Saver Account (MISA)

Effective 16 March 2019 the Mortgage Interest Saver Account (MISA) feature will no longer be available for sale/activation. The feature will also be removed if any existing MISA balance reduces to \$0 on or after this date.

Wealth Package and Mortgage Advantage

If you have joint lending, you may be able to open a joint package with the other borrower on your loan.

Importance Notice: Changes to your daily withdrawal limit

From May 2019, purchases made when selecting SAV/CHQ will no longer count towards your daily withdrawal limit. Only cash withdrawals will count towards the daily limit. This will apply to both personal and business accounts.

The following terms and conditions where applicable to you, will be amended to reflect the change:

- Electronic Banking Terms and Conditions
- Transactions, Savings and Investment Accounts Terms and Conditions.
- Consumer Mortgage Lending Products Terms and Conditions.

Important Notice: Changes to the Consumer Mortgage Lending Products Terms and Conditions

This notice outlines changes to your Consumer Mortgage Lending Products Terms and Conditions that are effective 15 March 2019. If you have multiple home loans the changes in this notice apply to all of your home loans. Please keep this notice as record of changes to your Loan Contract.

Mortgage Interest Saver Account

The following information applies wherever there is mention of Mortgage Interest Saver Account or MISA:

On and from 16 March 2019, MISA is no longer available for sale, or able to be activated, for any loan. If a MISA has a nil balance on or after 16 March 2019, it cannot be reactivated.

Equity Unlock Loan for Seniors

The following information applies wherever there is mention of Equity Unlock Loan for Seniors or EQFS:

Equity Unlock Loan for Seniors unavailable for new fundings and limit increases on and from 1 January 2019.

Section 1: Useful Information

The following paragraphs are deleted and replaced:

Credit Guide, What if you have a complaint? second paragraph (page 9)

In the event that we are unable to resolve the dispute to your satisfaction, you may apply to the Australian Financial Complaints Authority ABN 38 620 494 340 (AFCA). AFCA is an impartial, independent and free external dispute resolution scheme to resolve disputes. Before AFCA can investigate the matter, you must have given us the opportunity to review it first. The contact details for AFCA are:

Australian Financial Complaints Authority

GPO Box 3

Melbourne Victoria 3001

Tel: **1800 931 678**

Website: www.afca.org.au

How we can help, You could save with a Home Loan Wealth Package

A Home Loan Wealth Package could save you money every day. For an annual fee of \$395 you'll enjoy interest rate discounts and no establishment fees for eligible home loans, and no annual fees for eligible credit cards. To obtain these benefits you must qualify for the Wealth Package and have an initial package lending balance of at least \$150,000 when you apply for a package. Low Documentation loans are not eligible for Wealth Package.

The following paragraph is deleted and not replaced:

Money to use in retirement

The following paragraphs are deleted and replaced:

Information Statement – Part F, THE CONTRACT

9. Is there anything I can do if I think that my contract is unjust?

Yes. You should first talk to the Bank. Discuss the matter and see if you can come to some arrangement. If that is not successful you could apply to the Bank's external dispute resolution scheme. External dispute resolution is a free service established to provide you with an independent mechanism to resolve specific complaints. The Bank's external dispute resolution provider is Australian Financial

Complaints Authority which can be contacted at telephone **1800 931 678**, **www.afca.org.au** or GPO Box 3, Melbourne VIC 3001.

MORTGAGES

18. What can I do if I find that I cannot afford my repayments and there is a mortgage over property?

If the Bank won't give permission contact Australian Financial Complaints Authority (the Bank's external dispute resolution scheme) for help.

GENERAL

24. Can the Bank take action against me?

Yes, if you are in default under your contract. But the law says that you cannot be unduly harassed or threatened for repayments. If you think you are being unduly harassed or threatened, contact Australian Financial Complaints Authority or ASIC, or get legal advice.

25. Do I have any other rights and obligations?

Yes. The law will give you other rights and obligations. You should also **READ YOUR CONTRACT** carefully.

IF YOU HAVE ANY DOUBTS, OR WANT MORE INFORMATION, CONTACT THE BANK. YOU MUST ATTEMPT TO RESOLVE YOUR COMPLAINT WITH THE BANK BEFORE CONTACTING THE BANK'S EXTERNAL DISPUTE RESOLUTION SCHEME. IF YOU HAVE A COMPLAINT WHICH REMAINS UNRESOLVED AFTER SPEAKING TO THE BANK YOU CAN CONTACT THE BANK'S EXTERNAL DISPUTE RESOLUTION SCHEME OR GET LEGAL ADVICE.

