

Information Memorandum

US\$5,000,000,000 ASIAN TRANSFERABLE CERTIFICATES OF DEPOSIT PROGRAM

COMMONWEALTH BANK OF AUSTRALIA

ABN 48 123 123 124

Issuer

COMMONWEALTH BANK OF AUSTRALIA HONG KONG BRANCH

Issuer

COMMONWEALTH BANK OF AUSTRALIA SINGAPORE BRANCH

Issuer



Commonwealth Bank of Australia Hong Kong Branch

Arranger

Commonwealth Bank of Australia Hong Kong Branch Commonwealth Bank of Australia

Dealers

Deutsche Bank AG, Hong Kong Branch

Issuing Agent and Principal Paying Agent

Dated 14 February 2017

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1 IMPORTANT NOTICE

Commonwealth Bank of Australia (**CBA** or an **Issuer**), Commonwealth Bank of Australia Hong Kong Branch (the **Hong Kong Branch** or an **Issuer**) and Commonwealth Bank of Australia Singapore Branch (the **Singapore Branch** or an **Issuer**) propose, from time to time, to issue transferable certificates of deposit (**TCDs**) sold pursuant to an Asian transferable certificates of deposit program (the **Program**) outside of the United States pursuant to Regulation S (**Regulation S**) under the United States Securities Act of 1933, as amended (**Securities Act**), up to a maximum aggregate principal amount outstanding at any time of US\$5,000,000,000 or its equivalent in other currencies. The Issuers have appointed the Hong Kong Branch as arranger (**Arranger**) and both the Hong Kong Branch and CBA as dealers (**Dealers**) under the Program.

The Issuers accept responsibility for the information contained in this Information Memorandum. To the best of the knowledge and belief of each of the Issuers as at the date of this Information Memorandum, the facts contained in this Information Memorandum are true and correct in all material respects and there are no other material facts or omissions that would alter the information contained herein.

Documents incorporated by reference

This Information Memorandum should be read in conjunction with the information taken to be incorporated into it by reference (see the paragraph entitled “Documents Incorporated by Reference”) and construed on the basis that such documents are so incorporated and form part of this Information Memorandum. References to “**this Information Memorandum**” are to this Information Memorandum together with any other document incorporated by reference collectively and to any of them individually, in each case, as modified or superseded.

Currency of the information

The information in this Information Memorandum has been prepared and is correct as of its Preparation Date (as defined below). Neither the delivery of this Information Memorandum (or any part of it) nor any offer, issue or sale made in connection with this Information Memorandum at any time after the Preparation Date implies that the information contained in it (or that part of it) is correct at any time after the Preparation Date. Accordingly, neither the delivery of this Information Memorandum (or any part of it) nor any offer, issue or sale of TCDs implies or should be relied upon as a representation or warranty that:

- (a) there has been no change since the Preparation Date in the affairs or financial condition of the Issuers; or
- (b) the information contained in this Information Memorandum (or any part of it) remains correct and complete at any time after its Preparation Date.

In this Important Notice, **Preparation Date** means in relation to:

- (a) this Information Memorandum, the date set out on the front cover or, if this Information Memorandum has been amended or supplemented, the date indicated on the face of that amendment or supplement; and
- (b) any other item of information which is to be read in conjunction with this Information Memorandum, the date indicated on the face of the item of information as being the date of its release, or the date to which it relates, as the case may be.

The Dealers, the Issuing Agent and Principal Paying Agent (**I&P Agent**) and any other paying agents expressly do not undertake to review the financial condition or affairs of the Issuers during the life of the Program. Investors should review, amongst other things, the information incorporated by reference when deciding whether or not to invest.

Not an offer or invitation

This Information Memorandum is not intended to be and does not constitute an offer of, or invitation by or on behalf of the Issuers, the Arranger, the Dealers, the I&P Agent or any other agent (**Relevant Person**) to any person to subscribe for, purchase or otherwise deal in any TCD. Nor is this Information Memorandum intended to be used for the purpose of offers or invitations to subscribe for, purchase or otherwise deal in any TCDs. It is not a recommendation by any Relevant Person to any recipient of this Information Memorandum to subscribe for or purchase any TCD.

Independent advice

This Information Memorandum has been prepared for distribution to professional investors whose business includes buying and selling debt securities as principal or agent.

Each recipient of this Information Memorandum and persons contemplating the purchase of a TCD should make (and will be taken to have made) their own decision as to the sufficiency and relevance for their purpose of the information contained in this Information Memorandum, their own independent investigation of the financial condition and affairs and their own appraisal of the creditworthiness of the relevant Issuer, after taking all appropriate advice from qualified professional persons. Any investment decision should be based on that decision, investigation and appraisal and not on this Information Memorandum.

Each recipient of this Information Memorandum and intending investors should consult their own tax advisers concerning the application of any tax laws applicable to their particular situation.

No Relevant Person undertakes for the benefit of any holder of a TCD to review at any time the financial condition or affairs of the relevant Issuer, or any other person or to advise any holder of a TCD of any information coming to its attention with respect to the relevant Issuer or any other person.

No independent verification

The Arranger, each Dealer and the I&P Agent have each confirmed that their respective description, address and contact details set out in the section entitled "Directory" are correct as at the Preparation Date. No other information contained in this Information Memorandum has been independently verified by the Arranger, the Dealers, the I&P Agent or any other paying agent. Accordingly, no representation, warranty or undertaking is made or may be implied and no responsibility or liability is accepted by them for the accuracy, completeness or distribution of, or any errors or omissions from this Information Memorandum whether arising out of negligence or otherwise (other than as specifically stated above).

Each of the Arranger and the Dealers act solely through a division of Commonwealth Bank of Australia in the context of this Information Memorandum and the Program, without reference to any personnel or operations in other separate divisions of Commonwealth Bank of Australia, and is not to be taken to be aware of any matters within the knowledge of any such personnel or operations which may relate to the Issuers or the Program.

No authorisation

No person is authorised to give any information or to make any representation which is not contained in this Information Memorandum and any information or representation not contained in this Information Memorandum must not be relied upon as having been authorised by or on behalf of the Issuers.

Distribution

The distribution of this Information Memorandum and the offer or sale of TCDs may be restricted by law. Any person into whose possession this Information Memorandum comes must inform themselves about and observe any such restrictions. In particular, such persons are required to comply with the restrictions on offers or sales of the TCDs and on distribution of this Information Memorandum and

other information in relation to the TCDs set out under “Subscription and Sale” below. Nothing in this Information Memorandum is to be construed as authorising distribution of this Information Memorandum or the offer or sale of TCDs in any jurisdiction, and neither the Issuers, the Arranger nor the Dealers accept any liability in that regard.

Furthermore the TCDs may not be offered or sold, directly or indirectly, and neither this Information Memorandum nor any other offering material may be distributed or published, in any jurisdiction except under circumstances that will result in compliance with any applicable law or regulations.

No U.S. registration

THE TCDs HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT NOR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. SUBJECT TO CERTAIN EXCEPTIONS, THE TCDs MAY NOT BE OFFERED, SOLD OR DELIVERED WITHIN THE UNITED STATES OR TO U.S. PERSONS. THE TCDs ARE BEING OFFERED AND SOLD OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN RELIANCE ON REGULATION S. THE TCDs ARE IN BEARER FORM AND ARE SUBJECT TO U.S. TAX REQUIREMENTS.

THE TCDs HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OR ANY OTHER U.S. REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON THE ACCURACY OR ADEQUACY OF THIS INFORMATION MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.

References

In this Information Memorandum, unless otherwise indicated references to “U.S.” and “United States” are to the United States of America, references to “U.S. dollars”, “U.S.\$” and “US\$” are to United States dollars, references to “China” or the “PRC” are to the People’s Republic of China, which for the purposes of this Program excludes Hong Kong and the Macau Special Administrative Region of the PRC, references to “Renminbi”, “RMB”, and “CNY” are to the lawful currency of China, references to “Hong Kong” are to the Hong Kong Special Administrative Region of the PRC and references to “HK\$” are to Hong Kong dollars.

References to “euro”, “€” and “EUR” are to the currency introduced at the start of the third stage of the European economic and monetary union pursuant to the Treaty establishing the European Community as amended, references to “£” and “GBP” are to the lawful currency of the United Kingdom, references to “S\$” are to the lawful currency of Singapore and references to “Japanese Yen”, “¥” and “JPY” are references to the lawful currency of Japan.

2 DEPOSIT PROTECTION

TCDs will not be “protected deposits” under, and will not be protected by, the Deposit Protection Scheme established by the Hong Kong Deposit Protection Board pursuant to the Deposit Protection Scheme Ordinance (Cap. 581 of the Laws of Hong Kong). Under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong), where the company being wound up is or was a bank, each depositor on the date that the winding up commences will rank as a priority creditor for a maximum of HK\$500,000, regardless of the number of deposits held (**Small Deposit Priorities**).

TCDs will not be “protected liabilities” under, and will not be protected by, the Deposit Insurance and Policy Owners’ Protection Schemes Act (Chapter 77B of Singapore).

The indebtedness evidenced by the TCDs will not be a “protected account” for the purposes of the Financial Claims Scheme in Division 2AA of Part II of the Banking Act of Australia (the **Banking Act**), will not be a deposit liability for the purposes of the Banking Act and will not be guaranteed by the Commonwealth of Australia or any other person.

See further “Risk Disclosure – Status of the TCDs” below.

3 DOCUMENTS INCORPORATED BY REFERENCE

The following documents are incorporated by reference in, and form part of, this Information Memorandum:

- the most recently published consolidated financial statements of the Commonwealth Bank of Australia and its subsidiaries;
- all amendments and supplements to this Information Memorandum prepared by the Issuers from time to time; and
- all documents issued by an Issuer and stated to be incorporated in this Information Memorandum by reference.

Any statement contained in any such incorporated document modifies or supersedes this Information Memorandum and any previously incorporated document to the extent of any inconsistency between them.

Copies of all documents incorporated by reference are available for inspection at the offices of the Hong Kong Branch at Level 13, One Exchange Square, 8 Connaught Place, Central, Hong Kong and the Singapore Branch at 38 Beach Road, South Beach Tower #06-11 and may be obtained by email from groupfunding@cba.com.au.

Although not incorporated by reference, copies of the half yearly profit announcement, quarterly trading updates and continuous disclosure notices in relation to Commonwealth Bank of Australia are available online at www.asx.com.au.

4 RISK DISCLOSURE

The risk factors contained herein are not exhaustive. You should seek additional independent professional advice if in doubt. A customer should not invest in the TCDs unless he or she understands the way in which the TCDs operate and is willing to assume the associated risks.

The TCDs are not protected by the Deposit Protection Scheme in Hong Kong, the Deposit Insurance and Policy Owners' Protection Schemes Act in Singapore or the Financial Claims Scheme in Australia

The TCDs are not "protected deposits" under, and are not protected by, the Deposit Protection Scheme established by the Hong Kong Deposit Protection Board pursuant to the Deposit Protection Scheme Ordinance (Cap. 581 of the Laws of Hong Kong). Under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong), where the company being wound up is or was a bank, each depositor on the date that the winding up commences will rank as a priority creditor for a maximum of HK\$500,000, regardless of the number of deposits.

The TCDs will not be "protected liabilities" under, and will not be protected by, the Deposit Insurance and Policy Owners' Protection Schemes Act (Chapter 77B of Singapore).

The TCDs are not "protected accounts" for the purposes of the Financial Claims Scheme in Division 2AA of Part II of the Banking Act of Australia (**Financial Claims Scheme**), will not be deposit liabilities for the purposes of the Banking Act of Australia and are not guaranteed by the Commonwealth of Australia or any other person.

A customer will rely on the Issuer's creditworthiness when purchasing the TCDs

A customer must rely on the Issuer's creditworthiness when the customer buys the TCDs. The TCDs represent the Issuer's general unsecured contractual obligations and are not secured by any of the Issuer's assets.

There is no assurance of protection against a default by the Issuer in respect of its payment or delivery obligations under the TCDs. A customer may lose the entire value of its deposit or investment if the Issuer becomes insolvent or defaults on its obligations under the TCDs.

The TCDs are designed to be held until maturity. There is only a limited secondary market

The TCDs are designed for customers who intend to hold their TCDs until maturity. The TCDs have no established trading market. Therefore, customers may not be able to sell their TCDs at all or at prices that will provide them with a yield comparable to investments that have a developed secondary market. This is particularly the case for TCDs that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of customers. These types of TCDs generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of the TCDs.

In particular, in respect of TCDs denominated in Renminbi, the PRC government's imposition of restrictions on the repatriation of Renminbi out of the PRC may limit the depth of the Renminbi market in Hong Kong and reduce the liquidity of such TCDs. See further below under "TCDs denominated in Renminbi".

If a customer tries to sell his or her TCDs before the maturity date, the customer may receive an offer which is less or substantially less than the original amount he or she invested. This is because during the term of the TCDs, the market price of the TCDs may fluctuate, compared with the initial purchase price of the TCDs, depending on many factors, including market interest rate movements, the Issuer's financial condition and results of operations, the market's view of the Issuer's credit quality and the market for similar securities. A customer

could lose part or all of his or her investment if the customer chooses to sell his or her TCDs prior to the maturity date.

Even if a customer is able to sell his or her TCDs before the maturity date, the customer may not be able to enjoy the same rate of return if he or she re-invests in other investments.

A customer should carefully consider whether the purchase of the TCDs is a suitable investment in light of the customer's financial position and investment objectives, especially if he or she may wish to sell the TCDs before maturity or may need access to the money he or she invests before the maturity of the TCDs. A customer should be prepared to invest his or her funds in the TCDs for the full investment tenor.

Reliance on Distributors

TCDs will be represented by a Global TCD (defined below) except in the very limited circumstances set out in the Global TCD. The Global TCD will be held by or on behalf of a clearing system (which can be any of Euroclear, Clearstream or the CMU Service (each as defined below)). Relevant Accountholders (defined below) will have interests in the relevant Global TCD (no individual bearer certificates will be issued). Only institutions who participate in the clearing systems can be Relevant Accountholders, so any investor who is not a participant in a clearing system will need to have an arrangement in place with an institution who is a clearing system participant (who may be the Issuer itself) (**Distributor**). The Distributor will in such cases be the "holder" of the TCDs for the purposes of the Program (including the Conditions of the TCDs). Investors who are not clearing system participants cannot open a personal account at the relevant clearing system. A Distributor will arrange to hold interests in Global TCDs (which are in turn held by or on behalf of the relevant clearing system) on behalf of investors – either in the Distributor's own account or the account of the Distributor's direct or indirect custodian with the clearing system.

In these circumstances, investors will not have any direct contractual rights against the Issuer so must rely on the Distributors (who will have contractual rights against the Issuer). This means that investors will rely on Distributors to receive from and give notices to the Issuer and to take action against the Issuer in the event of non-payment of principal or interest by the Issuer. If a Distributor fails to enforce any rights against the Issuer on an investor's behalf, or if the investor's Distributor becomes insolvent or defaults on its obligations, the investor will need to take action against his or her Distributor subject to the terms of the account agreement or customer agreement or term of business between the investor and his or her Distributor. Investors should be aware that the Issuer accepts no responsibility for the provision of bank services and custody services by the Distributors or for any consequences of, or arising from, the use of the bank account and investment account or custody services of such Distributors (except where the Issuer is the Distributor itself).

TCDs not covered by the Investor Compensation Fund

As the TCDs are not listed, a customer is not covered by the investor compensation fund established under the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) if its Distributor or any other intermediary defaults.

TCDs denominated in Renminbi

The PRC government's imposition of restrictions on the repatriation of Renminbi out of the PRC may limit the depth of the Renminbi market in Hong Kong and reduce the liquidity of such TCDs. The PRC government's policies on exchange control and repatriation restrictions are subject to change, and customers' positions in the TCDs may be adversely affected as a result of any such policy change. Should the PRC government tighten the control on Renminbi conversion further, the liquidity of Renminbi or even the TCDs may be adversely affected, leading to higher liquidity risks for Holders' investment in the TCDs.

In respect of fixed rate TCDs denominated in Renminbi, such TCDs will carry a fixed interest rate. A customer's investment in such TCDs is subject to interest rate risks. The PRC

government has gradually liberalised the regulation of interest rates over the years. Further liberation may increase interest rate volatility. Consequently, the trading price of such TCDs will vary with the fluctuations in the Renminbi interest rates. If a customer tries to dispose of its TCDs before their maturity, it may receive an offer that is less than the amount it has invested.

Renminbi currency risk

In respect of TCDs denominated in Renminbi, customers should note that Renminbi is currently not freely convertible and conversion of Renminbi through banks in Hong Kong is subject to certain restrictions. Such restrictions may be subject to changes and adversely affect the liquidity of the TCDs.

All payments in respect of TCDs denominated in Renminbi shall be made solely through a Renminbi bank account maintained in Hong Kong in accordance with applicable laws and regulations at a bank in Hong Kong. It is the customer's responsibility to establish and maintain such an account. The Issuer will not make payment in Renminbi by any other means (including in bank notes or by transfer to a bank account in the PRC or anywhere else outside Hong Kong).

In addition, if the Issuer is not able to obtain a sufficient amount of Renminbi for the purposes of making payments on the TCDs denominated in Renminbi in a timely manner due to exchange controls and restrictions applicable to Renminbi, customers may not receive the full amount in Renminbi at maturity of the TCDs denominated in Renminbi.

The Hong Kong dollar value of customers' investment in the TCDs will decrease if the Renminbi depreciates against Hong Kong dollar. Even if the Renminbi / Hong Kong dollar exchange rate remains steady, customers may not get back the same amount of Hong Kong dollars at maturity of the TCDs due to the spread between buying and selling Renminbi. The TCDs denominated in Renminbi are not an investment instrument for the customers to speculate on movements of the Renminbi / Hong Kong dollar exchange rate.

Interest and withholding tax

All payments by the Issuer of, or in respect of, principal and interest on a TCD will be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or other governmental charges of whatever nature (**Taxes**) imposed or levied by or on behalf of the Commonwealth of Australia, the Hong Kong Special Administrative Region of the People's Republic of China or Singapore unless such Taxes are required by law to be withheld or deducted. In that event, the Issuer will pay such additional amounts of, or in respect of, principal and/or interest as will result (after deduction of Taxes) in payment to the holder of the TCD of the amounts which would otherwise have been payable in respect of the TCD except that no such additional amounts will be payable with respect to any TCD in the circumstances specified in clause 6 of the Conditions of the TCDs.

Singapore taxation

Any tranche of the TCDs issued by the Singapore Branch where more than half of such tranche of the TCDs are issued as debt securities under the Program during the period from the date of this Information Memorandum to 31 December 2018 and are distributed by any or any combination of (i) a Financial Sector Incentive (Bond Market) Company; (ii) a Financial Sector Incentive (Capital Market) Company; or (iii) a Financial Sector Incentive (Standard Tier) Company (as defined in the Income Tax Act, Chapter 134 of Singapore (**ITA**)) are intended to be "qualifying debt securities" for the purposes of the ITA subject to the fulfilment of certain conditions more particularly described in the section "Singapore Taxation" below. However, there is no assurance that such TCDs will continue to enjoy the tax concessions should the relevant tax laws or Monetary Authority of Singapore (**MAS**) circulars be amended or revoked prior to maturity of each tranche of TCDs.

Tax call

If the Issuer is or will be obliged to make any additional payment as provided above in respect of any TCDs as a result of any change in, or in the official interpretation or administration of, any laws or regulations of the Commonwealth of Australia, Hong Kong, Singapore or any other authority thereof or therein then, subject to certain notice requirements and as otherwise provided in clause 5 of the Conditions, it may redeem those TCDs.

No events of default

The TCDs contain no events of default, which means that holders of TCDs have no right to accelerate repayment of the TCDs if the relevant Issuer breaches any term of the TCDs.

