

What you need to know CommBiz Markets

Product Disclosure Statement



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

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The information in this Product Disclosure Statement (PDS) is subject to change from time to time and is up to date as at the date stated on the website www.commbiz.com.au. Where the new information is materially adverse information the Bank will either issue a new PDS or a supplementary PDS setting out the updated information. Where the new information is not materially adverse information we will not issue a new PDS or supplementary PDS to you, but you will be able to find the updated information on our website at www.commbank.com.au or you can call 13 2221. If you ask us to, we will send you a paper copy of the information.

General Information

Products available on CommBiz Markets (Markets)

Markets is a service accessed through CommBiz which is an online electronic banking channel for institutional, corporate and business *customers*. *Markets* functionality allows you to access/transact the following *products* online:

- ▶ **Foreign Exchange.**
- ▶ **Money Market** investments.

Features at a glance: Foreign Exchange

Significant benefits:

- ▶ Real-time online *foreign exchange* dealing. Allows you to achieve *exchange rate* protection and cash flow certainty. Ability to make payments in *foreign currencies* and AUD to trading partners and other third parties both within Australia and internationally (subject to *cleared funds* or credit approval).
- ▶ Choice of a wide range of *foreign exchange* settlement options.
- ▶ Ability to direct payments to third parties after settlement.
- ▶ Ability to view indicative *spot* rates before booking a foreign exchange trade.*
- ▶ Ability to bulk upload a large number of outgoing foreign currency transactions.
- ▶ Ability to view and authorise FX transactions on a mobile device via the CommBiz Mobile App.

You do not need to hold an account with the Commonwealth Bank of Australia (the *Bank*) in order to transact using *Markets*.

Please refer to “What are the significant benefits of *Markets*” on page 4.

Significant risks

- ▶ *Exchange rates* and interest rates can be volatile and can move adversely.
- ▶ Additionally, unless you take adequate security precautions, it may be possible for an *unauthorised user* to gain access to *Markets* and view your account details and give the *Bank instructions* using your *security identification* (including initiating transactions for which you may be liable).

Please refer to “What are the significant risks” on page 6.

Minimum transaction amount

- ▶ Minimum individual trade *face value* is USD100 or equivalent.

Maximum transaction amount

- ▶ The maximum online individual trade *face value* is USD25,000,000 (subject to credit approval).

Terms

- ▶ Same day as the *trade date* and up to 1 year after the *spot date* of the *currency pair* (subject to credit approval). Longer *terms* may be available upon request.

Settlement

- ▶ *Transactions* must be settled on the agreed *settlement date*. With some settlement methods, you are required to pay us on or before the *settlement date*. Subject to credit approval, transactions may be settled on the *value date*. Variations to *settlement dates* for *forward transactions* are available by *agreement* with the *Bank*. (See the section “Variations to *Settlement dates*” on page 13.)

Early termination and failure to make settlement

- ▶ An amount may be payable by or to you depending on the *mark-to-market transaction* required to close out a settlement *transaction* that you wish to terminate or fail to settle. You may also be liable for any losses and costs the *Bank* may incur as well as *fees* and charges.

Features at a glance: Money Markets

Significant benefits

- ▶ Online access to your Cash Deposit Accounts (CDA) and Cash Relationship Accounts (CRA) offering you the flexibility of 3 investment options (*At Call*, *Fixed Term Deposits* and *Security Investments*) in the one account.
- ▶ Access real time balances on At Call Deposits and 11am Call Deposits.
- ▶ Transfer funds between your CDA At Call Deposit or CRA 11am Call Deposit and your nominated CBA bank accounts.
- ▶ Ability to make payments from your CDA or CRA to other financial institution (non-CBA) accounts in the same name.
- ▶ Real time pricing on investments in *Fixed Term Deposits* and *Security Investments*.
- ▶ Receive returns linked to prevailing market interest rates.

Please refer to “What are the significant benefits of *Markets*” on page 4.

* These indicative **spot** rates are intended as a guide only. Before proceeding, you should confirm the latest **exchange rates** by requesting a quote under ‘New Trade’, or contacting your FX Dealer. Due to market conditions, occasionally some rates may be unavailable.

Significant risks

- ▶ Interest rates can be volatile and can move adversely.
- ▶ Unless you take adequate security precautions, it may be possible for an *unauthorised user* to gain access to *Markets* and view your account details and give the *Bank instructions* using your *security identification* (including initiating transactions for which you may be liable).

Please refer to “What are the significant risks” on page 6.