EXTERNAL DISPUTE RESOLUTION IS A FREE SERVICE ESTABLISHED TO PROVIDE YOU WITH AN INDEPENDENT MECHANISM TO RESOLVE SPECIFIC COMPLAINTS. THE BANK'S EXTERNAL DISPUTE RESOLUTION PROVIDER IS AUSTRALIAN FINANCIAL COMPLAINTS AUTHORITY AND CAN BE CONTACTED ON 1800 931 678, www.afca.org.au OR GPO BOX 3 MELBOURNE VIC 3001.

PLEASE KEEP THIS INFORMATION STATEMENT. YOU MAY WANT SOME INFORMATION FROM IT AT A LATER DATE.

Section 2: General Terms and conditions that apply to all Loans

Clause 1 Meaning of words

The meanings of the following words are deleted and replaced with the following:

Business Day	A day that is not: a) a Saturday or Sunday; or b) a national public holiday, special holiday or bank holiday in the place any relevant act is to be done or may be done.
Disclosure date	The Contract Schedule is dated the day the document is generated. This date is the disclosure date and is stated at Item A of the Schedule.
Initial Commitment Period	The period within three months of the Disclosure Date (for clause HL14) or the period within three months of the Disclosure Date (for clause C7 and O7/LOC7).
Loan Term	The period of time (if any) over which repayments are to be made. See Item E (iv) of the Schedule.
Loan Type	The range of Loan products we offer for example Standard Variable Rate, Fixed Rate and Viridian Line of Credit. See the table in clause 13 for a full list of Loan Types.
Package Agreement	The Package Agreement is made up of both the terms and conditions that apply to your package (see Section 3), and the Package Application form.
Repayment Redraw Facility (RRF)	The facility, available on most variable rate Loans, under which we may make available to you any Special/Additional Repayments you have made to the Loan Account. See clause HL9.
Schedule	The Consumer Credit Contract Schedule we give you (including any Schedule replacing an earlier Schedule) that sets out key details of your Contract or the Contract as varied.
Special Repayment	A repayment made in addition to the regular repayments we require you to make on the Loan Account. See also 'Additional Repayment'.

The following meanings are added:

Additional Repayment	A repayment made in addition to the regular repayments we require you to make on the Loan Account. See also 'Special Repayment'.
Guarantor	A person, company or trust that helps you secure a Loan by offering their own property (or properties) as additional security for the Loan, and/or by contributing additional income to help you service the Loan.
Mortgage Interest Saver Account #	Mortgage Interest Saver Account (MISA)# is an offset account linked to an eligible home loan. Savings in a MISA offset your loan balance and reduce interest payments whilst retaining quick and convenient access to your savings. Depending on your eligible home loan type the MISA balance is either full or partial offset.
PayID	An identifier you can register to receive payments, by linking your Loan Account to a memorable piece of information, such as your phone number, email address, ABN, ACN or Organisation ID. PayID is also the name of the service that enables direct payment through this identifier so you can send payments to a PayID without the need to remember BSB and account numbers.

Clause 3.5 Value of the Security

The clause is deleted and replaced with the following:

Clause 3.5 Value and Type of the Security

The value of and the type of Security Property must be to our reasonable satisfaction at all times during the term of the Contract. We may obtain a new valuation of any Security Property. You must not change the use of the Security Property without our prior consent.

Clause 3.7 Authority for us to operate the Loan Account

The clause is deleted and replaced with the following:

If reasonably required by us or should you wish to appoint an authorised person or other signatory to operate on your Loan Account, you will be required to complete and sign our usual form of authority and provide us with details of:

- (i) All signatories who are authorised to operate the Loan Account, and
- (ii) The method of operation, e.g. anyone to sign, any two to sign etc.

An authorised person or other signatory can:

- (i) Redraw money and otherwise operate on the Loan Account, including varying the loan contract and request and receive information about the Loan Account;
- (ii) Register for any related services we may offer from time to time through our communications network, for example ATM access, telephone and internet banking;
- (iii) Register and maintain a PayID for your Loan Account (where available), including locking or closing a PayID or initiating a PayID transfer to another account in accordance with the PayID Terms and Conditions; or
- (iv) Do anything else on behalf of all borrowers except change signatories or the method of operation.

Where an authorised person or other signatory registers and maintains a PayID for your Loan Account in accordance with these terms and conditions, you agree that they may use account information including your name, Loan Account name, telephone number and email address. You also agree that we may use, store or share this information with the PayID service for others to access when facilitating payments or registering PayIDs and for reasonable secondary purposes including transaction tracing and investigations.