Status of the TCDs

The obligations of the relevant Issuer under the TCDs will be its direct, unconditional and unsecured obligations and will rank *pari passu* among themselves and (save for certain debts of the Issuer required to be preferred by law, including (but not limited to) those outlined below) with all other present and future unsubordinated and unsecured obligations of the Issuer.

Under the laws of Australia, section 13A(3) of the Banking Act provides that, if an authorised deposit taking institution (**ADI**) (such as the Issuer) becomes unable to meet its obligations or suspends payment, the assets of the ADI in Australia are to be available to meet the ADI's obligations in the following order:

- (a) first, the ADI's liabilities (if any) to the Australian Prudential Regulation Authority (**APRA**) (if any) in respect of the rights APRA has against the ADI to be paid amounts equal to the amount which the holder of a protected account is entitled to receive from APRA under the Financial Claims Scheme;
- (b) second, the ADI's debts (if any) to APRA in respect of APRA's costs incurred in relation to the exercise of its powers and the performance of its functions relating to the ADI in connection with the Financial Claims Scheme;
- (c) third, the ADI's liabilities (if any) in Australia in relation to protected accounts that account-holders keep with an ADI;
- (d) fourth, the ADI's debts (if any) to the Reserve Bank of Australia (**RBA**);
- (e) fifth, the ADI's liabilities (if any) under an industry support contract that is certified under section 11CB of the Banking Act;
- (f) sixth, the ADI's other liabilities (if any) in the order of their priority apart from section 13A(3) of the Banking Act.

Section 86 of the Reserve Bank Act provides debts due to the RBA by an ADI shall, in a winding up of the ADI, but subject to section 13A(3) of the Banking Act, have priority over all other debts of such ADI.

Section 16 of the Banking Act provides that in a winding up of an ADI, the costs (including costs in the nature of remuneration and expenses) of APRA of being in control of the ADI's business or of having an administrator in control of the ADI's business will, subject to section 13A(3) of the Banking Act, have priority over all unsecured debts.

The indebtedness evidenced by the TCDs will not be a "protected account" for the purposes of the Financial Claims Scheme and will not be a deposit liability of the Issuer for the purposes of the Banking Act. For the purposes of section 13A(3) it will rank as an "other liability" under paragraph (f) above. If the Issuer becomes unable to meet its obligations or suspends

payment, its assets in Australia are to be available to meet its indebtedness evidenced by the TCDs only after the liabilities referred to in section 13A(3)(a) - (e) have been met.

Under the laws of Hong Kong, where the Issuer is being wound up, each holder of a TCD will have preference under the Small Deposit Priorities regime to the extent set out in Section 2 – Deposit Protection above.

If CBA were wound up, the winding up may be affected by Australian law and the laws of any other jurisdiction in which it is carrying on business. The claims of CBA's creditors in a winding up (including holders of TCDs) would be subject to the priority provisions of all applicable jurisdictions, which may in turn be subject to doctrines designed to ensure that creditors are treated in a manner considered fair in the light of the bankruptcy rules applicable in the forum. Such doctrines applicable under Australian law may include a requirement that holders of TCDs pay over any amounts received from the Hong Kong Branch or the Singapore Branch (as applicable) before they can receive any amounts from CBA in Australia, so that they are treated equally with other unsecured creditors of CBA (subject to the mandatory priority provisions described above). This may result in the loss of any preferential distribution from the relevant Branch as a condition of any further claim on CBA in Australia. The manner in which a court treats assets held in different jurisdictions on winding up is a complex matter, and may depend on matters such as the factual circumstances of the winding up and of the relevant liabilities and the jurisdictions involved. Potential investors should assume that their claims in a winding up would be subject to the priority provisions of all applicable jurisdictions.

5 PROGRAM SUMMARY

*The following is a brief summary only and should be read in conjunction with the rest of this Information Memorandum, the applicable Pricing Supplement and the terms and conditions (**Conditions**) of the TCDs (as set out in this Information Memorandum). Capitalised expressions have the meanings given to them in the Conditions or the Deed of Covenant (defined below), as applicable.*

Issuers:	Commonwealth Bank of Australia Commonwealth Bank of Australia Hong Kong Branch Commonwealth Bank of Australia Singapore Branch
Program size:	US\$5,000,000,000 or its equivalent in other currencies
Arranger:	Commonwealth Bank of Australia Hong Kong Branch
Dealers:	Commonwealth Bank of Australia Hong Kong Branch Commonwealth Bank of Australia Additional Dealers may be appointed from time to time by the relevant Issuer as dealers for a day for any Tranche of TCDs.
Issuing Agent and Principal Paying Agent (I&P Agent):	Deutsche Bank AG, Hong Kong Branch
Issuance in Series:	TCDs may be issued by an Issuer in Series comprising one or more Tranches having one or more Deposit Dates and on terms otherwise identical (except in respect of the amount of the first payment of interest). The TCDs of each Series will be interchangeable with all other TCDs of that Series.
Form, Custody and Clearing Systems:	TCDs will be issued in bearer form. In respect of each Tranche of TCDs issued, the relevant Issuer will deliver a temporary global TCD (Temporary Global TCD) or a permanent global TCD (Permanent Global TCD). Such global TCD (Global TCD) will be: <ul style="list-style-type: none">(a) lodged with the Hong Kong Monetary Authority as operator of the Central Moneymarkets Unit Service (CMU Service);(b) lodged with Euroclear Bank SA/NV (Euroclear) and/or Clearstream Banking S.A. (Clearstream); or(c) cleared through the CMU Service and/or Clearstream and/or Euroclear and held by a common depository for Euroclear and Clearstream. Each Temporary Global TCD will be exchangeable for a Permanent Global TCD or for TCDs in definitive bearer form (Definitive TCDs) in accordance with their terms.
Delivery and Enforcement:	TCDs may be delivered to Euroclear, Clearstream and/or the CMU Service, as the case may be. Holders of TCDs will, in respect of Global TCDs, be entitled to the benefit

of a Deed of Covenant given by each Issuer, dated 22 January 2010, as amended by Amending Deed Poll No 1 dated 9 September 2010 and by Amending Deed Poll No 2 dated 14 February 2017 (**Deed of Covenant**), copies of which may be inspected during normal business hours at the offices of the I&P Agent. The form of Deed of Covenant is included in this Information Memorandum.

The Deed of Covenant provides that at the Relevant Time, or if a Global TCD becomes void, the Relevant Accountholders will acquire Direct Rights against the relevant Issuer. **Direct Rights, Relevant Accountholder** and **Relevant Time** have the meanings given in the Deed of Covenant.

Investors should be aware that if they are not clearing system participants, then they are not “holders” for the purposes of the Program (including the Conditions) – interests in Global TCDs will be held on their behalf by Distributors, and investors must rely on Distributors to receive payments on their TCDs and to make any claim against the Issuer. Refer to “Risk Disclosure – Reliance on Distributors” in Section 4 above for further information in relation to the rights of investors vis-a-vis the Issuer.

Currencies:	Australian dollars, United States dollars, Japanese Yen, Euro, New Zealand dollars, Singapore dollars, Hong Kong dollars, Renminbi or any other currencies agreed by the relevant Issuer and the relevant Dealer, accepted for settlement by Euroclear, Clearstream or the CMU Service (as applicable) and subject to any applicable laws and requirements of the regulatory authorities concerned.
Status:	TCDs will constitute direct, unsecured and unsubordinated obligations of the relevant Issuer and ranking equally among themselves and at least equally with all other unsecured unsubordinated indebtedness of the relevant Issuer other than obligations mandatorily preferred by law. Refer to “Deposit Protection” in Section 2 above and “Risk Disclosure – Status of the TCDs” in Section 4 above. Note that holders of TCDs will have preference under the “Small Deposit Priorities” regime in Hong Kong as described in those sections above.
CBA's obligations:	<p>CBA acknowledges that CBA (the Entity) and the Hong Kong Branch and the Singapore Branch are a single legal entity and the obligation to repay the deposits in respect of which the TCDs are issued is an obligation of the Entity as a whole. However, where the Hong Kong Branch is the branch of account for the deposits the Entity may not be required to repay the deposits at its head office or any other of its branches outside Hong Kong to the extent that the Hong Kong Branch cannot repay the deposits due to:</p> <ul style="list-style-type: none">(a) an act of war, insurrection or civil strife; or(b) an action by the government or any instrumentality of or in Hong Kong (whether de jure or de facto) preventing such repayment.
Tenor:	Not less than 7 days (or as otherwise agreed by the relevant Issuer and relevant Dealer). TCDs issued on terms that they must be redeemed before their first anniversary may be subject to restrictions on their denomination and distribution. See “Selling Restrictions” below.
Denomination of TCDs:	A\$100,000 (or any whole multiple) for an A\$ TCD

US\$100,000 (or any whole multiple) for a US\$ TCD

GBP100,000 (or any whole multiple) for a GBP TCD

¥100,000,000 (or any whole multiple) for a ¥ TCD

EUR100,000 (or any whole multiple) for a an EUR TCD

NZ\$100,000 (or any whole multiple) for a NZ\$ TCD

SG\$200,000 (or any whole multiple) for a SG\$ TCD

HK\$1,000,000 (or any whole multiple) for a HK\$ TCD

CNY50,000 (or any whole multiple) for a CNY TCD

or any other amount requested by the relevant Dealer purchasing the relevant TCDs and agreed by the relevant Issuer subject to compliance with all applicable legal and regulatory requirements. Minimum denominations may be changed from time to time subject, as aforesaid, to compliance with all applicable legal and regulatory requirements. Where the Issuer is the Singapore Branch, TCDs which are not S\$ denominated shall be denominated in foreign currencies in minimum denominations of the foreign currency equivalent of S\$100,000.

Events of Default:	There are no events of default (including cross default) in relation to TCDs.
Interest:	TCDs may be interest bearing or non-interest bearing. Interest (if any) may accrue at a fixed or floating rate or otherwise bear interest that is calculated by reference to a formula or an index as specified in the applicable Pricing Supplement.
Redemption:	<p>The applicable TCD will indicate either that the relevant TCDs cannot be redeemed prior to their stated maturity (other than for taxation reasons) or that such TCDs will be redeemable at the option of the relevant Issuer and/or the Holders. The terms of any such redemption, including notice periods, any relevant conditions to be satisfied and the relevant redemption dates and prices will be indicated in the applicable Pricing Supplement. The notice period for the exercise by the Issuer of an option to redeem will be at least 5 business days and the notice period for the exercise by a Holder of an option to redeem will be at least 15 business days.</p> <p>In respect of TCDs other than Renminbi TCDs, payments will be made by cheque, banker's draft, credit to a customer's account or otherwise in accordance with customary practice. In respect of Renminbi TCDs, payment shall be made by credit to a Renminbi bank account maintained in accordance with applicable laws and regulations at a bank in Hong Kong.</p>
Prescription:	TCDs will become void unless presented for payment within a period of five years (in the case of principal and interest).

Taxes: Unless required by law, all payments by the relevant Issuer under a TCD will be made free and clear of any deduction or withholding in respect of tax required by any law of the Commonwealth of Australia (in the case of each Issuer) or the Hong Kong Special Administrative Region of the People's Republic of China (in the case of the Hong Kong Branch only) or Singapore (in the case of the Singapore Branch only) (each a **Relevant Jurisdiction**). If so required, the relevant Issuer will promptly pay the amount deducted or withheld to the appropriate government agency and pay, subject to certain customary exceptions set out in Condition 6, for the account of the bearer of the TCD such additional amount as is necessary to result in receipt by the bearer of the TCD of a net sum equal to the amount it would have received and retained had no such deduction or withholding been required to be made under the laws of the Relevant Jurisdiction.

If the Issuer is or will be obliged to make any additional payment as provided above in respect of any TCDs as a result of any change in, or in the official interpretation or administration of, any laws or regulations of the Commonwealth of Australia, Hong Kong or Singapore or any other authority thereof or therein then, subject to certain notice requirements, it may redeem those TCDs in accordance with Condition 5.

Governing Law: Hong Kong

Listing: TCDs will not be listed on any stock exchange.

Selling Restrictions: Offers and sales of TCDs and the distribution of this Information Memorandum and other information relating to the Issuers and the TCDs are subject to all applicable selling restrictions including, without limitation, those set out under "Selling Restrictions" below.

Payments: In the case of Global TCDs held by the CMU Service, the Issuer or, if applicable, the Principal Paying Agent will pay interest and principal (if interest and principal are payable) to the CMU Member (as defined in the Deed of Covenant) whose account is credited with an interest in the Global TCD held by the CMU Service.

If a Global TCD is held by a common depository for Euroclear or Clearstream, the Issuer or, if applicable, the Principal Paying Agent will pay interest and principal (if interest and principal are payable) to Euroclear or Clearstream to be credited to Account Holders (as defined in the Deed of Covenant).

Any payments of interest or principal in respect of Definitive TCDs will be made by the Issuer or, if applicable, the Principal Paying Agent to each bearer of Definitive TCDs on presentation or surrender of the Definitive TCD to the Issuer or, if applicable, the Principal Paying Agent at the address specified in that TCD.

The Issuer shall be discharged from its payment obligations once payments are made in the manner described above and as provided for in Condition 3.

6 FORM OF PRICING SUPPLEMENT

Set out below is the form of Pricing Supplement which will be completed for each Tranche of TCDs issued under the Program

[Insert Date]

**[COMMONWEALTH BANK OF AUSTRALIA
(ABN 48 123 123 124) /
COMMONWEALTH BANK OF AUSTRALIA HONG KONG BRANCH / COMMONWEALTH BANK
OF AUSTRALIA SINGAPORE BRANCH]**

US\$5,000,000,000 Asian Transferable Certificates of Deposit Program

Issue of

[Aggregate Nominal Amount of Tranche]

[Title of TCDs being issued]

This document constitutes the Pricing Supplement (as referred to in the Information Memorandum in relation to the above Program) relating to the issue of TCDs referred to above. Unless otherwise defined, terms used in this Pricing Supplement are defined in the Conditions contained in the Information Memorandum dated 14 February 2017. This Pricing Supplement is supplemental to and must be read in conjunction with such Conditions.

This Pricing Supplement does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation, and no action is being taken to permit an offering of the TCDs or the distribution of this Pricing Supplement in any jurisdiction where such action is required.

*The TCDs have not been and will not be registered under the United States Securities Act of 1933, as amended (the **Securities Act**). The TCDs may not be offered, sold or delivered within the United States or to or for the account of U.S. persons unless they have been registered under the Securities Act or pursuant to an exemption from the registration requirements of the Securities Act and any applicable U.S. tax law requirements have been satisfied. For a description of certain restrictions on offers and sales of TCDs and on distribution of this Pricing Supplement and the Information Memorandum, see the section of the Information Memorandum entitled 'Selling Restrictions'.*

[Where interest, discount income, prepayment fee, redemption premium or break cost is derived from any of the TCDs by any person who (i) is not resident in Singapore and (ii) carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for qualifying debt securities (subject to certain conditions and if applicable) under the Income Tax Act, Chapter 134 of Singapore (**ITA**) shall not apply if such person acquires such TCDs using the funds and profits of such person's operations through a permanent establishment in Singapore. Any person whose interest, discount income, prepayment fee, redemption premium or break cost derived from the TCDs is not exempt from tax (including for the reasons described above) shall include such income in a return of income made under the ITA.] *[include the foregoing for Singapore Branch issues]*

[Include whichever of the following apply or specify as 'Not Applicable'. Note that the numbering should remain as set out below, even if 'Not Applicable' is indicated for individual paragraphs or sub-paragraphs.]

The particulars to be specified in relation to the Tranche of TCDs referred to above are as follows:

1 Issuer: [Commonwealth Bank of Australia (ABN 48 123 123 124) /
Commonwealth Bank of Australia Hong Kong Branch /
Commonwealth Bank of Australia Singapore Branch]

- 2 (a) Series Number: [Specify]
- (b) Tranche Number: [Specify]
- 3 Deposit Date: [Specify]
- 4 Maturity Date: [Fixed Rate – specify date / Floating Rate – Interest Payment Date falling in or nearest to [specify month] / specify]
- 5 Issue Price: [●] per cent. of the aggregate Nominal Amount [plus accrued interest from [insert date] (in the case of fungible issues only, if applicable)]
- 6 Nominal Amount of:
- (a) Series: [A\$/US\$/GBP/JPY/EUR/NZ\$/SG\$/HK\$/CNY[●]]
- (b) Tranche (in aggregate): [A\$/US\$/GBP/JPY/EUR/NZ\$/SG\$/HK\$/CNY[●]] (words and figures if a Global TCD is denominated in GBP)
- 7 Contractual Currency of Denomination and Payment: [Specify]¹
- 8 Denomination(s): [Specify (not less than permitted minimum denomination)]
- 9 Type of TCDs: [Fixed Rate / Floating Rate / Discounted / Index Linked / specify other (if ‘specify other’ is applicable an Annexure must be attached setting out the method of calculating interest)]

PROVISIONS RELATING TO INTEREST

- 10 Fixed Rate TCD Provisions: [Applicable / Not Applicable] (If Not Applicable, delete the remaining subparagraphs of this paragraph)
- (a) Fixed Interest Rate: [●] per cent. per annum payable annually in arrear to (but excluding) [insert maturity date or other applicable date]
- (b) Interest Commencement Date: [Deposit Date / specify other]
- (c) Interest Payment Dates: [[Specify] in each year, commencing on [●] up to and including the Maturity Date / specify other]
- (d) Interest Periods: [Adjusted / Unadjusted]

¹ In respect of TCDs denominated in Renminbi, purchasers of the TCDs should note that Renminbi is not currently freely convertible. All payments in respect of such TCDs shall be made solely through a Renminbi bank account maintained in Hong Kong in accordance with applicable laws and regulations. The Issuer will not make payment in Renminbi by any other means (including in bank notes or by transfer to a bank account in the PRC or anywhere else outside Hong Kong). In addition, if the Issuer is not able to obtain sufficient amount of Renminbi for the purposes of making payments on such TCDs in a timely manner due to exchange controls and restrictions applicable to Renminbi, purchasers of such TCDs may not receive the full amount in Renminbi at maturity.

