

Commonwealth Bank

Commonwealth Bank of Australia
ACN 123 123 124

Secretariat

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Margaret Taylor
Group Company Secretary

21 August 2014

Ms Stephanie So
Senior Advisor, Listings (Sydney)
ASX Compliance Pty Ltd
20 Bridge Street
Sydney NSW 2000



Dear Stephanie

Notice given of Australian Securities and Investments Commission exemption under subsection 259C(2) of the Corporations Act

I attach a copy of instrument [14-0808] (Instrument) provided by the Australian Securities and Investments Commission under subsection 259C(2) of the Corporations Act 2001 (Cth) (Act).

Commonwealth Bank of Australia ACN 123 123 124 (Commonwealth Bank) has previously announced that the Commonwealth Bank ordinary shares (Shares) to be allocated to participants under its Dividend Reinvestment Plan for the dividend to be paid on 2 October 2014 will be satisfied by an on-market purchase and transfer of Shares to participating shareholders up to the full amount of the dividend.

The Instrument permits CBA Equities Limited ACN 003 485 952, a subsidiary of Commonwealth Bank, to act as broker for this on-market purchase of Shares by exempting Commonwealth Bank from the operation of section 259C of the Act.

Yours sincerely

Margaret Taylor
Group Company Secretary

**Australian Securities and Investments Commission
Corporations Act 2001 – Subsection 259C(2) – Exemption**

Enabling legislation

1. The Australian Securities and Investments Commission (*ASIC*) makes this instrument under subsection 259C(2) of the *Corporations Act 2001* (the *Act*).

Title

2. This instrument is ASIC Instrument [14-0808].

Commencement

3. This instrument commences on 13 August 2014.

Variation

4. This instrument varies ASIC Instrument [12-0670] dated 23 May 2012 by, after paragraph 8(b) of that instrument, inserting the following paragraph:

“(ba) that in calculating the percentage referred to in paragraph 8(b), do not include those CBA shares acquired in reliance on and in compliance with ASIC Instrument [14-0808] dated 13 August 2014; and”.

Exemption

5. Commonwealth Bank of Australia ACN 123 123 124 (**CBA**) is exempt from the operation of section 259C of the Act.

Where this exemption applies

6. Subject to paragraph 7 of this instrument, this exemption applies to the transfer of ordinary shares in CBA (**CBA Shares**) to a prescribed controlled entity in the following circumstances:
 - (a) the transfer occurs by way of an acquisition on the financial market operated by ASX Limited ACN 008 624 691 (**ASX**) or the financial market operated by Chi-X Australia Pty Ltd ACN 129 584 667 (**Chi-X**);
 - (b) the acquisition is for the purpose of transferring CBA Shares to participants in CBA's dividend reinvestment plan (**DRP**) in accordance with the rules of the DRP as released on 19 May 2014 on the market announcements platform operated by ASX and effective that date (**DRP Rules**); and;
 - (c) the acquisition occurs within the number of trading days that the directors of CBA announce to ASX in compliance with the DRP Rules and commencing

within 3 trading days of the Record Date, the prescribed controlled entity making the acquisition over not more than 20 consecutive trading days, with only non-material adjustments made within 2 trading days of the end of this period.

7. This exemption does not apply unless CBA has given to ASIC a deed for the benefit of, and enforceable by, ASIC, which provides that:
- (a) CBA and the prescribed controlled entities do not:
 - (i) exercise votes attaching to CBA Shares; and/or
 - (ii) control or influence the exercise of votes attached to those CBA Shares, in circumstances where, but for this exemption, the transfer of the CBA Shares to a prescribed controlled entity would contravene section 259C of the Act;
 - (b) no more than 1% of the issued ordinary capital of CBA is transferred to the prescribed controlled entities at any point in time;
 - (c) within 10 trading days of a prescribed controlled entity transferring CBA Shares to participants in the DRP, any remaining CBA Shares held by a prescribed controlled entity and acquired for the purposes of the DRP, are disposed of by the prescribed controlled entity in the ordinary course of trading on the financial markets operated by ASX or Chi-X, except that, if there are reasonable grounds to suspect that a disposal would contravene any applicable laws of Australia, the disposal must take place at the earliest time practicable after the time that the disposal would not result in a contravention of those laws;
 - (d) commencing on the date of this exemption, the prescribed controlled entities maintain records of trading (*Records*) by the prescribed controlled entities in CBA Shares acquired for the purposes of transferring the CBA Shares to participants in the DRP;
 - (e) the prescribed controlled entities retain the Records for a period of 12 months from the date of each trade;
 - (f) the prescribed controlled entities make the Records available for inspection by ASIC during business hours and within 5 business days of receipt of a written request for such access from ASIC;
 - (g) within 2 trading days of the commencement of this instrument, CBA makes an announcement on the market announcements platform operated by ASX including a copy of this instrument accompanied by an explanation of the effect of the relief in this instrument; and

- (h) CBA gives a written notice to ASIC within 5 business days after becoming aware that it has failed to comply with the terms of the deed, other than in an immaterial respect, and setting out the details of the non-compliance.

Interpretation

8. In this instrument:

- (a) **Record Date** means the date nominated by the directors of CBA from time to time for the purpose of identifying the shareholders of CBA who are entitled to receive a particular dividend;
- (b) **non-material adjustments** mean an acquisition or disposal of CBA Shares by a prescribed controlled entity where the acquisition or disposal of those CBA Shares:
- (i) is required only to rectify any shortfall or surplus in the number of CBA Shares that were acquired by the prescribed controlled entities during the period referred to in subparagraph 6(c) of this instrument;
 - (ii) is required to satisfy the entitlements of participants in the DRP in accordance with the DRP Rules; and
 - (iii) has no impact on the market price of the CBA Shares, as determined in accordance with the DRP Rules, to be transferred to participants in the DRP;
- (c) **prescribed controlled entity** and **prescribed controlled entities** means CBA Equities Limited ACN 003 485 952, Nimitz Nominees Pty Limited ACN 003 505 959 and/or SBN Nominees Pty Limited ACN 003 501 773; and
- (d) **trading day** has the meaning given by the ASX Market Rules as in force on the date of this instrument.

Dated this 13th day of August 2014

Signed by Yu-chin Hsu
as a delegate of the Australian Securities and Investments Commission