We will act upon the authority given to us until you vary or cancel it. If you wish to vary or cancel an authority, you must give us notice in writing. Upon receiving such notice, the authority will be varied or cancelled. All redraws, cheques and other instruments, dated prior to and presented for payment after the receipt of such notice in writing, will be honoured. Any instructions given by you in accordance with

the authority will be relied on by us. We will not be liable for any loss or damage you, or anyone else suffers where we act on those instructions in good faith, unless it is proved that we were negligent.

Clause 5.3 Stopping funding

The clause is amended by the inclusion of:

- (f) Construction Loan: You fail to satisfy to our reasonable satisfaction our conditions for funding set out in clause HL3.3.

Clause 6.2 Default interest

The clause is deleted and replaced with the following:

Default interest begins to accrue from the due date and then accrues daily until the amount is paid. For home loans/ investment home loans the rate of default interest is equal to 2% per annum above the annual percentage rate applying at the time. For Viridian Line of Credit, please refer to clause O1.3/LOC1.3 for details on how we charge interest on any amount that exceeds the credit limit. We do not charge default interest on Equity Unlock Loan for Seniors.

Clause 9.3 How being in default could affect your Loan

The clause is amended by the inclusion of:

- (h) You must also pay us additional interest, called default interest on any amount you fail to pay by the due date under the Contract. Refer to clause 6.2.

Clause 10.4 Notifying you of changes

(c) is to the Loan Account number and does not otherwise change the Contract, we will instead notify you of the change before or when we send you the next statement of account we give you under the Contract. If your repayment obligation reduces, we may also let you know about the change in our next interaction with you that occurs via NetBank, the CommBank app, via email or a conversation with you.

Clause 11.6 You must make your own decisions or obtain independent advice

The second paragraph of the clause is amended and replaced with the following:

You should seek independent advice on the following matters in particular, as our employees and agents do not have our authority to:

- (aa) make any predictions about what might happen to our or anyone else's interest rates in the future;
- (bb) tell you what kind of interest rate would best suit you;
- (cc) give you any advice on the taxation implications of the Loan;
- (dd) advise on the nature and effect of interest compounding on the loan account and how the amount owing on the loan can increase rapidly due to the compounding interest effect;
- (ee) make any predictions about, or comment on the level of equity in the property and how the Loan will impact that equity;

(ff) advise you on other alternatives such as making arrangements with family members, selling other assets, restructuring income streams or accessing government benefits rather than proceeding with the loan.

If you have any doubt at all about any of these matters you should seek help from a financial counsellor or obtain legal advice or do both.

Clause 13 Your Loan Options

The footnotes are amended by the inclusion of:

*Any request to vary your existing contract is subject to our Switching Terms and Conditions and approval at the time you make the request.

The following switches are not available:

- Between Home Loans and Investment Home Loans.
- Between a non broker and broker loan and vice versa.
- To a product no longer available for new fundings.
- To a Fixed Rate during a progressive drawing period. The loan must be fully funded before you switch.

Section 2: Part B – Home Loans (HL)

Clause HL3.2 How we fund the construction loan

The clause is deleted and replaced with the following:

We fund the construction loan by paying the loan drawings in accordance with the amounts shown on your progress payment schedule in the building contract. Before we make a payment we require a copy of the invoice from your builder signed by you or the person (if any) you have authorised under a loan authority given pursuant to clause 3.7 or at our discretion, in accordance with your or their electronic or verbal instructions (for example when you instruct us to pay following a request for payment by a contract builder or a sub-contractor).

Clause HL3.3 Not paying

The clause is deleted and replaced with the following:

We reserve the right not to pay any construction loan drawing if you have not provided us with the documentation for the Building Works we told you in writing we needed or if the Building Works (if any) are not to our reasonable satisfaction or we reasonably consider that there is not enough money in the un-funded component of the Loan to pay to complete the Building Works. We also reserve the right not to pay any construction loan drawing if you have made variations without bank approval to the building contract, progress payment schedule, council approved plans or any items you provided supplier quotes for when applying for your construction loan. (See also clause 11.5)

HL6.1 When we can change the repayments

The second paragraph of HL6.1 is deleted and replaced with the following:

We will tell you in writing what your new repayments are except for a change in the amount, frequency or time for payment of a repayment where this is not specified in the Contract, but is determined by a method of calculation specified in the Contract. We will tell you this at least 20 days before the change takes effect. However, if the change:

(a) reduces your obligations under the Contract, we:

- i. may let you know of the change in our next interaction with you that occurs via NetBank, the CommBank app, via email or a conversation with you; and
- ii. will notify you of the change before or when we send you the next statement of account we give you under the Contract; or

(b) extends the time for payment of any amount under the Contract, we will notify you of the change before or when we send you the next statement of account we give you under the Contract.