- (e) Fixed Interest Amount(s): [●] per [●] in Nominal Amount
- (f) Broken Amount(s): [*Insert particulars of any initial or final broken interest amounts which do not correspond with the Fixed Interest Amount / Not Applicable*]
- (g) Applicable Business Day Convention: [Following Business Day Convention/Modified Following Business Day Convention/[*specify other*]]
(N.B. Only applicable to the calculation of the Interest Payment Date(s) in the case of adjusted Fixed Rate TCDs)
- for Interest: [*Specify*]
- Payment Dates:
- any other date: [*Specify*]
- (h) Day Count Fraction: [*Specify*]
- (i) Reference Banks: [*Specify*]
- (j) Other terms relating to the method of calculating interest for Fixed Rate TCDs: [Not Applicable / *specify*]
- 11 Floating Rate TCD Provisions: [Applicable / Not Applicable] (*If Not Applicable, delete the remaining subparagraphs of this paragraph*)
- (a) Interest Commencement Date: [Deposit Date / *specify other date*]
- (b) Reference Rate: [*Specify*]
- (c) Margin: [+/- [●] per cent. per annum]
- (d) Interest Payment Dates: [●] in each year, commencing on [●]
- (e) Day Count Fraction: [Actual/365 (Fixed)]
[Actual/360]
- (f) Applicable Business Day Convention: [Following Business Day Convention/Modified Following Business Day Convention/[*specify other*]]
- (g) Other terms relating to the method of calculating interest for Floating Rate TCDs: [Not Applicable / *specify*]
- 12 Other terms relating to calculation of interest of TCDs: [*Specify*]

13 Additional Business Centre(s): [Specify] / [Not applicable]

PROVISIONS RELATING TO REDEMPTION

14 Redemption Agent: [Specify / Not Applicable]

15 Calculation Date: [Specify / Not Applicable]

16 Redemption Amount: [Specify / Not Applicable]

17 Additional redemption rights: *[Insert provisions for any additional Issuer or Holder redemption rights, including details of notice periods, any relevant conditions to be satisfied and the relevant redemption dates and prices – note that the notice period for the exercise by the Issuer of an option to redeem must be at least 5 business days and the notice period for the exercise by a Holder of an option to redeem must be at least 15 business days]*

GENERAL PROVISIONS

18 Form of TCDs: [Temporary Global TCD which is exchangeable for a Permanent Global TCD on or after the Certification Date which is exchangeable for Definitive TCDs in the circumstances set out in the Global TCD]

[Temporary Global TCD which is exchangeable for a Definitive TCD in the circumstances set out in the Global TCD]

19 Taxing Jurisdiction: [Specify if Taxing Jurisdiction is other than Australia, Hong Kong and/or Singapore (as defined in the Conditions) / Not Applicable]

20 Issuer Call: [Applicable – Condition [●] applies / Not Applicable]

21 Holder Put: [Applicable – Condition [●] applies / Not Applicable]

22	Additional Selling Restrictions:	<p>[Not Applicable / <i>specify any modifications of or additions to selling restrictions contained in Dealer Agreement / Information Memorandum (e.g. additional Singapore disclosure is required if TCDs are denominated in \$S and being sold in Singapore to “sophisticated investors” – see last paragraph of Singapore selling restriction in Information Memorandum for further guidance)</i>]</p> <p>Republic of Korea:</p> <p>The TCDs have not been and will not be registered with the Financial Services Commission of Korea for public offering in Korea under the Financial Investment Services and Capital Markets Act (the FSCMA). Each Dealer has represented and agreed, and each further Dealer appointed under the Program will be required to represent and agree, that it has not offered, sold or delivered (and will not offer, sell or deliver) any TCDs, directly or indirectly, or offered or sold (and will not offer or sell) any TCDs to any person for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea except pursuant to the applicable laws and regulations of Korea, including the FSCMA, the Foreign Exchange Transaction Law and the decrees and regulations thereunder. Furthermore, the TCDs may not be resold to Korean residents unless the purchaser of the TCDs complies with all applicable regulatory requirements (including but not limited to government reporting requirements under the Foreign Exchange Transaction Law and its subordinate decrees and regulations) in connection with the purchase of the TCDs. The aggregate nominal amount of the TCDs divided by the denomination of the TCDs, and the number of TCDs offered in Korea or to a resident in Korea, shall in each case be less than 50.</p> <p>By purchasing the TCDs, each holder of TCDs will be deemed to represent, warrant and agree that for a period of one year from the issue date thereof, the TCDs, may not be sub-divided into smaller denominations than the denomination specified</p>
23	Clearing System:	[Euroclear and Clearstream / CMU Service] / [Not Applicable <i>if Global TCD held by the Issuer or a nominated custodian</i>]
24	Certification Date:	[Specify]
25	Minimum transferable principal amount:	[Specify]
26	Conditions:	Conditions set out in the Information Memorandum dated 14 February 2017
27	Other terms or special conditions:	[Not Applicable / <i>specify any variations / additions / deletions to the Conditions</i>]
28	ISIN:	[Specify]
29	CMU Instrument No.	[Specify]

- 30 Common Code: [Not Applicable / *specify*]
- 31 Calculation Agent: [Deutsche Bank AG, Hong Kong Branch / *specify other as appointed pursuant to the Calculation Agency Agreement dated [●]*]
- 32 Lodgement of Certificate (CMU Service Only) [Specify]
- 33 Purchasing Dealer(s): [Specify]
- 34 Lead Manager(s): [Not Applicable / *specify*]
- 35 Whether TEFRA rules applicable: [TEFRA D / TEFRA C / Not Applicable]
- 36 Use of Proceeds: [General corporate purposes / *specify*]

CONFIRMED

Date:

[Signed Sealed and Delivered for and on behalf of Commonwealth Bank of Australia by its attorney under power of attorney dated [●] who declares that s/he is

**(X).....
Attorney sign here**

of Commonwealth Bank of Australia in the presence of:

**(X).....
Attorney print name here**

**(X).....
Witness sign here**

**(X).....
Witness print name here]**

[Executed for and on behalf of Commonwealth Bank of Australia, acting through its Hong Kong Branch by its attorney under power of attorney dated [●] who declares that s/he is

**(X).....
Attorney sign here**

of Commonwealth Bank of Australia in the presence of:

**(X).....
Attorney print name here**

**(X).....
Witness sign here**

**(X).....
Witness print name here]**

[Executed for and on behalf of Commonwealth Bank of Australia, acting through its Singapore Branch by its attorney under power of attorney dated [●] who declares that he is

**(X).....
Attorney sign here**

of Commonwealth Bank of Australia in the presence of:

**(X).....
Attorney print name here**

**(X).....
Witness sign here**

**(X).....
Witness print name here]**

7 CONDITIONS

The following are the terms and conditions (the **Conditions**) which will apply to each TCD issued under the US\$5,000,000,000 Asian Transferable Certificate of Deposit Program by Commonwealth Bank of Australia ABN 48 123 123 124 (**CBA**), Commonwealth Bank of Australia Hong Kong Branch and Commonwealth Bank of Australia Singapore Branch (each an **Issuer**) as supplemented, modified or replaced in relation to any TCDs by the applicable Pricing Supplement which will be applicable to a particular Tranche of TCDs (**Pricing Supplement**).

Holders of TCDs (**Holders**) are entitled to the benefit of, are bound by and are deemed to have notice of, the Deed of Covenant dated 22 January 2010, as amended by Amending Deed Poll No 1 dated 9 September 2010 and Amending Deed Poll No 2 dated 14 February 2017 (the **Deed of Covenant**), executed by the Issuers. Holders are also entitled to the benefit of, are bound by and are deemed to have notice of, the Issuing and Paying Agency Agreement dated 9 September 2010 as amended, restated or supplemented from time to time (the **Issuing and Paying Agency Agreement**) between the Issuers and Deutsche Bank AG, Hong Kong Branch (the **Principal Paying Agent**). Copies of the Deed of Covenant and the Issuing and Paying Agency Agreement are available for inspection during normal business hours at the following office of the Principal Paying Agent:

Level 52
International Commerce Centre
1 Austin Road West
Kowloon, Hong Kong

Words and expressions defined in the Issuing and Paying Agency Agreement or used in the applicable Pricing Supplement have the same meaning where used in the Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of any inconsistency between the Issuing and Paying Agency Agreement and the applicable Pricing Supplement, the applicable Pricing Supplement will prevail.

1 Form, title and transfer

TCDs are issued in bearer form and, in the case of TCDs in definitive form (**Definitive TCDs**), are serially numbered.

TCDs are negotiable and, accordingly, title to TCDs will pass by delivery and the bearer of a TCD will be treated as being absolutely entitled to receive payment upon due presentation free and clear of any equity, set-off or counterclaim on the part of the Issuer against any previous bearer.

For so long as the TCDs are represented by a temporary global TCD (**Temporary Global TCD**) or a permanent global TCD (**Permanent Global TCD**) and together with a Temporary Global TCD, **Global TCD**) held on behalf of Euroclear Bank SA/NV (**Euroclear**) and/or Clearstream Banking, S.A. (**Clearstream**) and/or the Hong Kong Monetary Authority as operator of the Central Moneymarkets Unit Service (**CMU Service**), each person who is for the time being shown in the records of Euroclear, Clearstream or the CMU Service as the holder of a particular nominal amount of such TCDs shall be treated by the Issuer and the Principal Paying Agent as the holder of such nominal amount of such TCDs for all purposes other than with respect to the payment of principal or interest on such nominal amount of such TCDs, for which purpose the bearer of the relevant Global TCD shall be treated by the Issuer and the Principal Paying Agent as the holder of such nominal amount of such TCDs in accordance with and subject to the terms of the relevant Global TCD and the expressions "Holder" and "holder of TCDs" and related expressions shall be construed accordingly.

Interests in TCDs which are represented by a Global TCD will be transferable only in accordance with the rules and procedures for the time being of Euroclear and/or Clearstream and/or the CMU Service, as the case may be.

2 Status

The payment obligations of the Issuer under TCDs constitute direct, unsecured and unsubordinated obligations of the Issuer ranking equally among themselves and at least equally with all other unsecured indebtedness of the Issuer (other than indebtedness preferred by mandatory provisions of law including, but not limited to, under Hong Kong law, obligations in respect of taxes and other obligations subject to statutory liens, preferences or priorities and, under Australian law, sections 13A and 16 of the Banking Act 1959 (Cth) and section 86 of the Reserve Bank Act 1959 (Cth)).

A TCD is not a deposit liability or a protected account in Australia under such statutory provisions.

A TCD is not a "protected deposit" under, and will not be protected by, the Deposit Protection Scheme established by the Hong Kong Deposit Protection Board pursuant to the Deposit Protection Scheme Ordinance (Cap. 581 of the Laws of Hong Kong).

Under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong), the holder of a TCD on the date that a winding up of the Issuer commences will rank as a priority creditor for a maximum of HK\$500,000.

A TCD is not a "protected liability" under and will not be protected by, the Deposit Insurance and Policy Owners' Protection Schemes Act (Chapter 77B of Singapore).

CBA acknowledges that CBA (the **Entity**), its Hong Kong branch and its Singapore branch are a single legal entity and the obligation to repay the deposits in respect of which the TCDs are issued is an obligation of the Entity as a whole. However, where the Hong Kong branch of the Entity is the branch of account for the deposits the Entity may not be required to repay the deposits at its head office or any other of its branches outside Hong Kong to the extent that its Hong Kong branch cannot repay the deposits due to:

- (a) an act of war, insurrection or civil strife; or
- (b) an action by the government or any instrumentality of or in Hong Kong (whether de jure or de facto) preventing such repayment.

If CBA were wound up, the winding up may be affected by Australian law and the laws of any other jurisdiction in which it is carrying on business. The claims of CBA's creditors in a winding up (including holders of TCDs) would be subject to the priority provisions of all applicable jurisdictions, which may in turn be subject to doctrines designed to ensure that creditors are treated in a manner considered fair in the light of the bankruptcy rules applicable in the forum. Such doctrines applicable under Australian law may include a requirement that holders of TCDs pay over any amounts received from the Hong Kong Branch or the Singapore Branch before they can receive any amounts from CBA in Australia, so that they are treated equally with other unsecured creditors of CBA (subject to the mandatory priority provisions described above). This may result in the loss of any preferential distribution from the Branch as a condition of any further claim on CBA in Australia. The manner in which a court treats assets held in different jurisdictions on winding up is a complex matter, and may depend on matters such as the factual circumstances of the winding up and of the relevant liabilities and the jurisdictions involved. Potential investors should assume that their claims in a winding up would be subject to the priority provisions of all applicable jurisdictions.

3 Payment

3.1 Method of payment

Payments will be made by credit or transfer to an account in the Contractual Currency maintained by the payee with a bank in the principal financial centre in the country of the Contractual Currency or, if the Contractual Currency is euro, any principal financial centre of a

country which operates a clearing system in euro or, if the Contractual Currency is U.S. dollars, in London.

3.2 Payments subject to fiscal and other laws

Payments will be subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment (whether by operation of law or agreement of the Issuer) and any FATCA withholding (without prejudice to the provisions of Condition 6).

3.3 Payments in respect of TCDs

- (a) Payments of principal in respect of Definitive TCDs will be made against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Definitive TCDs, and payments of interest in respect of Definitive TCDs will be made aforesaid only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of coupons, in each case at the office of the Principal Paying Agent specified above.

Where the Issuer or a nominated custodian is the holder of a Definitive TCD, payment of principal and interest will be made by the Issuer to the customer of the Issuer who, in accordance with the Issuer's records, is credited with an interest in that TCD.

- (b) In respect of Global TCDs, the Issuer or, if applicable, the Principal Paying Agent will pay interest (in respect of interest bearing Global TCDs) and, if applicable, principal:
- (i) if the Global TCD is held by the CMU Service, to the CMU Member (as defined in the Deed of Covenant) whose account is credited with an interest in the Global TCD held by the CMU Service; or
 - (ii) if the Global TCD is held by a common depository for Euroclear or Clearstream, to Euroclear or Clearstream to be credited to each Account Holder (as defined in the Deed of Covenant) whose account is credited with an interest in the Global TCD held by the common depository for Euroclear or Clearstream.
- (c) The Issuer shall be completely discharged from its payment obligations by payment on the due date of the amount of interest or principal due on any TCD in the manner provided for above.

3.4 Payments to be made on Business Days

If the Maturity Date or, if applicable, the relevant Interest Payment Date is not a Business Day, payment in respect of:

- (a) any fixed rate TCDs will not be made and credit or transfer instructions will not be given until the next following Business Day (**Following Business Day Convention**); and
- (b) any floating rate TCDs, will not be made and credit or transfer instructions will not be given until the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day (**Modified Following Business Day Convention**).

Neither the bearer of such TCDs nor the holder or beneficial owner of any interest therein of rights in respect of such TCDs will be entitled to any interest or other sums in respect of such postponed payment.

Business Day, as used in these Conditions, means any day, other than a Saturday or a Sunday, on which:

- (a) commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in Sydney (where Commonwealth Bank of Australia is the Issuer), Hong Kong (where Commonwealth Bank of Australia Hong Kong Branch is the Issuer) or Singapore (where Commonwealth Bank of Australia Singapore Branch is the Issuer) and in the principal financial centre in the country of the Contractual Currency (or, if the Contractual Currency is euro, any principal financial centre of a country which operates a clearing system in euro or, if the Contractual Currency is U.S. dollars, in London); and
- (b) each of Euroclear, Clearstream and/or the CMU Service (as applicable) are operating; and
- (c) the TARGET2 system is open.

TARGET2 means the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) system or any successor thereto.

3.5 Payments in respect of Renminbi TCDs

All payments of principal and interest in respect of a Renminbi TCD will be made solely by credit to a Renminbi bank account maintained in accordance with applicable laws and regulations at a bank in Hong Kong.

3.6 Deadline for receipt of payment instructions

Instructions for payment must be received at the offices of the Principal Paying Agent as follows:

- (a) if the TCD is denominated in Australian dollars, New Zealand dollars, Hong Kong dollars, Japanese yen or Renminbi, at least two Business Days prior to the relevant payment date;
- (b) if the TCD is denominated in United States dollars or Sterling, on or prior to the relevant payment date; and
- (c) in all other cases, at least one Business Day prior to the relevant payment date.

4 Interest

4.1 General provisions relating to interest

If the applicable Pricing Supplement indicates that the TCDs are interest bearing, then:

- (a) if any payment of interest in respect of the TCDs falling due for payment prior to the Maturity Date remains unpaid on the fifteenth day after falling so due, that amount will be payable on such fifteenth day or, if earlier, the Maturity Date; and
- (b) upon each payment of interest (if any) prior to the Maturity Date in respect of the TCDs, the Schedule to the TCDs will be duly completed by the Principal Paying Agent to reflect such payment.

4.2 Fixed interest

If the TCDs are specified in the applicable Pricing Supplement as being fixed rate interest bearing TCDs, interest will be payable on the Nominal Amount in respect of each successive Interest Period (as defined below) from the Interest Commencement Date to the Maturity Date in arrear on the relevant Interest Payment Date, on the basis of the Day Count Fraction (as defined below) at the Fixed Interest Rate with the resulting figure being rounded to the nearest

amount of the Contractual Currency which is available as legal tender in the country of the Contractual Currency (with halves being rounded upwards).

Day Count Fraction means, unless otherwise specified in the applicable Pricing Supplement:

- (a) if “Actual/365 (Fixed)” is specified in the applicable Pricing Supplement, the actual number of days in the relevant Interest Period divided by 365; or
- (b) if “Actual/360” is specified in the applicable Pricing Supplement, the actual number of days in the relevant Interest Period divided by 360.

Interest Period means the period beginning on (and including) an Interest Payment Date (or the Interest Commencement Date) and ending on (but excluding) the next (or first) Interest Payment Date, adjusted or unadjusted and subject to the relevant Business Day Convention (both as specified in the applicable Pricing Supplement).

4.3 Floating rate

If the TCDs are specified in the applicable Pricing Supplement as being floating rate interest bearing TCDs, interest will be calculated (and be payable) on the Nominal Amount in respect of each successive Interest Period (as defined in Condition 4.2) as set out in this Condition 4.3.

- (a) If the applicable Pricing Supplement specifies LIBOR as the Reference Rate:
 - (i) interest will be payable on the Nominal Amount from and including the Interest Commencement Date to but excluding the Maturity Date in arrear on the relevant Interest Payment Date, on the basis of the Day Count Fraction (as defined in Condition 4.2) at a rate (the **Rate of Interest**) determined on the following basis:
 - (A) on the first day of each Interest Period if the Contractual Currency is Sterling or, if the Contractual Currency is euro, the second Business Day (as defined in Condition 4 above) before the beginning of each Interest Period, or, if the TCDs are denominated in any other currency, the second Business Day before the beginning of each Interest period (each a LIBOR Interest Determination Date), the Principal Paying Agent will determine the offered rate for deposits on the Contractual Currency in the London interbank market for the Interest Period concerned as at 11.00 a.m. (London time) on the LIBOR Interest Determination Date in question. Such offered rate will be that which appears on the display designated as Reuters Screen LIBOR01 Page (or such other page or service as may replace it for the purpose of displaying London interbank offered rates of major banks for deposits in the Contractual Currency for a duration approximately equal to the Interest Period). The Rate of Interest for such Interest Period will be the Margin (expressed as a percentage rate per annum) above (if a positive number) or below (if a negative number) the rate which so appears, as determined by the Principal Paying Agent;
 - (B) if on any LIBOR Interest Determination Date for any reason such offered rate is unavailable, the Principal Paying Agent will request each of the Reference Banks to provide its offered quotation to leading banks in the London interbank market for deposits in the Contractual Currency for a duration approximately equal to the Interest Period concerned as at 11.00 a.m. (London time) on the LIBOR Interest Determination Date in question. The Rate of Interest for such Interest Period will be the Margin (expressed as a percentage rate per annum) above (if a positive number) or below (if

a negative number) such quotation (if only one is provided) or the arithmetic mean (rounded, if necessary, up to the nearest four decimal places) of such quotations (if two or more are so provided), as determined by the Principal Paying Agent; and

- (C) if the Principal Paying Agent is unable to determine the Rate of Interest for an Interest Period in accordance with (A) or (B) above, the Rate of Interest for such Interest Period will be the Rate of Interest in effect for the last preceding Interest Period to which (A) or (B) above applied;
 - (ii) the Principal Paying Agent will, as soon as practicable after 11.00 a.m. (London time) on each LIBOR Interest Determination Date, determine the Rate of Interest and calculate the amount of interest payable (the **Amount of Interest**) for one TCD of each Denomination for the relevant Interest Period. The Amount of Interest will be calculated by applying the Rate of Interest to the Nominal Amount of one TCD of each Denomination, multiplying such product by the Day Count Fraction and rounding the resulting figure to the nearest amount of the Contractual Currency which is available as legal tender in the country of the Contractual Currency (with halves being rounded upwards). The determination of the Rate of Interest and the Amount of Interest by the Principal Paying Agent will (in the absence of manifest error or fraud) be final and binding upon all parties;
 - (iii) a certificate of the Principal Paying Agent as to the Rate of Interest payable hereon for any Interest Period will be conclusive and binding as between the Issuer and the bearer; and
 - (iv) the Issuer will procure that a notice specifying the Rate of Interest payable in respect of each Interest Period be given as soon as practicable after the determination of the Rate of Interest. Such notice will be delivered to Euroclear, Clearstream and/or the CMU Service or, if the TCDs have been exchanged for Definitive TCDs, will be delivered to the bearer of the Definitive TCD or, if that is not possible, it will be published in the *Financial Times* or such other newspaper in general circulation in the relevant jurisdiction as the Issuer determines.
- (b) If the applicable Pricing Supplement specifies EURIBOR as the Reference Rate:
- (i) interest will be payable on the Nominal Amount from and including the Interest Commencement Date to but excluding the Maturity Date in arrear on the relevant Interest Payment Date, on the basis of the Day Count Fraction at a rate (the **Rate of Interest**) determined on the following basis:
 - (A) on the second Business Day before the beginning of each Interest Period (each a **EURIBOR Interest Determination Date**), the Principal Paying Agent will determine the European Interbank Offered Rate for deposits in euro for the Interest Period concerned as at 11.00 a.m. (Brussels time) on the EURIBOR Interest Determination Date in question. Such offered rate will be that which appears on the display designated as Reuters Screen EURIBOR01 Page (or such other page or service as may replace it for the purpose of displaying European Interbank Offered Rates of prime banks in the euro-zone (as defined below) for deposits in euro for a duration approximately equal to the Interest Period). The Rate of Interest for such Interest Period will be the Margin (expressed as a percentage rate per annum) above (if a positive number) or below (if a negative number) the rate which so appears, as determined by the Principal Paying Agent;

- (B) if on any EURIBOR Interest Determination Date for any reason such offered rate is unavailable, the Principal Paying Agent will request the principal euro-zone office of each of the Reference Banks to provide its offered quotation to leading banks in the euro-zone interbank market for deposits in euro for a duration approximately equal to the Interest Period concerned as at 11.00 a.m. (Brussels time) on the EURIBOR Interest Determination Date in question. The Rate of Interest for such EURIBOR Interest Period will be the Margin (expressed as a percentage rate per annum) above (if a positive number) or below (if a negative number) such quotation (if only one is provided) or the arithmetic mean (rounded, if necessary, up to the nearest four decimal places) of such quotations (if two or more are so provided), as determined by the Principal Paying Agent; and
 - (C) if the Principal Paying Agent is unable to determine the rate of Interest for an Interest Period in accordance with (A) or (B) above, the Rate of Interest for such Interest Period will be the Rate of Interest in effect for the last preceding Interest Period to which (A) or (B) above applied;
- (ii) **euro-zone** means the region comprised of the countries whose lawful currency is the euro;
 - (iii) the Principal Paying Agent will, as soon as practicable after 11.00 a.m. (Brussels time) on each EURIBOR Interest Determination Date, determine the Rate of Interest and calculate the amount of interest payable (the **Amount of Interest**) for one TCD of each Denomination for the relevant Interest Period. The Amount of Interest will be calculated by applying the Rate of Interest to the Nominal Amount of one TCD of each Denomination, multiplying such product by the Day Count Fraction, and rounding the resulting figure to the nearest amount of the Contractual Currency which is available as legal tender in the country of the Contractual Currency (with halves being rounded upwards). The determination of the Rate of Interest and the Amount of Interest by the Principal Paying Agent will (in the absence of manifest error or fraud) be final and binding upon all parties;
 - (iv) a certificate of the Principal Paying Agent as to the Rate of Interest payable hereon for any Interest Period will be conclusive and binding as between the Issuer and the bearer; and
 - (v) the Issuer will procure that a notice specifying the Rate of Interest payable in respect of each Interest Period be given as soon as practicable after the determination of the Rate of Interest. Such notice will be delivered to Euroclear, Clearstream and/or the CMU Service or, if this TCD has been exchanged for Definitive TCDs, it will be delivered to each holder of Definitive TCDs or, if that is not possible, it will be published in the *Financial Times* or such other newspaper in general circulation in the relevant jurisdiction as the Issuer determines.
- (c) If the applicable Pricing Supplement specifies BBSW as the Reference Rate:
 - (i) interest will be payable on the Nominal Amount from and including the Interest Commencement Date to but excluding the Maturity Date in arrear on the relevant Interest Payment Date, on the basis of the Day Count Fraction at a rate (the **Rate of Interest**) determined on the following basis:
 - (A) on the Business Day, at the beginning of each Interest Period (each a **BBSW Interest Determination Date**), the Principal Paying Agent will determine the rate for prime bank eligible securities having a tenor closest to the length of the Interest Period concerned as at

10:15am (Sydney time) on the BBSW Interest Determination Date in question. Such rate will be that which appears on the display designated as "AVG MID" on the Thomson Reuters Screen BBSW Page (or any designation which replaces that designation on that page or any page which replaces that page). The Rate of Interest will be the Margin (expressed as a percentage rate per annum) above (if a positive number) or below (if a negative number) the rate which so appears, as determined by the Principal Paying Agent;

- (B) if on any BBSW Interest Determination Date for any reason such rate is unavailable by 10:30am (Sydney time), the Principal Paying Agent will request five Reference Banks to provide its offered quotation or the quotation it would have quoted at approximately 10:15am (Sydney time) on the BBSW Interest Determination Date for prime bank eligible securities having a tenor closest to the length of the Interest Period. The Rate of Interest for such BBSW Interest Period will be the Margin (expressed as a percentage rate per annum) above (if a positive number) or below (if a negative number) such quotation (if only one is provided) or the arithmetic mean (rounded, if necessary, up to the nearest four decimal places) of such quotations (if two or more are so provided), as determined by the Principal Paying Agent; and
 - (C) if the Principal Paying Agent is unable to determine the Rate of Interest for an Interest Period in accordance with (A) or (B) above, the Rate of Interest for such Interest Period will be the rate calculated or determined by the Principal Paying Agent expressed as a percentage rate per annum (rounded, if necessary, up to the nearest four decimal places);
- (ii) the Principal Paying Agent will, as soon as practicable after 10:15am (Sydney time) on each BBSW Interest Determination Date, determine the Rate of Interest and calculate the amount of interest payable (the **Amount of Interest**) for one TCD of each Denomination for the relevant Interest Period. The Amount of Interest will be calculated by applying the Rate of Interest to the Nominal Amount of one TCD of each Denomination, multiplying such product by the Day Count Fraction and rounding the resulting figure to the nearest amount of Australian Dollars (with halves being rounded upwards). The determination of the Rate of Interest and the Amount of Interest by the Principal Paying Agent will (in the absence of manifest error or fraud) be final and binding upon all parties;
 - (iii) a certificate of the Principal Paying Agent as to the Rate of Interest payable hereon for any Interest Period will be conclusive and binding as between the Issuer and the bearer; and
 - (iv) the Issuer will procure that a notice specifying the Rate of Interest payable in respect of each Interest Period be given as soon as practicable after the determination of the Rate of Interest. Such notice will be delivered to Euroclear, Clearstream and/or the CMU Service or, if the TCDs have been exchanged for Definitive TCDs, it will be delivered to each holder of the Definitive TCDs or, if that is not possible, it will be published in the *Financial Times* or such other newspaper in general circulation in the relevant jurisdiction as the Issuer determines.
- (d) If the applicable Pricing Supplement specifies HIBOR as the Reference Rate:
 - (i) interest will be payable on the Nominal Amount from and including the Interest Commencement Date to but excluding the Maturity Date in arrear

on the relevant Interest Payment Date, on the basis of the Day Count Fraction at a rate (the Rate of Interest) determined on the following basis:

- (A) on the Business Day, at the beginning of each Interest Period (each a **HIBOR Interest Determination Date**), the Principal Paying Agent will determine the average mid rate, for deposits in Hong Kong Dollars for the Interest Period concerned as at 11:00am (Hong Kong time) on the HIBOR Interest Determination Date in question. Such offered rate will be that which appears on the display designated as Reuters Screen HKABHIBOR Page (or such other page or service as may replace it for the purpose of displaying rate for deposits in Hong Kong Dollars for a duration approximately equal to the Interest Period). The Rate of Interest will be the Margin (expressed as a percentage rate per annum) above (if a positive number) or below (if a negative number) the rate which so appears, as determined by the Principal Paying Agent;
 - (B) if on any HIBOR Interest Determination Date for any reason such offered rate is unavailable by 11:30am (Hong Kong time), the Principal Paying Agent will request five Reference Banks to provide its offered quotation or the quotation it would have quoted at approximately 11:00am (Hong Kong time) on the HIBOR Interest Determination Date for deposits in Hong Kong Dollars for a duration approximately equal to the Interest Period. The Rate of Interest for such HIBOR Interest Period will be the Margin (expressed as a percentage rate per annum) above (if a positive number) or below (if a negative number) such quotation (if only one is provided) or the arithmetic mean (rounded, if necessary, up to the nearest four decimal places) of such quotations (if two or more are so provided), as determined by the Principal Paying Agent; and
 - (C) if the Principal Paying Agent is unable to determine the Rate of Interest for an Interest Period in accordance with (A) or (B) above, the Rate of Interest for such Interest Period will be the rate calculated or determined by the Principal Paying Agent expressed as a percentage rate per annum (rounded, if necessary, up to the nearest four decimal places);
- (ii) the Principal Paying Agent will, as soon as practicable after 11:00am (Hong Kong time) on each HIBOR Interest Determination Date, determine the Rate of Interest and calculate the amount of interest payable (the **Amount of Interest**) for one TCD of each Denomination for the relevant Interest Period. The Amount of Interest will be calculated by applying the Rate of Interest to the Nominal Amount of one TCD of each Denomination, multiplying such product by the Day Count Fraction and rounding the resulting figure to the nearest amount of Hong Kong Dollars (with halves being rounded upwards). The determination of the Rate of Interest and the Amount of Interest by the Principal Paying Agent will (in the absence of manifest error or fraud) be final and binding upon all parties;
 - (iii) a certificate of the Principal Paying Agent as to the Rate of Interest payable hereon for any Interest Period will be conclusive and binding as between the Issuer and the bearer; and
 - (iv) the Issuer will procure that a notice specifying the Rate of Interest payable in respect of each Interest Period be given as soon as practicable after the determination of the Rate of Interest. Such notice will be delivered to Euroclear, Clearstream and/or the CMU Service or, if the TCDs have been exchanged for Definitive TCDs, it will be delivered to each holder of the Definitive TCDs or, if that is not possible, it will be published in the *Financial*

Times or such other newspaper in general circulation in the relevant jurisdiction as the Issuer determines.

- (e) If the applicable Pricing Supplement specifies BKBM as the Reference Rate:
- (i) interest will be payable on the Nominal Amount in respect of each successive Interest Period (as defined below) from and including the Interest Commencement Date to but excluding the Maturity Date only, in arrear on the relevant Interest Payment Date, on the basis of the Day Count Fraction at a rate (the **Rate of Interest**) determined on the following basis:
 - (A) on the Business Day, at the beginning of each Interest Period (each a **BKBM Interest Determination Date**), the Principal Paying Agent will determine the Bank Bill Reference Rate (rounded, if necessary, to the fifth decimal place) administered by the New Zealand Financial Markets Association (or any other person which takes over the administration of that rate) as set forth on the display page designated on page "BKBM" on the Reuters screen service (**BKBM Reuters Page**), or such other information service as may replace the BKBM Reuters Page, at or about 10.45 am Wellington time (or such other time at which such rate customarily appears on that page) (the **Publication Time**) on the relevant BKBM Interest Determination Date in respect of such Interest Period. The Rate of Interest will be the Margin (expressed as a percentage rate per annum) above (if a positive number) or below (if a negative number) the rate which so appears, as determined by the Principal Paying Agent;
 - (B) if on any BKBM Interest Determination Date for any reason such rate does not appear on the BKBM Reuters Page by 11:00 am (Wellington time) (or such time that is 15 minutes after the then prevailing Publication Time), the Rate of Interest means the rate determined by the Principal Paying Agent on the BKBM Interest Determination Date in good faith, having regard, to the extent possible, to the rates otherwise bid and offered at or around 11. am Wellington time (or such other time that is 15 minutes after the then prevailing Publication Time) on the BKBM Interest Determination Date by participants in the BKBM trading window for New Zealand bank bills having a tenor approximately equal to the Interest Period. The Rate of Interest for such BKBM Interest Period will be the Margin (expressed as a percentage rate per annum) above (if a positive number) or below (if a negative number) such quotation (if only one is provided) or the arithmetic mean (rounded, if necessary, up to the nearest four decimal places) of such quotations (if two or more are so provided), as determined by the Principal Paying Agent; and
 - (C) if the Principal Paying Agent is unable to determine the Rate of Interest for an Interest Period in accordance with (A) or (B) above, the Rate of Interest for such Interest Period will be the rate calculated or determined by the Principal Paying Agent expressed as a percentage rate per annum (rounded, if necessary, up to the nearest four decimal places);
 - (ii) the Principal Paying Agent will, as soon as practicable after 11:00am (Wellington time) on each BKBM Interest Determination Date, determine the Rate of Interest and calculate the amount of interest payable (the **Amount of Interest**) for one TCD of each Denomination for the relevant Interest Period. The Amount of Interest will be calculated by applying the Rate of Interest to the Nominal Amount of one TCD of each Denomination, multiplying such product by the Day Count Fraction and rounding the resulting figure to the

nearest amount of New Zealand Dollars (with halves being rounded upwards). The determination of the Rate of Interest and the Amount of Interest by the Principal Paying Agent will (in the absence of manifest error or fraud) be final and binding upon all parties;

- (iii) a certificate of the Principal Paying Agent as to the Rate of Interest payable hereon for any Interest Period will be conclusive and binding as between the Issuer and the bearer; and
 - (iv) the Issuer will procure that a notice specifying the Rate of Interest payable in respect of each Interest Period be given as soon as practicable after the determination of the Rate of Interest. Such notice will be delivered to Euroclear, Clearstream and/or the CMU Service or, if the TCDs have been exchanged for Definitive TCDs, it will be delivered to each holder of the Definitive TCDs or, if that is not possible, it will be published in the *Financial Times* or such other newspaper in general circulation in the relevant jurisdiction as the Issuer determines.
- (f) If the applicable Pricing Supplement specifies SIBOR as the Reference Rate:
- (i) interest will be payable on the Nominal Amount from and including the Interest Commencement Date to but excluding the Maturity Date in arrear on the relevant Interest Payment Date, on the basis of the Day Count Fraction at a rate (the **Rate of Interest**) determined on the following basis:
 - (A) on the second Business Day, before the beginning of each Interest Period (each a **SIBOR Interest Determination Date**), the Principal Paying Agent will determine the average mid rate, for deposits in Singapore Dollars for the Interest Period concerned as at 11:00am (Singapore time) on the SIBOR Interest Determination Date in question. Such offered rate will be that which appears on the display designated as Reuters Screen ABSIRFIX01 Page under the heading "SGD SIBOR" (or such other page or service as may replace it for the purpose of displaying rate for deposits in Singapore Dollars for a duration approximately equal to the Interest Period). The Rate of Interest will be the Margin (expressed as a percentage rate per annum) above (if a positive number) or below (if a negative number) the rate which so appears, as determined by the Principal Paying Agent;
 - (B) if on any SIBOR Interest Determination Date for any reason such offered rate is unavailable by 11:30am (Singapore time), the Principal Paying Agent will request five Reference Banks to provide its offered quotation or the quotation it would have quoted at approximately 11:00am (Singapore time) on the SIBOR Interest Determination Date for deposits in Singapore Dollars for a duration approximately equal to the Interest Period. The Rate of Interest for such SIBOR Interest Period will be the Margin (expressed as a percentage rate per annum) above (if a positive number) or below (if a negative number) such quotation (if only one is provided) or the arithmetic mean (rounded, if necessary, up to the nearest four decimal places) of such quotations (if two or more are so provided), as determined by the Principal Paying Agent; and
 - (C) if the Principal Paying Agent is unable to determine the Rate of Interest for an Interest Period in accordance with (A) or (B) above, the Rate of Interest for such Interest Period will be the rate calculated or determined by the Principal Paying Agent expressed as a percentage rate per annum (rounded, if necessary, up to the nearest four decimal places);

- (ii) the Principal Paying Agent will, as soon as practicable after 11:00am (Singapore time) on each SIBOR Interest Determination Date, determine the Rate of Interest and calculate the amount of interest payable (the **Amount of Interest**) for one TCD of each Denomination for the relevant Interest Period. The Amount of Interest will be calculated by applying the Rate of Interest to the Nominal Amount of one TCD of each Denomination, multiplying such product by the Day Count Fraction and rounding the resulting figure to the nearest amount of Singapore Dollars (with halves being rounded upwards). The determination of the Rate of Interest and the Amount of Interest by the Principal Paying Agent will (in the absence of manifest error or fraud) be final and binding upon all parties;
 - (iii) a certificate of the Principal Paying Agent as to the Rate of Interest payable hereon for any Interest Period will be conclusive and binding as between the Issuer and the bearer; and
 - (iv) the Issuer will procure that a notice specifying the Rate of Interest payable in respect of each Interest Period be given as soon as practicable after the determination of the Rate of Interest. Such notice will be delivered to Euroclear, Clearstream and/or the CMU Service or, if the TCDs have been exchanged for Definitive TCDs, it will be delivered to each holder of the Definitive TCDs or, if that is not possible, it will be published in the Financial Times or such other newspaper in general circulation in the relevant jurisdiction as the Issuer determines.
- (g) If the applicable Pricing Supplement specifies CNH HIBOR as the Reference Rate:
- (i) interest will be payable on the Nominal Amount from and including the Interest Commencement Date to but excluding the Maturity Date in arrear on the relevant Interest Payment Date, on the basis of the Day Count Fraction at a rate (the **Rate of Interest**) determined on the following basis:
 - (A) on the Business Day (as defined in Condition 3 above), at the beginning of each Interest Period (each a **CNH HIBOR Interest Determination Date**), the Principal Paying Agent will determine the average mid-rate, for deposits in Renminbi in Hong Kong for the Interest Period concerned as at 11:15am (Hong Kong time) or if, at or around that time it is notified that the fixing will be published at 2.30pm (Hong Kong time), then 2.30pm (Hong Kong time) on the CNH HIBOR Interest Determination Date in question. Such offered rate will be that which is the “**CNH Hong Kong Interbank Offered Rate**” administered by the Treasury Markets Association of Hong Kong (or any other person who takes over the administration of that role for the Renminbi) published on the Reuters Screen CNHHIBORFIX page at the relevant time (or such other page or service as may replace it for the purpose of displaying rate for deposits in Renminbi in Hong Kong for a duration approximately equal to the Interest Period). The Rate of Interest will be the Margin (expressed as a percentage rate per annum) above (if a positive number) or below (if a negative number) the rate which so appears, as determined by the Principal Paying Agent;
 - (B) if on any CNH HIBOR Interest Determination Date for any reason such offered rate is unavailable by the relevant time, the Principal Paying Agent will request five Reference Banks to provide its offered quotation or the quotation it would have quoted at approximately 11:15am (Hong Kong time) on the CNH HIBOR Interest Determination Date for deposits in Renminbi in Hong Kong for a duration approximately equal to the Interest Period. The Rate of Interest for such CNH HIBOR Interest Period will be the Margin

(expressed as a percentage rate per annum) above (if a positive number) or below (if a negative number) such quotation (if only one is provided) or the arithmetic mean (rounded, if necessary, up to the nearest four decimal places) of such quotations (if two or more are so provided), as determined by the Principal Paying Agent; and if the Principal Paying Agent is unable to determine the Rate of Interest for an Interest Period in accordance with (A) or (B) above, the Rate of Interest for such Interest Period will be the rate calculated or determined by the Principal Paying Agent expressed as a percentage rate per annum (rounded, if necessary, up to the nearest four decimal places);

- (C) if the Principal Paying Agent is unable to determine the Rate of Interest for an Interest Period in accordance with (A) or (B) above, the Rate of Interest for such Interest Period will be the rate calculated or determined by the Principal Paying Agent expressed as a percentage rate per annum (rounded, if necessary, up to the nearest four decimal places);
- (ii) the Principal Paying Agent will, as soon as practicable after 11:15am (Hong Kong time) on each CNH HIBOR Interest Determination Date, determine the Rate of Interest and calculate the amount of interest payable (the Amount of Interest) for one TCD of each Denomination for the relevant Interest Period. The Amount of Interest will be calculated by applying the Rate of Interest to the Nominal Amount of one TCD of each Denomination, multiplying such product by the Day Count Fraction, and rounding the resulting figure to the nearest amount of Renminbi (with halves being rounded upwards). The determination of the Rate of Interest and the Amount of Interest by the Principal Paying Agent will (in the absence of manifest error or fraud) be final and binding upon all parties;
- (iii) a certificate of the Principal Paying Agent as to the Rate of Interest payable hereon for any Interest Period will be conclusive and binding as between the Issuer and the bearer; and
- (iv) the Issuer will procure that a notice specifying the Rate of Interest payable in respect of each Interest Period be given as soon as practicable after the determination of the Rate of Interest. Such notice will be delivered to Euroclear, Clearstream and/or the CMU Service or, if the TCDs have been exchanged for Definitive TCDs, it will be delivered to each holder of the Definitive TCDs or, if that is not possible, it will be published in the Financial Times or such other newspaper in general circulation in the relevant jurisdiction as the Issuer determines.