Clause HL7.2 If you have more money in the offset account than you owe on the Loan

The clause is deleted and replaced with the following:

If the amount in your Interest Offset Account is equal to or more than the amount outstanding on the Loan Account, we will only offset the interest on the amount outstanding in the Loan Account at the Interest Offset Rate applicable to your Loan Type.

Clause HL9. Repayment Redraw Facility (RRF)

The note is deleted and replaced with the following:

Note:

- If Item B(ii) states that RRF is 'not applicable' then this clause does not apply.
- This clause does not apply during an interest in advance period.
- Clauses HL9.1, HL9.2, HL9.3 and HL9.5 do not apply during a fixed rate period.

Clause HL9.3 When you can redraw

The clause is deleted and replaced with the following:

Maximum redraw amount when redrawing electronically

(i) You can transfer by internet banking up to \$2,000 per day to a non-linked account (for example, a third-party account or an account at another financial institution). You can transfer to a linked account by telephone or internet banking, up to the maximum amount of the Special Repayments available for redraw.

Note: Transfers by internet banking are only available using BSB and account number.

(ii) You can redraw up to the daily withdrawal limit set out in the *Electronic Banking – Terms and Conditions brochure* which we may change at any time.

Clause HL9.4 How we calculate the amount available for redraw

The Note is deleted and replaced with the following:

Note: Redraw is not available during a fixed rate period. However, if you make additional repayments during a fixed rate period, or had available redraw when you entered your fixed rate period, the amount available for redraw at the end of the fixed rate period may be lower. This is because the amount is adjusted so that at the end of your agreed loan term, both your loan balance and the available redraw will be zero. The remainder of this clause explains how we determine the amount that will be available for redraw once your fixed rate period ends.

Clause HL10.2 When we can suspend credit and close the loan account

The clause is deleted and replaced with the following:

We can suspend or cancel your right to redraw, or close your loan account, at any time if we reasonably believe there is a valid and sufficient reason which is either in your or our interest to do so.

For example if:

- (a) we reasonably believe that your account has been or will shortly be fully repaid (including where your loan account has a balance of less than \$1,000 or a credit balance);
- (b) we reasonably believe that the loan account has reached or will reach maturity.

Clause HL10.3 Your obligations

The clause is deleted and replaced with the following:

If we exercise our rights under this clause, including closing your loan account, suspending or cancelling your redraw or reducing the amount available for redraw or change the way redraw is calculated under this clause, this does not affect your obligations under the Contract and you'll still need to continue making payments until your Loan is paid out in full.

Clause HL16.2 Repayment Holiday

The clause is deleted and replaced with the following:

You can ask to suspend your repayments if you are not in default and sign any new documents we require. During this 'Repayment Holiday', your loan balance will increase by the amount of interest plus any fees and charges charged to the Loan Account.

If you have made more than the regular repayments we require you to make on the Loan Account; and you are eligible for the 'Repayment Redraw Facility' (RRF) set out in clause HL9, then you can stop making regular repayments during the repayment holiday period for as long as the Special Repayments available in the Loan Account cover both:

- the required monthly repayments; plus
- one additional month's repayment.

During the 'Repayment Holiday', we will deduct your monthly repayment from the Special Repayments in your RRF. If there are not enough Special Repayments to cover the 'Repayment Holiday' but we agree to your request anyway, we can charge interest on unpaid interest (see clause 8).

This clause should be read in conjunction with HL9.4, as over the term of your loan both your loan balance and the amount available for redraw will reduce.

Clause T10. Making withdrawals and payments

The opening paragraph is deleted and replaced with the following;

You may make withdrawals at any branch of the Bank. If you have electronic access to your account, you may withdraw up to the daily withdrawal limit set out in the *Electronic Banking – Terms and Conditions* which we may change at any time.

Clause M6. Electronic banking

The Daily limits for Electronic Banking paragraph is deleted and replaced with the following:

Daily limits for Electronic Banking

Any funds received to the account will be assumed to have been lodged by you.

Clause M7. Making withdrawals and payments

The clause is deleted and replaced with the following:

Withdrawals must be for a minimum of \$500 and can be made at any branch of the Bank. MISA has no Commonwealth Bank withdrawal fees. If you also have electronic access to your account, you may withdraw up to the daily withdrawal limit set out in the *Electronic Banking – Terms and Conditions* which we may change at any time.