5 Early redemption for tax reasons

If immediately prior to giving the notice referred to in paragraph (b) below:

- (a) the Issuer would be required to deduct or withhold from any payment of principal or interest in respect of the TCDs on the next Interest Payment Date or the Maturity Date, as the case may be, any amount for or on account of any present or future Taxes (defined in Condition 6 below); then
- (b) the Issuer may, but will not be obliged to, at any time at its option, having given not more than 60 nor less than 30 days' notice to the holders of the TCDs, redeem the TCDs at their Nominal Amount, together with accrued interest to the date of redemption. Such notice will be delivered to Euroclear, Clearstream and/or the CMU Service or, if the TCDs have been exchanged for Definitive TCDs, it will be delivered to each bearer of the Definitive TCDs or, if that is not possible, it will be published in

the Financial Times or such other newspaper in general circulation in the relevant jurisdiction as the Issuer determines.

6 Taxes

All payments by the Issuer of, or in respect of, principal and interest on the TCDs will be made without withholding or deduction for, or on account of, any present or future taxes, withholdings, levies, imposts, duties, assessments or other governmental charges of whatever nature (**Taxes**) imposed or levied by or on behalf of any Taxing Jurisdiction or political sub-division thereof or any authority thereof or therein having power to tax unless such Taxes are required by law to be withheld or deducted or where such withholding or deduction is made under or in connection with, or in order to ensure compliance with FATCA (as defined below). In that event, the Issuer will pay such additional amounts of, or in respect of, principal and/or interest as will result (after deduction of Taxes) in payment to the holder of the TCDs of the amounts which would otherwise have been payable in respect of the TCDs except that no such additional amounts will be payable with respect to any TCD:

- (a) in respect of any Tax imposed on, or calculated having regard to, the net income, gross receipts or assets of a holder of the TCD;
- (b) if the TCD is presented for payment by or on behalf of a holder who is subject to such Taxes in respect of the TCD by reason of their being connected with the Commonwealth of Australia (where Commonwealth Bank of Australia is the Issuer of the TCD) or the Commonwealth of Australia and the Hong Kong Special Administrative Region of the People's Republic of China (where Commonwealth Bank of Australia Hong Kong Branch is the Issuer of the TCD) or the Commonwealth of Australia and Singapore (where Commonwealth Bank of Australia Singapore Branch is the Issuer of the TCD) other than the mere holding of the TCD or the receipt of payment thereon;
- (c) if the TCD is presented for payment by or on behalf of a holder who is an associate (as that term is defined in section 128F of the Income Tax Assessment Act 1936 of Australia (the **Australian Tax Act**)) of the Issuer and the payment being sought is not, or will not be, exempt from interest withholding tax because of section 128F(6) of the Australian Tax Act;
- (d) if demand is made for payment in respect of the TCD more than 30 days after the date upon which demand may first be made hereunder, except to the extent that the person making such demand would have been entitled to such additional amount had such demand been made on the last day of such period of 30 days;
- (e) to, or to a third party on behalf of, a holder (or a person with an interest in a TCD), if that person has not supplied an appropriate Australian tax file number, Australian Business Number or details of an applicable exemption from these requirements before the Record Date;
- (f) if the TCD is presented for payment by or on behalf of a holder who could lawfully avoid (but has not so avoided) such deduction of withholding by complying with any statutory requirements in force at the present time or in the future or by making a declaration of non-residence or other claim or filing for exemption; or
- (g) to, or to a third party on behalf of, a holder where such withholding or deduction is required to be made pursuant to a notice or direction issued by the Commissioner of Taxation under section 255 of the Australian Tax Act or section 260-5 of Schedule 1 to the Taxation Administration Act 1953 of the Commonwealth of Australia or any similar law.

Notwithstanding any other provision of these Conditions, if the Issuer, or any other person through whom payments on the TCDs are made, is required to withhold or deduct amounts under or in connection with, or in order to ensure compliance with FATCA, the Issuer shall be

entitled to make such withholding or deduction and shall have no obligation to gross up any payment under these Conditions or to pay any additional amount under this clause or other amount for such withholding or deduction.

For the purposes of these Conditions, FATCA means:

- (a) sections 1471 to 1474 of the United States of America Internal Revenue Code of 1986 or any associated regulations;
- (b) any treaty, law or regulation of any other jurisdiction, or relating to an intergovernmental agreement between the U.S. and any other jurisdiction, which (in either case) facilitates the implementation of any law or regulation referred to in paragraph (a) above; or
- (c) any agreement pursuant to the implementation of any treaty, law or regulation referred to in paragraphs (a) or (b) above with the U.S. Internal Revenue Service, the U.S. government or any governmental or taxation authority in any other jurisdiction.

The **Taxing Jurisdiction** in relation to the TCDs means the Commonwealth of Australia (where Commonwealth Bank of Australia is the Issuer of the TCDs), the Commonwealth of Australia and the Hong Kong Special Administrative Region of the People's Republic of China (where Commonwealth Bank of Australia Hong Kong Branch is the Issuer of the TCDs), the Commonwealth of Australia and Singapore (where Commonwealth Bank of Australia Singapore Branch is the Issuer of the TCDs) or such other jurisdiction, if any, named in the applicable Pricing Supplement as being the jurisdiction wherein the Issuer's borrowing office is located for the TCDs if such borrowing office is not in the aforementioned jurisdiction or jurisdictions.

7 Prescription

The TCDs will become void unless presented for payment within a period of five years (in the case of principal and interest) after the Relevant Date. **Relevant Date** means the date on which such payment first becomes due, except that if such payment has been received after the due date by the Principal Paying Agent, such date on which the Principal Paying Agent has received the aforementioned payment.

8 Paying agents

In the event that any additional or further paying agents are appointed by the Issuer, the Issuer will procure that a notice specifying such additional or further paying agent be given as soon as practicable after such appointment. Such notice will be delivered to the CMU Service, Euroclear and Clearstream or, if the TCDs have been exchanged for Definitive TCDs, it will be delivered to each holder of the Definitive TCDs or, if that is not possible, it will be published in the Financial Times or such other newspaper in general circulation in the relevant jurisdiction as the Issuer determines.

9 Governing law and jurisdiction

9.1 Governing law

The TCDs are governed by, and will be construed in accordance with, the laws of Hong Kong.

9.2 Jurisdiction

- (a) The courts of Hong Kong are to have jurisdiction to settle any disputes which may arise out of or in connection with the TCDs and accordingly any legal action or proceedings arising out of or in connection with the TCDs (**Proceedings**) may be brought in such courts. The Issuer irrevocably submits to the jurisdiction of such courts and waives any objection to Proceedings in any such courts whether on the grounds of venue or on the grounds that the Proceedings have been brought in an

inconvenient forum. This submission is for the benefit of the holders of the TCDs and will not limit the right of any of them to take Proceedings in any other court of competent jurisdiction nor will the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).

- (b) The Issuer irrevocably consents in respect of any Proceedings anywhere to the giving of any relief or the issue of any process in connection with such Proceedings including, without limitation, the making, enforcement or execution against any assets whatsoever (irrespective of their use or intended use) of any order or judgment which may be made or given in such Proceedings, and agrees that any final order or judgment will be conclusive.
- (c) Where the Issuer of the TCDs is Commonwealth Bank of Australia or Commonwealth Bank of Australia Singapore Branch, the relevant Issuer irrevocably appoints Commonwealth Bank of Australia Hong Kong Branch, of Level 13, One Exchange Square, 8 Connaught Place, Central, Hong Kong to receive, for it and on its behalf, service of process in any Proceedings in the courts of Hong Kong. Nothing will affect the right to serve process in any other manner permitted by law.
- (d) To the extent that the Issuer is or becomes entitled to any immunity, it irrevocably agrees not to plead or claim any such immunity with respect of its obligations under or arising out of or in connection with the TCDs.

9.3 Contracts (Rights of Third Parties) Ordinance

Except as otherwise expressly stated in these Conditions, no one other than the Issuer and holders of TCDs may enforce any of the Conditions under the Contracts (Rights of Third Parties) Ordinance (Cap. 623 of the Laws of Hong Kong). Where any Condition entitles any third party to enforce any Condition under the Contracts (Rights of Third Parties) Ordinance, the parties reserve the right to vary that Condition or any other Condition without the consent of that third party.

8 SUMMARY OF PROVISIONS RELATING TO TCDs WHILE IN GLOBAL FORM

Each Global TCD contains provisions which apply to TCDs while they are in global form. The following is a summary of some of those provisions.

Exchange of Temporary Global TCD for Permanent Global TCD

On or after the Certification Date specified in the Pricing Supplement, a Temporary Global TCD may be exchanged in whole or in part (free of charge to the holder) by its presentation and, on exchange in full, surrender to the Issuer or, if applicable, the Principal Paying Agent for interests in a Permanent Global TCD in bearer form in an aggregate nominal amount equal to the nominal amount of the Temporary Global TCD submitted for exchange with respect to which the Issuer or Principal Paying Agent (as applicable) has received the relevant certifications referred to below.

If the Temporary Global TCD is lodged with the CMU Service any person appearing in the records of the CMU Service as entitled to an interest in the Temporary Global TCD may require the exchange of an appropriate part of the Temporary Global TCD for an equivalent interest in the Permanent Global TCD by delivering or causing to be delivered to the Issuer or, if applicable, the Principal Paying Agent a certificate dated not more than 15 days before the Certification Date in the form required by the CMU Service in respect of, among other things, the Temporary Global TCD.

If the Temporary Global TCD is held on behalf of Euroclear or Clearstream the holder of the Temporary Global TCD may require the exchange of an appropriate part of the Temporary Global TCD for an equivalent interest in the Permanent Global TCD by delivering or causing to be delivered to Euroclear or Clearstream a certificate dated not more than 15 days before the Certification Date in the form required by Euroclear or Clearstream.

On any exchange of a part of the Temporary Global TCD for an equivalent interest in the Permanent Global TCD, the portion of the nominal amount of the Temporary Global TCD so exchanged will be endorsed by or on behalf of the Issuer in Schedule Two to the Temporary Global TCD and at that time the nominal amount of the Temporary Global TCD will be reduced for all purposes by the amount so exchanged and endorsed.

Exchange for Definitive TCDs

Each Global TCD can be exchanged in whole but not in part (free of charge to the holder) for Definitive TCDs:

- (a) if that Global TCD is held on behalf of Euroclear, Clearstream and/or the CMU Service, when the relevant clearing system:
 - (i) has been closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise); or
 - (ii) announces an intention permanently to cease business or does in fact do so;
- (b) if the Issuer does not pay in the manner provided in the Conditions any sum payable under that Global TCD when due and the payment is not made within seven days after the due date; or
- (c) if:
 - (i) the Issuer would suffer a material disadvantage in respect of that Global TCD as a result of a change in the laws or regulations (taxation or otherwise) of Hong Kong or Singapore or Australia which would not be suffered if that Global TCD was exchanged for Definitive TCDs; and

- (ii) the Issuer issues to the holder of that Global TCD a certificate, signed by an authorised signatory of the Issuer, confirming that material disadvantage.

In the case of (a) or (b) above, the holder of a Global TCD may give notice to the Issuer (or, if one is specified in the Pricing Supplement, the Principal Paying Agent) of its intention to exchange that Global TCD for Definitive TCDs on or after the Exchange Date specified in the notice. In the case of (c) above, the Issuer may give notice to the Principal Paying Agent (if one is specified in the Pricing Supplement) or the holder of that Global TCD.

"Exchange Date" means a day falling not less than 30 days or, in the case of exchange following non-payment, 14 days after the date on which the notice requiring exchange is given and on which banks in Hong Kong and, except in the case of an exchange under (a) above, the relevant clearing systems are open for business.

On or after any Exchange Date, the holder of a Global TCD may surrender that Global TCD to or to the order of the Issuer (or, if one is specified in the Pricing Supplement, the Principal Paying Agent).

In exchange for a Global TCD (or an interest in a Global TCD), the Issuer will deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed Definitive TCDs.

On exchange in full of a Global TCD, the Issuer will, if the holder so requests, procure that the Global TCD is cancelled and returned to the holder together with the relevant Definitive TCDs. In these circumstances, the Issuer will bear the cost of preparing any Definitive TCDs and any costs associated with the withdrawal of a Global TCD from the relevant clearing system(s).

Exchange for Direct Rights

A Relevant Accountholder may from time to time elect for **"Direct Rights"** (as defined in the Deed of Covenant) to come into effect under the provisions of a Global TCD and the Deed of Covenant if:

- (a) the Issuer does not pay in the manner provided in the Conditions any sum payable under a Global TCD when due and the payment is not made within 7 days after the due date and no Definitive TCDs have been requested to be produced; or
- (b) if Definitive TCDs have been requested to be produced and they have not been produced in a manner and by the time required by the Global TCD.

9 **FORM OF DEED OF COVENANT**

Parties

Commonwealth Bank of Australia (ABN 48 123 123 124) of Tower 1 Darling Park, Level 25, 201 Sussex Street, Sydney, New South Wales, Australia (**Bank**)

Commonwealth Bank of Australia Hong Kong Branch of Level 13, One Exchange Square, 8 Connaught Place, Central, Hong Kong (**CBA Hong Kong Branch**)

Commonwealth Bank of Australia Singapore Branch of 38 Beach Road, South Beach Tower #06-11, Singapore 189767 (**CBA Singapore Branch**)

In favour of

Each person who is from time to time an Account Holder (defined below) or a CMU Member (defined below) as provided in this Deed

Background

- A** The Bank, CBA Hong Kong Branch and CBA Singapore Branch (each, in relation to the TCDs (as defined below) issued by it, the **Issuer**) have established an Asian transferable certificates of deposit program (**TCD Program**) under an Amended and Restated Dealer Agreement No. 2 dated 14 February 2017, with CBA Hong Kong Branch as arranger and a dealer and the Bank as a dealer, as may be amended, restated or supplemented from time to time (**Dealer Agreement**).
- B** The Issuer has appointed Deutsche Bank AG, Hong Kong Branch to act as Issuing and Principal Paying Agent (**Agent**) under an Amended and Restated Issuing and Paying Agency Agreement dated 9 September 2010 as amended, restated or supplemented from time to time (**Issuing and Paying Agency Agreement**).
- C** The Issuer may issue transferable certificates of deposit (**TCDs**) under the Dealer Agreement and the Issuing and Paying Agency Agreement from time to time in definitive form (**Definitive TCD**) or global form (**Global TCD**). Global TCDs will be cleared through a Clearing System (as defined below).
- D** Global TCDs cleared through Euroclear or Clearstream will be deposited with a common depository on behalf of the relevant operator of Euroclear or Clearstream. The interest of a holder of a securities account in Euroclear or Clearstream (**Securities Account**) in a Global TCD (**Account Holder**) will be credited to their Securities Account in accordance with the terms and conditions and operating procedures or management regulations of Euroclear or Clearstream (**Operating Procedures**), and the Account Holder's agreement with Euroclear or Clearstream.
- E** Global TCDs cleared through the CMU Service will be lodged with a sub-custodian appointed for the purpose of clearing such Global TCDs.
- F** Each Account Holder will be entitled, subject to and in accordance with the Operating Procedures, to transfer their interest and to receive from the operator of the Clearing System payments made by the Issuer to the bearer of the Global TCDs calculated by reference to that interest.
- G** Each CMU Member (as defined below) which has an interest in a Global TCD credited to its CMU Account (as defined below) will be entitled, subject to and in accordance with the operating procedures of the CMU Service, to transfer that interest and to receive from the operator of the CMU Service payments made by the Issuer to the bearer of the Global TCDs calculated by reference to that interest.

- H** At the Relevant Time (as defined below), or if a Global TCD becomes void, Relevant Accountholders (as defined below) will acquire Direct Rights (as defined below) against the Issuer.

1 Definitions and interpretation

1.1 Definitions

In this deed, unless the context requires otherwise:

Account means a Securities Account or a CMU Account, as applicable.

Account Holder has the meaning given in Recital D.

Clearing System means:

- (a) Euroclear;
- (b) Clearstream;
- (c) the CMU Service; or
- (d) any other clearing system agreed by the Agent and the Issuer.

Clearstream means the Clearstream Banking system as operated by Clearstream Banking S.A., Luxembourg.

CMU Account means a CMU Main Account, CMU General Custody Account or CMU Specific Custody Account, each as defined in the CMU Membership Agreement between the CMU Member and the CMU Service.

CMU Member means a member of the CMU Service whose CMU Account is credited with an interest in a TCD.

CMU Service means the Hong Kong Monetary Authority acting as operator of the Moneymarkets Unit.

Conditions means, in relation to the TCDs of any Series, the terms and conditions endorsed on or incorporated by reference into the TCD or TCDs constituting the Series, the terms and conditions being in or substantially in the form set out in Schedule 1 of the Issuing and Paying Agency Agreement (and attached as an exhibit to this deed) or in such other form, having regard to the terms of the TCDs of the relevant Series, as may be agreed between the relevant Issuer, the Agent and the relevant Dealer(s) as modified and supplemented by the applicable Pricing Supplement.

Direct Rights means all rights which a Relevant Accountholder would have had in respect of the TCDs if it had held and beneficially owned, executed and authenticated Definitive TCDs in an aggregate principal amount equal to the Nominal Amount of the Relevant Accountholder's Entries relating to such Global TCD immediately prior to the Relevant Time or the time at which a Global TCD becomes void (including, without limitation, the right to receive the principal amount of, interest and overdue interest (if any) under, and any other moneys payable with respect to, the Definitive TCDs, as if such Definitive TCDs had (where required by the Conditions) been duly presented and (where required by the Conditions) surrendered on the due date in accordance with the Conditions).

Entry means:

- (a) in relation to any Account Holder, any entry which is made in the Securities Account in respect of the relevant Global TCD; and
- (b) in relation to any CMU Member, any interest credited to its CMU Account in respect of the relevant Global TCD.

Euroclear means the Euroclear System as operated by Euroclear Bank SA/NV.

Pricing Supplement means, in respect of a Tranche of TCDs, the supplement specifying the relevant issue details in relation to that Tranche.

Relevant Accountholder means an Account Holder or a CMU Member.

Relevant Time means the time when Direct Rights take effect as contemplated in a Global TCD under the heading "Exchange for Direct Rights" and by this Deed.

Securities Account has the meaning given in Recital D.

1.2 Definitions in Dealer Agreement and Conditions

The definitions in the Dealer Agreement and the Conditions apply to this Deed unless the context requires otherwise.

1.3 Interpretation

In this deed, unless the contrary intention appears:

- (a) a reference to:
 - (i) this deed or another agreement or instrument includes any variation, supplement, replacement or novation of them;
 - (ii) a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
 - (iii) a person includes a reference to the person's executors, administrators, successors, substitutes (including, without limitation, persons taking by novation) and assigns;
 - (iv) any thing is a reference to the whole and each part of it; and
 - (v) one gender includes every other gender;
- (b) the singular includes the plural and vice versa;
- (c) the word "person" includes a firm, body corporate, an unincorporated association, an authority or a Government Body; and
- (d) headings are inserted for convenience and do not affect the interpretation of this deed.

2 Direct Rights

2.1 Creation

- (a) At the Relevant Time, or if any Global TCD becomes void in accordance with its terms, the Issuer will pay on demand to each Relevant Accountholder in respect of the Global TCD an amount equal to the Relevant Accountholder's Direct Rights.
- (b) No further action is required on the part of the Issuer or any other person for each Relevant Accountholder to enjoy its respective Direct Rights provided that nothing in this Deed will entitle any Account Holder or CMU Member (as the case may be) to receive any payment in relation to the relevant Global TCD which has already been made.

2.2 Terms of Global TCD

- (a) Subject to paragraph (b), the Direct Rights and any sums payable with respect to the Direct Rights and all provisions of the TCD represented by a Global TCD immediately before the Relevant Time or the time at which it became void relating to any amount payable by the Issuer or the time and manner in which any such amount should be paid (including, without limitation, any grossing up provision in any Global TCD) will be taken to be set out in this Deed.
- (b) A reference to any holder of any TCD is a reference to the Relevant Accountholder. A reference to any TCD or to any principal of, or other amount payable in respect of, any TCD is a reference to the Direct Rights or to sums payable with respect to the Direct Rights.

3 Clearing System's records conclusive

- (a) The records kept by the Clearing Systems as at the first Business Day after the Relevant Time will be, in the absence of manifest error, conclusive evidence of the identity of the Relevant Accountholders and the number of Entries credited to the Account of any Relevant Accountholder.
- (b) A statement provided by the relevant Clearing System to a Relevant Accountholder in relation to a Global TCD:
 - (i) stating the number of Entries of that Relevant Accountholder under that Global TCD which have been credited to the Account of that Relevant Accountholder;
 - (ii) the principal amount credited to the securities account of such Relevant Accountholder as at the opening of business on the first day following the Relevant Time on which the relevant Clearing System is open for business; and
 - (iii) which is certified by the relevant Clearing System to be a true record of that Account,will be, in the absence of manifest error, conclusive evidence of the records of the relevant Clearing System for the purposes of paragraphs (a) and (b) above (but without prejudice to any other means of evidencing such records).
- (c) If there is a dispute, in the absence of manifest error, the determination of the relevant Clearing System will be final and conclusive for all purposes in connection with the Relevant Accountholders with the relevant Clearing System.

4 Conditions

The Issuer agrees to its obligations as set out in the Conditions and the applicable Pricing Supplement.

5 Covenants

The Issuer warrants, represents and covenants in favour of each Relevant Accountholder that it has all corporate power, and has taken all necessary corporate or other steps, to enable it to execute, deliver and perform this Deed, and that this Deed constitutes a legal, valid and binding obligation of the Issuer in accordance with its terms.

6 Benefit of Deed**6.1 Benefit**

This deed is executed as a deed poll for the benefit severally of the Relevant Accountholders from time to time.

6.2 Enforcement

Each Relevant Accountholder may severally enforce its rights under this Deed.

6.3 Assignment

The Issuer will not be entitled to assign or transfer all or any of its rights, benefits and obligations under this Deed. Each Relevant Accountholder will be entitled to assign all or any of its rights and benefits under this Deed.

6.4 Direction to hold deed

This Deed will be deposited with and held by the Agent until all the obligations of the Issuer under this Deed have been discharged in full. The Issuer acknowledges the right of every Relevant Accountholder to the production of this Deed.

7 Governing Law, jurisdiction and service of process

- (a) This deed is governed by the law in force in Hong Kong.
- (b) The Issuer irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of Hong Kong and courts of appeal from them.
- (c) The Issuer waives any right it has to object to any legal action or proceedings (**Proceedings**) being brought in those courts including, without limitation, by claiming that the Proceedings has been brought in an inconvenient forum or that those courts do not have jurisdiction.
- (d) The Issuer agrees that a judgment in any Proceedings brought in the courts exercising jurisdiction in Hong Kong may be enforced in the courts of any other jurisdiction.
- (e) Nothing in this Deed will limit the right of any Relevant Accountholder to take any Proceedings in any other court of competent jurisdiction. The taking of Proceedings in any one or more jurisdictions will not preclude the taking of Proceedings in any other jurisdiction, whether concurrently or not.
- (f) Each of Commonwealth Bank of Australia and CBA Singapore Branch appoints CBA Hong Kong Branch at its office at Level 13, One Exchange

Square, 8 Connaught Place, Central, Hong Kong as its agent for service of process and undertakes that, in the event of the Bank ceasing so to act it will appoint another person as its agent for service of process in New South Wales in respect of any proceedings. Nothing herein shall affect the right to serve proceedings in any manner permitted by law.

8 Miscellaneous

8.1 Notices

All notices and other communications hereunder to the Issuer shall be made in writing (by letter or facsimile) and shall be sent to the Issuer at:

In the case of the Bank:

Address: Tower 1 Darling Park
Level 25, 201 Sussex Street
Sydney, New South Wales Australia

Fax: +61 1300 153 451

Email: groupfunding@cba.com.au

Attention: General Manager / Head of Group Funding

In the case of CBA Hong Kong Branch:

Address: Commonwealth Bank of Australia, Hong Kong Branch
Level 13, One Exchange Square, 8 Connaught Place
Central
Hong Kong

Fax: +852 28 458983

Attention: Head of Hong Kong Treasury

In the case of CBA Singapore Branch:

Address: 38 Beach Road, South Beach Tower #06-11, Singapore
189767

Telephone: +65 6349 7065

Attention: Head of Singapore Treasury

8.2 Severability

Any part of this Deed which is unenforceable or partly unenforceable is, where possible, severed from this Deed to the extent necessary to make this Deed enforceable, unless it would materially change the intended effect of this Deed.

8.3 Attorney

The attorney executing this Deed states that he has no notice of the revocation of his power of attorney.

Executed as a deed poll.

10 SELLING RESTRICTIONS

General

By its purchase of TCDs issued under the Amended and Restated Dealer Agreement No. 2 dated 14 February 2017, as amended, restated or supplemented from time to time (**Dealer Agreement**) between the Issuers, the Arranger and the Dealers and any subsequent Dealer appointed to the Program from time to time, each Dealer has represented, warranted and agreed and each further Dealer appointed under the Program will be required to represent, warrant and agree, that it will observe all applicable laws and regulations in any jurisdiction in which it may offer, sell, or deliver TCDs; and it will not directly or indirectly offer, sell, resell, re offer or deliver TCDs or distribute any Information Memorandum, circular, advertisement or other offering material in any country or jurisdiction except under circumstances that will result, to the best of its knowledge and belief, in compliance with all applicable laws and regulations.

Australia

Each Dealer has acknowledged, and each further Dealer appointed under the Program will be required to acknowledge, that no prospectus or other disclosure document (as defined in the Corporations Act 2001 (Cth) (the **Corporations Act**)) in relation to the Program or the TCDs has been or will be lodged with the Australian Securities and Investments Commission (**ASIC**) or ASX Limited (**ASX**).

Each Dealer appointed under the Program has represented and agreed, and each further Dealer appointed under the Program will be required to represent and agree, that it:

- (a) has not (directly or indirectly) offered or invited applications, and will not offer or invite applications, for the issue, sale or purchase of the TCDs into or from Australia (including an offer or invitation which is received by a person in Australia); and
- (b) has not distributed or published, and will not distribute or publish, the Information Memorandum or other prospectus, offering material or advertisement relating to the TCDs in Australia,

unless:

- (c) the aggregate consideration payable by each offeree is at least A\$500,000 (or its equivalent in other currencies, but disregarding moneys lent by the offeror or its associates) or the offer or invitation otherwise does not require disclosure to investors in accordance with Parts 6D.2 or 7.9 of the Corporations Act;
- (d) the offer does not constitute an offer to a “retail client” (as defined in section 761G of the Corporations Act); and
- (e) such action complies with all applicable laws, regulations and directives and does not require any document to be lodged with ASIC or the ASX.

Each Dealer has represented and agreed, and each further Dealer appointed under the Program will be required to represent and agree, that it will not sell any TCDs in circumstances where employees of the Dealer aware of, or involved in, the sale know or have reasonable grounds to suspect, that the TCDs or an interest in or right in respect of the TCDs, was being or would later be acquired either directly or indirectly by an Offshore Associate acting other than in the capacity of a dealer, manager or underwriter in relation to the placement of the TCDs or a clearing house, custodian, funds manager or responsible entity of a registered scheme within the meaning of the Corporations Act.

Offshore Associate means an associate (as defined in section 128F of the Tax Act) of the relevant Issuer that is either a non-resident of the Commonwealth of Australia which does not

acquire the TCDs in carrying on a business at or through a permanent establishment in Australia or, alternatively, a resident of Australia that acquires the TCDs in carrying on business at or through a permanent establishment outside of Australia.

European Economic Area – Public Offer Selling Restriction under the Prospectus Directive

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a **Relevant Member State**), each Dealer has represented and agreed, and each further Dealer appointed under the Program will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (**Relevant Implementation Date**) it has not made and will not make an offer of TCDs which are the subject of an offering contemplated by this Information Memorandum to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such TCDs to the public in that Relevant Member State:

- (a) at any time to any legal entity which is a “qualified investor” as defined in the Prospectus Directive;
- (b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (c) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of TCDs referred to in (a) to (c) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression **an offer of TCDs to the public** in relation to any TCDs in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the TCDs to be offered so as to enable an investor to decide to purchase or subscribe for the TCDs, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression “**Prospectus Directive**” means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

The United Kingdom

Each Dealer has represented and agreed, and each further Dealer appointed under the Program will be required to represent and agree, that:

- (a) (**TCDs with a maturity of less than one year**) in relation to any TCDs having a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any TCDs other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or as agent) for the purposes of their businesses where the issue of the TCDs would otherwise constitute a contravention of section 19 of the Financial Services and Markets Act 2000 (**FSMA**);
- (b) (**investment advertisements**) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any TCDs in

circumstances in which section 21(1) of the FSMA would not, if the relevant Issuer was not an authorised person, apply to the Issuer; and

- (c) **(general compliance)** it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any TCDs in, from or otherwise involving the United Kingdom.

The United States of America

The TCDs have not been and will not be registered under the U.S. Securities Act of 1933, as amended, (**Securities Act**) and may not be offered, sold, delivered or transferred within the United States or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S under the Securities Act (**Regulation S**) or pursuant to an exemption from the registration requirements of the Securities Act. Each Dealer has represented and agreed, and each further Dealer appointed under the Program will be required to represent and agree, that it has not offered and sold TCDs, and agreed that it will not offer and sell TCD (i) as part of their distribution at any time, and (ii) otherwise until 40 days after the later of the commencement of the offering and the Deposit Date, within the United States or to, or for the account or benefit of U.S. persons. Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Program will be required to represent and agree, that neither it, its affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to any TCD within the United States or to, or for the account or benefit of US persons, and it and they have complied and will comply with the offering restrictions requirement of Regulation S. Each Dealer has represented and agreed, and each further Dealer appointed under the Program will be required to represent and agree, that, at or prior to confirmation of sale of TCDs, it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases TCDs from it during the distribution compliance period a confirmation or notice to substantially the following effect:

“The securities covered hereby have not been registered under the U.S. Securities Act of 1933, as amended (the **Securities Act**) and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering and the closing date of the offering, except in either case in accordance with Regulation S under the Securities Act. Terms used above have the meanings given to them by Regulation S under the Securities Act.”

In addition, until 40 days after the completion of the distribution of all TCDs of the Tranche (as defined in the relevant Pricing Supplement) of which those TCDs are a part, an offer or sale of TCDs within the United States by any Dealer or other distributor (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

Terms used in this paragraph have the meanings given to them by Regulation S.

Hong Kong

Each Dealer has represented and agreed, and each further Dealer appointed under the Program will be required to represent and agree, that:

- (a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any TCDs other than (i) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) and any rules made under that Ordinance; or (ii) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding up and Miscellaneous) Ordinance (Cap. 32 of the Laws of Hong Kong) or which do not constitute an offer to the public within the meaning of that Ordinance; and
- (b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or

elsewhere, any advertisement, invitation or document relating to the TCDs, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to TCDs which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) and any rules made under that Ordinance.

People’s Republic of China

Each Dealer has represented and agreed, and each further Dealer appointed under the Program will be required to represent and agree, that the TCDs are not being and may not be offered or sold, directly or indirectly, in the PRC (for such purposes, not including the Hong Kong and Macau Special Administrative Regions or Taiwan) (except if permitted to do so under the securities law of the PRC).

Japan

The TCDs have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948, as amended) (**Financial Instruments and Exchange Law**) and, accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Program will be required to represent and agree, that it has not offered or sold and will not offer or sell any TCDs, directly or indirectly, in Japan or to, or for the benefit of, any Japanese Person or to others for re-offering or resale, directly or indirectly, in Japan or to a Japanese Person, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Law and any other applicable laws, regulations and ministerial guidelines of Japan. For the purposes of this paragraph, **Japanese Person** means any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

New Zealand

Each Dealer has represented and agreed, and each further Dealer appointed under the Program will be required to represent and agree, that:

- (a) it has not offered or sold, and will not offer or sell, directly or indirectly, any TCDs; and
- (b) it has not distributed and will not distribute, directly or indirectly, this Information Memorandum or any other information or material that may constitute an advertisement (as defined in the Financial Markets Conduct Act 2013 of New Zealand (or any statutory modification or re-enactment of, or statutory substitution for, that Act) (**NZ FMCA**)) in relation to any offer of TCDs,

in each case in New Zealand other than:

- (c) to a person who is an investment business within the meaning of clause 37 of Schedule 1 of the NZ FMCA;
- (d) to a person who is large within the meaning of clause 39 of Schedule 1 of the NZ FMCA;
- (e) to a person who is a government agency within the meaning of clause 40 of Schedule 1 of the NZ FMCA; or
- (f) in other circumstances where there is no contravention of the NZ FMCA, provided that the TCDs may not be offered or transferred to any “eligible investors” (as defined in the NZ FMCA) or any person in reliance on such person satisfying the investment activity criteria specified in clause 38 of Schedule 1 to the NZ FMCA.

Singapore

The Information Memorandum has not been registered as a prospectus with the Monetary Authority of Singapore (the **MAS**) under the Securities and Futures Act (Chapter 289 of Singapore) (as amended) of Singapore (the **SFA**). Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Program will be required to represent and agree, that the TCDs have not and will not be offered or sold or made the subject of an invitation for subscription or purchase nor has the Information Memorandum or any other document or material in connection with the offer or sale, or invitation for subscription or purchase of any TCDs been nor will it be circulated or distributed by it directly or indirectly, nor have any TCDs been, nor will any TCDs be, offered or sold by it, or made the subject of an invitation for subscription or purchase by it, whether directly or indirectly, to the public or any member of the public in Singapore other than:

- (a) to an institutional investor pursuant to Section 274 of the SFA;
- (b) to a relevant person, or any person pursuant to Section 275(1) of the SFA, or to any person pursuant to Section 275(1A) of the SFA and in accordance with the conditions specified in Section 275 of the SFA; or
- (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Each Dealer has further represented and agreed, and each further Dealer appointed under the Program represents and agrees, to notify (whether through the distribution of the Information Memorandum or any other document or material in connection with the offer or sale or invitation for subscription or purchase of any TCDs or otherwise) each of the following relevant persons specified in Section 275 of the SFA which has subscribed or purchased TCDs from and through that Dealer, namely a person who is:

- (a) a corporation (which is not an accredited investor) (as defined in Section 4A of the SFA) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor,

that shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest in that trust shall not be transferable for 6 months after that corporation or that trust has acquired TCDs under Section 275 of the SFA except:

- (i) to an institutional investor under Section 274 of the SFA or to a relevant person, or any person pursuant to Section 275(1) and Section 275(1A) of the SFA, respectively, and in accordance with the conditions, specified in Section 275 of the SFA;
- (ii) where no consideration is or will be given for the transfer; or
- (iii) pursuant to Section 276(7) of the SFA; or (iv) where the transfer is by operation of law.

The TCDs may only be issued in Singapore provided that:

- (a) the TCDs are to be denominated in foreign currency; or
- (b) where the TCDs are denominated in Singapore dollars, they shall:
 - (i) have an original maturity period of not less than 12 months;
 - (ii) be issued in a denomination of not less than S\$200,000; or

- (iii) be issued to sophisticated investors or their nominees.

Where paragraph (b)(iii) above applies, and the TCDs are issued in circumstances such that each Dealer reasonably expects or foresees that the TCDs will not be held at all times by persons who are sophisticated investors, there shall be contained in any prospectus and any profile statement in respect of its issue or where such documents are not required in respect of its issue, an information memorandum to be issued, circulated or distributed in respect of its issue, the following additional information:

- (a) a statement that the Dealer, as issuer of the TCDs, is subject to restrictions on the acceptance of deposits in Singapore dollars;
- (b) a statement that the TCD does not constitute or evidence a debt repayable by the bank on demand to the Holder of the TCD;
- (c) a statement of the terms and conditions under which the Holder of the TCD may recover the principal sum from the bank as Issuer; and
- (d) a statement that the TCD, if sold on the secondary market, is subject to market conditions prevailing at the time of sale.

Macau

Each Dealer has represented and agreed, and each further Dealer appointed under the Program will be required to represent and agree, that no TCDs have been or will be registered or otherwise authorised for public offer under the Financial System Act of Macau (Decree-Law no. 32/93M of July 5, 1993) (the **Financial System Act**) or promoted, distributed, sold or delivered in Macau, and no document relating to any TCDs will be distributed or circulated in Macau, except by Macau licensed entities following notification to the Macau Monetary Authority and under the terms of, and in compliance with, the Financial System Act and any other laws, guidelines and recommendations in Macau that may apply from time to time to the offer and sale of any TCDs in Macau.

Republic of Korea

The TCDs have not been and will not be registered with the Financial Services Commission of Korea for public offering in Korea under the Financial Investment Services and Capital Markets Act (the **FSCMA**). Each Dealer has represented and agreed, and each further Dealer appointed under the Program will be required to represent and agree, that it has not offered, sold or delivered (and will not offer, sell or deliver) any TCDs, directly or indirectly, or offered or sold (and will not offer or sell) any TCDs to any person for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea except pursuant to the applicable laws and regulations of Korea, including the FSCMA, the Foreign Exchange Transaction Law and the decrees and regulations thereunder. Furthermore, the TCDs may not be resold to Korean residents unless the purchaser of the TCDs complies with all applicable regulatory requirements (including but not limited to government reporting requirements under the Foreign Exchange Transaction Law and its subordinate decrees and regulations) in connection with the purchase of the TCDs. The aggregate nominal amount of the TCDs divided by the denomination of the TCDs, and the number of TCDs offered in Korea or to a resident in Korea, shall in each case be less than 50.

By purchasing the TCDs, each holder of TCDs will be deemed to represent, warrant and agree that for a period of one year from the issue date thereof, the TCDs, may not be subdivided into smaller denominations than the denomination specified.

Malaysia

The TCDs may not be offered or sold in Malaysia unless such offer, sale or invitation falls within:

- (i) Schedule 5 to the Capital Markets and Services Act 2007 (the **CMSA**);
- (ii) Schedule 6 or 7 to the CMSA as an "excluded offer" or "excluded invitation" or "excluded issue" within the meaning of sections 229 and 230 of the CMSA; or
- (iii) Schedule 8 such that the trust deed requirements in the CMSA are not applicable.

Each Dealer has represented and undertaken, and each further Dealer appointed under the Program will be required to represent and undertake, that it has not offered or sold and will not offer or sell any of the TCDs directly or indirectly, in Malaysia unless such offer, sale or invitation falls within:

- (i) Schedule 5 to the CMSA;
- (ii) Schedule 6 or 7 to the CMSA as an "excluded offer" or "excluded invitation" or "excluded issue" within the meaning of sections 229 and 230 of the CMSA; or
- (iii) Schedule 8 such that the trust deed requirements in the CMSA are not applicable.

No proposal has been submitted to the Securities Commission Malaysia for its recognition under the CMSA in respect of the TCDs, and no prospectus, trust deed or deed which complies with the requirements of the CMSA and the guidelines of the Securities Commission Malaysia has been or will be registered with the Securities Commission Malaysia under the CMSA.

In addition to the above, the TCDs may not be offered or sold in or from within the Federal Territory of Labuan without the prior written approval of the Labuan Financial Services Authority (the **LFSA**) or otherwise in compliance with the Labuan Financial Services and Securities Act 2010 (the **LFSSA**) unless such offer, sale or invitation falls within section 8(5) of the LFSSA. Each Dealer has represented and undertaken, and each further Dealer appointed under the Program will be required to represent and undertake, that it has not offered or sold and will not offer or sell any of the TCDs directly or indirectly, in or from within the Federal Territory of Labuan except in compliance with the LFSSA. No proposal has been submitted to LFSA for its approval under the LFSSA in respect of TCDs, and no prospectus which complies with the requirements of the LFSSA has been or will be registered with the LFSA under the LFSSA.

Compliance

Each Dealer has agreed, and each further Dealer appointed under the Program will be required to agree, that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers TCDs or possesses or distributes this Information Memorandum and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of TCDs under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Issuer, the Arranger nor any of the other Dealers will have any responsibility therefore.

Neither of the Issuers nor any of the Dealers represents that TCDs may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

With regard to each Tranche, the relevant Dealer(s) will be required to comply with any additional restrictions agreed between the relevant Issuer and the relevant Dealer(s) and set out in the applicable Pricing Supplement.

AUSTRALIAN TAXATION

The following is a summary of the Australian withholding tax treatment under the *Income Tax Assessment Acts of 1936 and 1997 of Australia* (together, the **Australian Tax Act**) and the *Taxation Administration Act 1953 of Australia (TAA)*, at the date of this Information Memorandum, of payments of interest on the TCDs issued under the Program and certain other matters. It is not exhaustive, and in particular does not deal with the position of certain classes of TCD holders (such as dealers in securities). Prospective holders of TCDs should also be aware that the particular terms of issue of any Series of TCDs may affect the taxation treatment of that and other Series of TCDs. The following is a general guide and should be treated with appropriate caution. Investors who are in any doubt as to their tax position should consult their own tax advisors as to the Australian, or other tax consequences of the ownership and disposition of TCDs, including the effect of any foreign, state or local tax laws. This summary is not intended to be, nor should it be construed as legal or tax advice to any particular investor.

Australian Interest Withholding Tax

The Australian Tax Act characterises securities as either “debt interests” (for all entities) or “equity interests” (for companies), including for the purposes of Australian interest withholding tax imposed under Division 11A of Part III of the Australian Tax Act (**Australian IWT**) and dividend withholding tax.

For Australian IWT purposes, “interest” is defined to include amounts in the nature of or in substitution for interest and certain other amounts.

The Issuer intends to issue TCDs which are to be characterised as “debt interests” for the purposes of the tests contained in Division 974 and the returns paid on the TCDs are to be “interest” for the purpose of section 128F of the Australian Tax Act.

Payments of interest in respect of the TCDs, where Commonwealth Bank of Australia is the Issuer, to residents of Australia for tax purposes that do not hold their TCDs, and do not derive any payments under the TCDs, in carrying on a business at or through a permanent establishment outside of Australia, and non-residents of Australia for tax purposes that hold their TCDs, and derive all payments under the TCDs, in carrying on a business at or through a permanent establishment in Australia (**Australian Holders**) will not be subject to Australian IWT.

Payments of interest in respect of the TCDs, where Commonwealth Bank of Australia is the Issuer, to non-residents of Australia for tax purposes that do not hold their TCDs, and do not derive any payments under the TCDs, in carrying on a business at or through a permanent establishment in Australia, and residents of Australia for tax purposes that hold their TCDs, and derive all payments under the TCDs, in carrying on a business at or through a permanent establishment outside of Australia (**Non-Australian Holders**) will be subject to Australian IWT at a rate of 10% of the gross amount of interest paid by the Issuer, unless an exemption is available.

Payments of interest in respect of the TCDs where Commonwealth Bank of Australia Hong Kong branch or Commonwealth Bank of Australia Singapore branch is the Issuer of this TCD will not be subject to Australian IWT where that interest is an outgoing wholly incurred by the Commonwealth Bank of Australia Hong Kong Branch or Commonwealth Bank of Australia Singapore branch in carrying on business outside of Australia through its Hong Kong Branch or Singapore branch.

Section 128F exemption from Australian IWT

An exemption from Australian IWT is available in respect of interest paid on the TCDs if the TCDs are characterised as both “debt interests” and “debentures” and the requirements of section 128F of the Australian Tax Act are satisfied.

For the purposes of section 128F of the Australian Tax Act, “debentures” include debenture stock, bonds, notes, promissory notes and any other securities of the company. Although the Issuer is not aware of any definitive ruling from the Australian Taxation Office (**ATO**), the Issuer is of the view that the TCDs should constitute debentures.

Unless otherwise specified in any relevant pricing supplement (or another relevant supplement to this Information Memorandum), the Issuer intends to issue the TCDs in a manner which will satisfy the requirements of section 128F of the Australian Tax Act.

In broad terms, the requirements are:

- (a) the Issuer is a resident of Australia or a non-resident carrying on business at or through a permanent establishment in Australia and a company (as defined in section 128F(9) of the Australian Tax Act) when it issues the TCDs and when interest (as defined in section 128(1AB) of the Australian Tax Act) is paid;
- (b) the TCDs are issued in a manner which satisfies the “public offer” test in section 128F of the Australian Tax Act.

In relation to the TCDs, there are five principal methods of satisfying the public offer test, the purpose of which is to ensure that lenders in capital markets are aware that the Issuer is offering the TCDs for issue. In summary, the five methods are:

- (i) offers to 10 or more unrelated financiers, securities dealers or entities that carry on the business of investing in securities in the course of operating in financial markets;
 - (ii) offers to 100 or more investors of a certain type;
 - (iii) offers of listed TCDs;
 - (iv) offers via publicly available information sources; or
 - (v) offers to dealers, managers or underwriters who by agreement with the Issuer offer the TCDs for sale within 30 days by one of the preceding methods.
- (c) the Issuer does not know, or have reasonable grounds to suspect, at the time of issue, that the TCDs (or interests in the TCDs) were being, or would later be, acquired, directly or indirectly, by an “associate” of the Issuer, except as permitted by section 128F(5) of the Australian Tax Act (see below); and
 - (d) at the time of the payment of interest, the Issuer does not know, or have reasonable grounds to suspect, that the payee is an “associate” of the Issuer, except as permitted by section 128F(6) of the Australian Tax Act (see below).

An “associate” of the Issuer for the purposes of section 128F of the Australian Tax Act includes:

- (i) a person or entity which holds more than 50% of the voting shares of, or otherwise controls, the Issuer;
- (ii) an entity in which more than 50% of the voting shares are held by, or which is otherwise controlled by, the Issuer;

- (iii) a trustee of a trust where the Issuer is capable of benefiting (whether directly or indirectly) under that trust; and
- (iv) a person or entity who is an “associate” of another person or company which is an “associate” of the Issuer under paragraph (i) above.

However, for the purposes of sections 128F(5) and (6) of the Australian Tax Act (see paragraphs (c) and (d) above), an “associate” of the Issuer does not include:

- (A) an Australian Holder; or
- (B) a Non-Australian Holder that is acting in the capacity of:
 - (I) in the case of section 128F(5), a dealer, manager or underwriter in relation to the placement of the relevant TCDs, or a clearing house, custodian, funds manager or responsible entity of a registered scheme (for the purposes of the Corporations Act 2001 of Australia); or
 - (II) in the case of section 128F(6), a clearing house, paying agent, custodian, funds manager or responsible entity of a registered scheme (for the purposes of the Corporations Act 2001 of Australia).

TCDs in bearer form

Section 126 of the Australian Tax Act imposes a type of withholding tax (see below in relation to the rate of withholding tax) on the payment of interest on bearer TCDs if the issuer fails to disclose the names and addresses of the holders of the debentures to the ATO.

Where the Issuer of the TCDs has satisfied the requirements of section 128F and the TCDs are held by non-Australian residents who do not carry on business at or through a permanent establishment in Australia or Australian IWT is otherwise payable, section 126 would not apply to the payment of interest on the TCDs.

In addition, the ATO has confirmed that for the purpose of section 126, the holder of debentures in bearer form is the person in possession of the debentures. Section 126 is, therefore, limited in its application to persons in possession of TCDs in bearer form who are residents of Australia or non-Australian residents who are engaged in carrying on business at or through a permanent establishment in Australia. Where interests in TCDs in bearer form are held through Euroclear, Clearstream, the CMU or another clearing system, the Issuer intends to treat the relevant operator of the clearing system (or its nominee) as the bearer of the TCDs for the purposes of section 126, and as such section 126 should not apply to payments of interest on the TCDs in these circumstances.

However, once the TCDs are held in definitive form by an investor then, if the relevant holder is a resident of Australia or a non-resident holding the TCDs through a permanent establishment in Australia, the requirement to provide the relevant name and address information with respect to that investor would exist and failure to provide that information could cause section 126 to apply.

The rate of withholding tax is 47% for the 2016-17 income year and, under current law, will be reduced to 45% following the 2016-17 income year.

Exemptions under recent double tax conventions

The Australian government has signed new or amended double tax conventions (the **New Treaties**) with a number of countries (each a **Specified Country**).

In broad terms, the New Treaties effectively prevent interest withholding tax being imposed on interest derived by:

- (a) the government of the relevant Specified Country, and certain governmental authorities and agencies in the Specified Country; or
- (b) a “financial institution” which is a resident of a Specified Country and which is unrelated to and dealing wholly independently with the Issuer. The term “financial institution” refers to either a bank or any other enterprise which substantially derives its profits by raising and providing finance. However, interest paid under a back-to-back loan or an economically equivalent arrangement will not qualify for this exemption. Furthermore, nothing in the New Treaties restricts in any manner, the right of Australia to apply any anti-avoidance provisions of its tax law.

The Australian Federal Treasury maintains a listing of Australia’s double tax conventions which provides details of country, status, withholding tax rate limits and Australian domestic implementation. This listing is available to the public on the Federal Treasury’s Department website.

Payment of additional amounts

As set out in more detail in the Conditions, if the Issuer is at any time required by law to deduct or withhold an amount in respect of any Australian withholding taxes imposed or levied by the Commonwealth of Australia or any political subdivision or taxing authority in it, the Issuer must, subject to certain exceptions as set out in Condition 6, pay such additional amounts as may be necessary in order to ensure that the net amounts received by the holders of those TCDs after such withholding or deduction are equal to the respective amounts which would have been received had no such withholding or deduction been required. If the Issuer is required by law in relation to any TCDs to deduct or withhold an amount in respect of any withholding taxes imposed or levied by the Commonwealth of Australia or any political subdivision or taxing authority in it (as a result of any change in laws or interpretation of such laws), the Issuer will have the option to redeem those TCDs pursuant to Condition 5.1.

Other tax matters

Under Australian laws as presently in effect:

income tax - Non-Australian Holders that are non-residents of Australia for tax purposes - assuming the requirements of section 128F of the Australian Tax Act are satisfied with respect to the TCDs, payment of principal and interest to a Non-Australian Holder that is a non-resident of Australia will not be subject to Australian taxes;

income tax - Australian Holders that are residents of Australia for tax purposes - Australian Holders that are residents of Australia for tax purposes will be assessable for Australian income tax purposes on income, either received or accrued, due to them in respect of the TCDs. Whether income will be recognised on a cash receipts or accruals basis will depend upon the tax status of the particular Australian Holder and the terms and conditions of the TCDs;

gains on disposal of TCDs Non-Australian Holders that are non-residents of Australia for tax purposes - a Non-Australian Holder of the TCDs, who is a non-resident of Australia will not be subject to Australian income tax on gains realised during that year on sale or redemption of the TCDs, provided such gains do not have an Australian source. A gain arising on the sale of TCDs by a Non-Australian Holder that is a non-resident of Australia to another non-resident of Australia where the TCDs are sold outside Australia and all negotiations are conducted, and documentation executed, outside Australia should not generally be regarded as having an Australian source;

gains on disposal of Notes - Australian Holders that are residents of Australia for tax purposes - Australian Holders that are residents of Australia for tax purposes will be required to include any gain or loss on disposal of the TCDs in their taxable income;

deemed interest - there are specific rules that can apply to treat a portion of the purchase price of TCDs as interest for withholding tax purposes. This includes when certain TCDs originally issued at a discount or with a maturity premium or which do not pay interest at least annually are sold to an Australian Holder. If the TCDs are not issued at a discount and do not have a maturity premium, these rules should not apply to the TCDs. These rules also should not apply in circumstances where the deemed interest would have been exempt under section 128F of the Australian Tax Act if the TCDs had been held to maturity by a non-resident;

death duties - no TCDs will be subject to death, estate or succession duties imposed by Australia, or by any political subdivision or authority therein having power to tax, if held at the time of death;

stamp duty - no ad valorem stamp duty is payable in Australia on the issue, transfer or redemption of any TCDs;

supply withholding tax - payments in respect of the TCDs can be made free and clear of the "supply withholding tax" imposed under section 12-190 of Schedule 1 to the TAA;

garnishee directions by the Commissioner of Taxation - The Commissioner may give a direction under section 255 of the Australian Tax Act or section 260-5 of Schedule 1 to the TAA or any similar provision requiring the Issuer to deduct from any payment to any other party (including any holder of TCDs) any amount in respect of tax payable by that other party;

goods and services tax (GST) - neither the issue nor receipt of the TCDs will give rise to a liability for GST in Australia on the basis that the supply and acquisition of TCDs will comprise either an input taxed financial supply or (in the case of an offshore subscriber) a GST-free supply. Furthermore, neither the payment of principal or interest by the Issuer, nor the disposal of the TCDs, would give rise to any GST liability in Australia. However, GST may not be recoverable on costs relating to the issue, receipt or transfer of the TCDs;

additional withholdings from certain payments to non-residents - the Governor-General may make regulations requiring withholding from certain payments to non-residents of Australia (other than payments of interest and other amounts which are already subject to the current Australian IWT rules or specifically exempt from those rules). Regulations may only be made if the responsible Minister is satisfied the specified payments are of a kind that could reasonably relate to assessable income of foreign residents. The possible application of any future regulations to the proceeds of any sale of the TCDs will need to be monitored.

HONG KONG TAXATION

Withholding tax

Under present Hong Kong law, no withholding tax will be deductible from interest paid on the deposits represented by the TCDs.

Tax on Sale

Where a holder of an interest in a TCD (whether an individual or a corporation) carrying on a trade, profession or business in Hong Kong disposes of its interest in the TCD and makes a profit or loss, that profit or loss, in the case of a corporation, will be taken into account for profits tax purposes and, in the case of an individual, will be taken into account for profits tax purposes where those profits or losses relate to the funds of that trade, profession or business.

Tax on Yield

Any interest on a TCD received or accrued by a financial institution (as defined in the Inland Revenue Ordinance (Chapter 112 of the Laws of Hong Kong)) which arises through or from the carrying on by the financial institution of its business in Hong Kong will be subject to profits tax.

Any interest received or accrued to a corporate holder or an individual holder carrying on a trade, profession or business in Hong Kong, where that interest is in respect of the funds of that trade, profession or business, will not be subject to profits tax (so long as that holder is not a financial institution and the TCD is not used to secure borrowings from the Issuer).

Stamp Duty

The TCDs are not subject to Hong Kong stamp duty or bearer instrument duty either on issue or on any subsequent transfer.

Holders or intending holders (including holders who have an establishment or premise in the PRC) who are in doubt as to their own tax position are recommended to consult their advisers regarding the possible tax consequences under the laws of the jurisdictions that apply to them.

SINGAPORE TAXATION

The following summary of certain Singapore tax consequences of the purchase, ownership and disposition of the TCDs is based upon applicable laws, regulations, rulings and decisions in effect as of the date of this Information Memorandum (including administrative guidelines issued by the MAS and the Inland Revenue Authority of Singapore (IRAS)), all of which are subject to change (possibly with retroactive effect). This discussion does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of the TCDs and does not purport to deal with consequences applicable to all categories of investors, some of which (such as dealers in securities or financial institutions in Singapore which have been granted the relevant Financial Sector Incentive(s)) may be subject to special rules or tax rates. Neither these statements nor any other statements in this Information Memorandum are to be regarded as advice on the tax position of any holder of the TCDs or any persons acquiring, selling or otherwise dealing in the TCDs or on any tax implications arising from the acquisition, sale or other dealings in respect of the TCDs. Prospective holders of the TCDs are advised to consult their own tax advisors as to the Singapore or other tax consequences of the acquisition, ownership of or disposal of the TCDs, including, in particular, the effect of any foreign, state or local tax laws to which they are subject. It is emphasised that neither the Issuer, the Arrangers, the Dealers nor any other persons involved in the Program accepts responsibility for any tax effects or liabilities resulting from the subscription for, purchase, holding or disposal of the TCDs.

Interest and Other Payments

Subject to the following paragraphs, under Section 12(6) of the ITA, the following payments are deemed to be derived from Singapore:

- (a) any interest, commission, fee or any other payment in connection with any loan or indebtedness or with any arrangement, management, guarantee, or service relating to any loan or indebtedness which is (i) borne, directly or indirectly, by a person resident in Singapore or a permanent establishment in Singapore (except in respect of any business carried on outside Singapore through a permanent establishment outside Singapore or any immovable property situated outside Singapore) or (ii) deductible against any income accruing in or derived from Singapore; or
- (b) any income derived from loans where the funds provided by such loans are brought into or used in Singapore.

Such payments, where made to a person not known to the paying party to be a resident in Singapore for tax purposes, are generally subject to withholding tax in Singapore. The rate at which tax is to be withheld for such payments (other than those subject to the 15.0 per cent. final withholding tax described below) to non-resident persons (other than non-resident individuals) is 17.0 per cent. with effect from the year of assessment 2010. The applicable rate for non-resident individuals is 22.0 per cent.. However, if the payment is derived by a person not resident in Singapore otherwise than from any trade, business, profession or vocation carried on or exercised by such person in Singapore and is not effectively connected with any permanent establishment in Singapore of that person, the payment is subject to a final withholding tax of 15.0 per cent. The rate of 15.0 per cent. may be reduced by applicable tax treaties.

Notwithstanding the above, with effect from 29 December 2009, the said deeming provisions of Section 12(6) of the ITA would not apply to payments for any arrangement, management, service or guarantee relating to any loan or indebtedness, where: (i) the arrangement, management or service is performed outside Singapore; or (ii) the guarantee is provided, for or on behalf of a person resident in Singapore or a permanent establishment in Singapore by a non-resident person who:

- (i) is not an individual, is not incorporated, formed or registered in Singapore; and

- (ii) (A) does not by himself or in association with others, carry on a business in Singapore and does not have a permanent establishment in Singapore; or

(B) carries on a business in Singapore (by himself or in association with others) or has a permanent establishment in Singapore, but (a) the arrangement, management or service is not performed through; or (b) the giving of the guarantee is not effectively connected with, that business carried on in Singapore or that permanent establishment.

Certain Singapore-sourced investment income derived by individuals from financial instruments is exempt from tax, including:

- (i) interest from debt securities derived on or after 1 January 2004;
- (ii) discount income (not including discount income arising from secondary trading) from debt securities derived on or after 17 February 2006; and
- (iii) prepayment fee, redemption premium and break cost from debt securities derived on or after 15 February 2007,

except where such income is derived through a partnership in Singapore or is derived from the carrying on of a trade, business or profession.

1. Withholding Tax Exemption on Qualifying Payments by Specified Entities

Pursuant to the Income Tax (Exemption of Interest and Other Payments for Economic and Technological Development) Notification 2012, a qualifying payment which is made to a person who is neither resident in Singapore nor a permanent establishment in Singapore by a specified entity shall be exempt from tax if the qualifying payment is liable to be made by such specified entity for the purpose of its trade or business during the period from 1 April 2011 to 31 March 2021 (both dates inclusive). Qualifying payments made pursuant to a debt security issued within the period from 1 April 2011 to 31 March 2021 (both dates inclusive) will also fall under the scope of the exemption.

A specified entity includes a bank licensed under the Banking Act, Chapter 19 of Singapore or approved under the Monetary Authority of Singapore Act, Chapter 186 of Singapore.

For the above purpose, the term “qualifying payment” means:

- (a) any interest, commission, fee or other payment; or
- (b) any income derived from loans,

which is deemed under section 12(6) of the ITA to be derived from Singapore.

Separately, pursuant to Section 45I of the ITA, payments of income which are deemed under Section 12(6) of the ITA to be derived from Singapore and which are made by a specified entity shall be exempt from withholding tax if such payments are liable to be made by such specified entity for the purpose of its trade or business during the period from 17 February 2012 to 31 March 2021 (both dates inclusive). Payments made pursuant to a debt security issued within the period from 17 February 2012 to 31 March 2021 (both dates inclusive) will also fall under the scope of the exemption. A specified entity includes a bank licensed under the Banking Act, Chapter 19 of Singapore or a merchant bank approved under the Monetary Authority of Singapore Act, Chapter 186 of Singapore.

2. Qualifying Debt Securities Scheme

In addition, on the basis that more than half of any tranche of the TCDs issued as debt securities under the Program during the period from the date of this Information Memorandum to 31 December 2018 are distributed by any or any combination of (i) a Financial Sector

Incentive (Bond Market) Company; (ii) a Financial Sector Incentive (Capital Market) Company; or (iii) a Financial Sector Incentive (Standard Tier) Company (as defined in the ITA), (the **Relevant TCDs**) would be "qualifying debt securities" for the purposes of the ITA, to which the following treatment shall apply:

- (I) subject to certain prescribed conditions having been fulfilled (including the furnishing by the Issuer, or such other person as the MAS may direct, of a return on debt securities for the Relevant TCDs in the prescribed format within such period as the MAS may specify and such other particulars in connection with the Relevant TCDs as the MAS may require to the MAS and the inclusion by the Issuer in all offering documents relating to the Relevant TCDs of a statement to the effect that where interest, discount income, prepayment fee, redemption premium or break cost from the Relevant TCDs is derived by any person who is not resident in Singapore and who carries on any operation in Singapore through a permanent establishment in Singapore, the tax exemption for qualifying debt securities shall not apply if the non-resident person acquires the Relevant TCDs using funds from that person's operations through the Singapore permanent establishment), interest, discount income (not including discount income arising from secondary trading), prepayment fee, redemption premium and break cost (collectively, the **Specified Income**) from the Relevant TCDs, derived by a holder who is not resident in Singapore and who (aa) does not have any permanent establishment in Singapore or (bb) carries on any operation in Singapore through a permanent establishment in Singapore but the funds used by that person to acquire the Relevant TCDs are not obtained from such person's operation through a permanent establishment in Singapore, are exempt from Singapore tax;
- (II) subject to certain conditions having been fulfilled (including the furnishing by the Issuer, or such other person as the MAS may direct, of a return on debt securities for the Relevant TCDs in the prescribed format within such period as the MAS may specify and such other particulars in connection with the Relevant TCDs as the MAS may require to the MAS), Specified Income from the Relevant TCDs derived by any company or a body of persons (as defined in the ITA) in Singapore is subject to tax at a concessionary rate of 10.0 per cent. (in the absence of the concessionary rate, the prevailing general corporate income tax rate is 17.0 per cent.); and
- (III) subject to:
 - (a) the Issuer including in all offering documents relating to the Relevant TCDs a statement to the effect that any person whose interest, discount income, prepayment fee, redemption premium or break cost (i.e. the Specified Income) derived from the Relevant TCDs is not exempt from tax shall include such income in a return of income made under the ITA; and
 - (b) the Issuer, or such other person as the MAS may direct, furnishing to the MAS a return on debt securities for the Relevant TCDs in the prescribed format within such period as the MAS may specify and such other particulars in connection with the Relevant TCDs as the MAS may require,

Specified Income derived from the Relevant TCDs are not subject to withholding of tax by the Issuer.

However, notwithstanding the foregoing:

- (1) if during the primary launch of any tranche of Relevant TCDs, the Relevant TCDs of such tranche are issued to fewer than four (4) persons and 50.0 per cent. or more of the issue of such Relevant

TCDs is beneficially held or funded, directly or indirectly, by related parties of the Issuer, such Relevant TCDs would not qualify as "qualifying debt securities" (unless otherwise approved by the Minister of Finance or such person as he may appoint); and

- (2) even though a particular tranche of Relevant TCDs are "qualifying debt securities", if, at any time during the tenure of such tranche of Relevant TCDs, 50.0 per cent. or more of the issue of such Relevant TCDs which are outstanding at any time during the life of their issue is held beneficially or funded, directly or indirectly, by any related party(ies) of the Issuer, Specified Income derived from such Relevant TCDs held by:
 - (a) any related party of the Issuer; or
 - (b) any other person where the funds used by such person to acquire such Relevant TCDs are obtained, directly or indirectly, from any related party of the Issuer,

shall not be eligible for the tax exemption or concessionary rate of tax described above.

The term "**related party**", in relation to a person, means any other person who, directly or indirectly, controls that person, or is controlled, directly or indirectly, by that person, or where he and that other person, directly or indirectly, are under the control of a common person.

The terms "**break cost**", "**prepayment fee**" and "**redemption premium**" are defined in the ITA as follows:

"**break cost**" means, in relation to debt securities and qualifying debt securities, any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by any loss or liability incurred by the holder of the securities in connection with such redemption;

"**prepayment fee**" means, in relation to debt securities and qualifying debt securities, any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by the terms of the issuance of the securities; and

"**redemption premium**" means, in relation to debt securities and qualifying debt securities, any premium payable by the issuer of the securities on the redemption of the securities upon their maturity.

References to "**break cost**", "**prepayment fee**" and "**redemption premium**" in this Singapore tax disclosure have their same meaning as in the ITA.

Notwithstanding that the Issuer is permitted to make payments of Specified Income in respect of the Relevant TCDs without deduction or withholding for tax under Section 45 or Section 45A of the ITA, any person whose Specified Income (whether it is interest, discount income, prepayment fee, redemption premium or break cost) derived from the Relevant TCDs is not exempt from tax is required to include such income in a return of income made under the ITA.

Under the Qualifying Debt Securities Plus Scheme (**QDS Plus Scheme**), subject to certain conditions having been fulfilled (including the furnishing by the issuer or such other person as the MAS may direct, of a return on debt securities in respect of the qualifying debt securities in the prescribed format within such period as the MAS may specify and such other particulars in connection with the qualifying debt securities as the MAS may require to the MAS), income tax exemption is granted on Specified Income derived by any investor from qualifying debt securities (excluding Singapore Government Securities) which:

- (a) are issued during the period from 16 February 2008 to 31 December 2018 (both dates inclusive);
- (b) have an original maturity of not less than 10 years;
- (c) either –
 - (i) if they are issued before 28 June 2013, cannot be redeemed, called, exchanged or converted within 10 years from the date of their issue; or
 - (ii) if they are issued on or after 28 June 2013, cannot have their tenure shortened to less than 10 years from the date of their issue, except under such circumstances as may be prescribed by regulations; and
- (d) cannot be re-opened with a resulting tenure of less than 10 years to the original maturity date.

As prescribed by regulations, the circumstances in relation to the QDS Plus Scheme under which the tenure of the qualifying debt securities may be shortened to less than 10 years from the date of their issue are:

- (a) the shortening of the tenure is a result of any early termination pursuant to one of the following early termination clauses (more fully described in the regulations) which the issuer included in any offering document for those qualifying debt securities:
 - (1) change in tax law;
 - (2) default event;
 - (3) change of control or change of shareholding;
 - (4) change of listing status of an issuer or trading disruption;
 - (5) change of qualification event due to regulatory capital requirements;
 - (6) change in accounting classification;
 - (7) change in rating;
 - (8) repurchase upon a non-compliance;
 - (9) purchase;
 - (10) modification and amendment;
 - (11) amendment of written law relevant to issuance; and
- (b) the qualifying debt securities do not contain any call, put, conversion, exchange or similar option that can be triggered at specified dates or at specified prices which have been priced into the value of the securities at the time of their issue.

Where the debt securities are redeemed prematurely due to a prescribed early termination clause (i.e. before the 10th year), the QDS Plus Scheme status of the debt securities will be revoked prospectively for outstanding debt securities, if any. In the MAS Circular FSD Cir 02/2013 entitled "Extension And Refinement Of Tax Concessions For Promoting The Debt Market" issued by the MAS on 28 June 2013, the MAS has clarified that the income tax exemption granted to income exempt under the QDS Plus Scheme prior to redemption will not be clawed back, and outstanding debt securities may still enjoy tax benefits under the

qualifying debt securities scheme if the other conditions for qualifying debt securities continue to be met.

However, even though a particular tranche of the Relevant TCDs are "qualifying debt securities" which qualify under the QDS Plus Scheme, if at any time during the tenure of such tranche of Relevant TCDs, 50.0 per cent. or more of the issue of such Relevant TCDs which are outstanding at any time during the life of their issue is held beneficially or funded, directly or indirectly, by any related party(ies) of the Issuer, Specified Income derived by:

- (a) any related party of the Issuer; or
- (b) any other person where the funds used by such person to acquire such Relevant TCDs are obtained, directly or indirectly, from any related party of the Issuer,

shall not be eligible for the tax exemption under the QDS Plus Scheme as described above.

Capital Gains

Any gains considered to be in the nature of capital made from the sale of the TCDs will not be taxable in Singapore. However, any gains derived by any person from the sale of the TCDs which are gains from any trade, business, profession or vocation carried on by that person, if accruing in or derived from Singapore, may be taxable as such gains are considered revenue in nature.

Holders of the TCDs who apply or are required to apply Singapore Financial Reporting Standard 39 — Financial Instruments: Recognition and Measurement (**FRS 39**) for Singapore income tax purposes may be required to recognise gains or losses (not being gains or losses in the nature of capital) on the TCDs, irrespective of disposal. Please see the section below on "*Adoption of FRS 39 Treatment for Singapore Income Tax Purposes*".

Adoption of FRS 39 Treatment for Singapore Income Tax Purposes

The IRAS has issued a circular entitled "Income Tax Implications Arising from the Adoption of FRS 39 — Financial Instruments: Recognition and Measurement" (the **FRS 39 Circular**) (last revised on 16 March 2015). Legislative amendments to give effect to the FRS 39 Circular have been enacted in Section 34A of the ITA.

Holders of the TCDs who may be subject to the tax treatment under the FRS 39 Circular should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding or disposal of the TCDs.

Estate Duty

Singapore estate duty has been abolished with respect to all deaths occurring on or after 15 February 2008.

Foreign Account Tax Compliance Act

The Foreign Account Tax Compliance Act provisions of the U.S. Hiring Incentives to Restore Employment Act of 2010 (**FATCA**) establish a new due diligence, reporting and withholding regime. FATCA aims to detect U.S. taxpayers who use accounts with “foreign financial institutions” (**FFIs**) to conceal income and assets from the U.S. Internal Revenue Service (**IRS**).

FATCA withholding

Under FATCA, a 30% withholding may be imposed (i) in respect of certain payments of U.S. source income, (ii) from 1 January 2019 in respect of gross proceeds from the sale or disposition of property that produce interest or dividends which are U.S. source income and (iii) from 1 January 2019, at the earliest, in respect of “foreign passthru payments” (a term which is not yet defined under FATCA), which are, in each case, paid to or in respect of entities that fail to meet certain certification or reporting requirements (**FATCA withholding**).

A FATCA withholding may be required if (i) an investor does not provide information sufficient for the Issuer or any other financial institution through which payments on the TCDs are made to determine whether the investor is subject to FATCA withholding or (ii) an FFI to or through which payments on the TCDs are made is a “non-participating FFI”.

If the TCDs are treated as debt for U.S. federal income tax purposes and the payment is made under a grandfathered obligation, FATCA withholding is not expected to apply. Generally, a grandfathered obligation is any obligation issued on or before the date that is six months after the date on which final regulations defining the term “foreign passthru payment” are filed with the U.S. Federal Register.

Australian IGA

Australia and the United States signed an intergovernmental agreement (**Australian IGA**) in respect of FATCA on 28 April 2014. The Australian Government has enacted legislation amending, among other things, the Taxation Administration Act 1953 of Australia to give effect to the Australian IGA (**Australian IGA Legislation**).

Australian financial institutions which are Reporting Australian Financial Institutions under the Australian IGA must comply with specific due diligence procedures to identify their account holders (e.g. the bearers) and provide the Australian Taxation Office (**ATO**) with information on financial accounts (for example, the TCDs) held by U.S. persons and recalcitrant account holders and on payments made to non-participating FFIs. The ATO is required to provide such information to the IRS. Consequently, bearers may be requested to provide certain information and certifications to the Issuer and to any other financial institutions through which payments on the TCDs are made in order for the Issuer and such other financial institutions to comply with their FATCA obligations.

A Reporting Australian Financial Institution that complies with its obligations under the Australian IGA will not generally be subject to FATCA withholding on amounts it receives, and will not generally be required to deduct FATCA withholding from payments it makes with respect to the TCDs, other than in certain prescribed circumstances.

Hong Kong IGA

Hong Kong and the United States signed an intergovernmental agreement (**Hong Kong IGA**) on 13 November 2014. Under the Hong Kong IGA, financial institutions in Hong Kong are required to use due diligence procedures to identify U.S. accounts and clients, obtain the consent of relevant U.S. clients to report their relevant account balances, gross amounts of relevant interest incomes, dividend incomes and withdrawals and identification details to the U.S. IRS annually and report to the IRS on the “aggregate information” of account balances, payment amounts and number of non-consenting U.S. accounts to the U.S. IRS. The U.S. IRS may lodge with the Hong Kong Inland Revenue Department, where necessary, requests

for exchange of information (**EOI**) pursuant to the EOI framework provided for under the tax information exchange agreement signed between Hong Kong and the United States.

Under the Hong Kong IGA, an FFI could be treated as a “Reporting FI” not subject to withholding under FATCA on any payments it receives. The Hong Kong IGA leaves open the possibility that a Reporting FI might in the future be required to withhold as a “Participating FFI” on foreign passthru payments it makes to “Recalcitrant Holders” (accounts of which the holders do not consent to FATCA reporting and disclosure to the IRS). A Reporting FFI would still be required to report certain information in respect of its account holders and investors to its home government or to the IRS.

If an Issuer becomes a Participating FFI under FATCA, that Issuer and financial institutions through which payments on the TCDs are made may be required to withhold FATCA withholding if (i) any FFI through or to which payment on such TCDs is made is not a Participating FFI, a Reporting FI, or otherwise exempt from or in deemed compliance with FATCA or (ii) an investor is a Recalcitrant Holder.

Singapore IGA

Singapore and the United States signed an intergovernmental agreement (**Singapore IGA**) on 9 December 2014. In order to give effect to the Singapore IGA, the SITA has been amended and subsidiary legislation promulgated, among other things.

Under the Singapore IGA, Reporting Singapore Financial Institutions are responsible for ensuring that their due diligence and reporting requirements under the Singapore IGA are met including but not limited to identifying U.S. reportable accounts held and reporting certain information regarding the U.S. reportable accounts to the IRAS. The IRAS will in turn share the information with the IRS. Consequently, bearers may be requested to provide certain information and certifications to the Issuer and to any other financial institutions through which payments on the TCDs are made in order for the Issuer and such other financial institutions to comply with their FATCA obligations.

A Reporting Singapore Financial Institution that complies with its obligations under the Singapore IGA will not generally be subject to FATCA withholding on amounts it receives, and will not generally be required to deduct FATCA withholding from payments it makes with respect to the TCDs, other than in certain prescribed circumstances.

No additional amounts paid as a result of FATCA withholding

In the event that any amount is required to be withheld or deducted from a payment on the TCDs as a result of FATCA, pursuant to the terms and conditions of the TCDs, no additional amounts will be paid by the Issuer as a result of the deduction or withholding.

FATCA is particularly complex legislation. Investors should consult their own tax advisers to determine how FATCA and the Australian IGA may apply to them under the TCDs.

Common Reporting Standard

The OECD Common Reporting Standard for Automatic Exchange of Financial Account Information (**CRS**) will require certain financial institutions to report information regarding certain accounts (which may include the TCDs) to their local tax authority and follow related due diligence procedures. Bearers of TCDs may be requested to provide certain information and certifications to ensure compliance with the CRS. A jurisdiction that has signed the CRS Competent Authority Agreement may provide this information to other jurisdictions that have signed the CRS Competent Authority Agreement. The Australian Government has enacted legislation amending, among other things, the Taxation Administration Act 1953 of Australia to give effect to the CRS. The CRS will apply to Australian financial institutions with effect from 1 July 2017. Hong Kong has expressed its support for the CRS with a view to commencing the first information exchanges by the end of 2018 on the condition that Hong Kong could put in place the necessary domestic legislation by 2017.

Singapore has enacted regulations to implement CRS with effect from 1 January 2017.

12 INFORMATION ABOUT THE ISSUERS

The current annual report, half yearly profit announcement and any continuous disclosure notices in relation to Commonwealth Bank of Australia are available online at www.asx.com.au.

13 FURTHER INFORMATION

For further information, please contact:

Issuers: Commonwealth Bank of Australia
General Manager / Executive Manager Group
Funding
Tower 1, Darling Park
Level 25, 201 Sussex Street
SYDNEY NSW 2000

Telephone: +61 2 911 81339 /81344
Fax: +61 1300 153 451
Email: groupfunding@cba.com.au

Commonwealth Bank of Australia, Hong Kong
Branch
Level 13
One Exchange Square
8 Connaught Place, Central
Hong Kong

Fax: +852 28 447556
Attention: Head of Finance & Operations

Commonwealth Bank of Australia, Singapore
Branch
38 Beach Road
South Beach Tower #06-11
Singapore 189767

Telephone: +65 6349 7065
Attention: Head of Singapore Treasury

Arranger: Commonwealth Bank of Australia, Hong Kong
Branch
Level 13
One Exchange Square
8 Connaught Place, Central
Hong Kong

Telephone: +852 28 447595
Fax: +852 28 014553
Attention: Director, Debt Capital Markets
Originations

Dealers: Commonwealth Bank of Australia, Hong Kong
Branch
Level 21
One Exchange Square
8 Connaught Place, Central
Hong Kong

Telephone: +852 28 447595

Fax: +852 28 014553

Email: DCMOriginations@cba.com.au

Attention: Director, Debt Capital Markets
Originations

Commonwealth Bank of Australia
Tower 1, Darling Park
Level 25, 201 Sussex Street
SYDNEY NSW 2000

Telephone: +61 2 911 81339 /81344

Fax: +61 1300 153 451

Attention: Group Funding

**Issuing Agent and
Principal Paying Agent:**

Deutsche Bank AG, Hong Kong Branch
52/F International Commerce Centre
1 Austin Road West
Kowloon
Hong Kong

Fax: +852 2203 7320

Email: hk.csg@list.db.com

Attention: Corporate Trust, Issuer Services