Minimum Size	CDA AUD	CRA AUD
Minimum initial deposit		
At Call Deposit	50,000	–
11am Call Deposit	–	1,000,000
Fixed Term Deposit	50,000	1,000,000
Security Investment	100,000	1,000,000
Minimum additional deposit & withdrawal		
At Call Deposit	5,000	–
11am Call Deposit	–	50,000
Minimum balance		
At Call Deposit	10,000	–
11am Call Deposit	–	100,000

Terms	CDA	CRA
Terms available		
At Call Deposit	At call	–
11am Call Deposit	–	11am Call
Fixed Term Deposit	1-6 months	1-6 months
Security Investment	1-6 months, subject to stock availability	1-6 months, subject to stock availability

Note: Maximum deposit and withdrawal amounts are applicable to **transactions** via CommBiz Markets. For transaction amounts above the maximum, please contact your dealer or relationship manager.

Fees and charges: Markets

For further information on fees and charges associated with *Markets* see Appendix A.

Purpose of a Product Disclosure Statement (PDS)

A PDS aims to provide you with enough information to help you decide whether the product will meet your needs. It also helps you to compare the product with others you may be considering.

This PDS provides information about an Internet dealing channel called *Markets*. If you decide to use *Markets*, you should keep this PDS and all documentation relating to *Markets* for future reference.

This PDS consists of a General Information section and the Terms and Conditions that govern *Markets*. When you sign the *Markets* Application Form, you agree to all matters, terms and conditions detailed or referred to in this PDS. However, your access to *Markets* is subject to approval of your application by the *Bank* and no binding contract comes into existence until that approval.

When you transact using *Markets* you agree to the Terms and Conditions detailed in this PDS.

You should also refer to the *Foreign Exchange* PDS, the *Cash Relationship Account* PDS, and the *Cash Deposit Account* General Information and Terms and Conditions brochure.

If you have any questions or wish to contact us call 1300 222 339 between 8am and 6pm (AEST), Monday to Friday, or visit our web site at www.commbiz.com.au

To assist you in understanding this PDS, the definition of some words is provided in the “Definitions” sections on pages 18-23 of this PDS. When used in this PDS, these words usually appear in *italics*.

What is Markets?

Markets is a service accessed through the CommBiz electronic banking channel. It is available to Commonwealth Bank institutional, corporate and business clients.

Markets allows you to access/transact the following products online:

- ▶ *Foreign Exchange* (subject to credit approval);
- ▶ *Money Market* investments.

If you subscribe to *foreign exchange*, you do not need to have an account with the *Bank* in order to use *Markets*. CommBiz has a modular design which means that you only need to implement the required modules in *Markets*. In addition to our channel security, you can customise your *user entitlements* to meet your requirements. *Markets* allows segregation of duties for each *user*, including single and multiple authorisation of payments.

Transactions and enquiries using *Markets* are secured with 128-bit encryption, password and *security token* to protect each *user's* detailed profile.

Markets can be accessed from any location where the internet is available. The *Bank* will provide online training and a context sensitive help function located on the top right hand side of each screen.

The *Markets* functionality on CommBiz is designed to be user-friendly and is supported by a dedicated network that includes a dedicated Help Desk and Settlements teams.

All enhancements and upgrades to the channel are managed online by CommBiz.

Who is suitable for *Markets*?

Markets is suitable for individuals, companies, partnerships, incorporated associations, businesses and non-profit organisations with an ongoing need for real-time foreign exchange transactions and investment management and who meet the following eligibility requirements:

- ▶ Minimum Foreign Exchange turnover of AUD250,000 per annum (though subject to change under certain agreements); or
- ▶ minimum money market investment of AUD50,000 held in Cash Deposit Accounts or AUD1,000,000 in Cash Relationship Accounts.

This PDS does not cover accounts from and to which payments can be made using *Markets*. For details of the Bank's accounts which can be used for these purposes, please refer to the relevant PDS located at www.commbiz.com.au

The information in this PDS does not take into account your personal objectives, financial situation and needs. Before transacting or trading in this product you should be satisfied that such transacting or trading is suitable for you in view of those objectives, and your financial situation and needs, and we recommend that you consult your financial adviser or obtain other independent advice. Unless you are familiar with *Foreign Exchange* and Money Market dealings and products of this type, the product may not be suitable for you.

What are the significant benefits of *Markets*?

Benefits include:

1. Convenience, security, ease of use.
2. Ability to control *user entitlements* to all functions – properly controlling the entitlements of your users can help you control the risk of fraudulent transactions by your staff or other parties.
3. You can access CommBiz from any location where the internet is available.
4. Accurate records of all *foreign exchange* and *money market transactions* for easy reconciliation.
5. Multi *user* and multi location access to *Markets* via the internet.
6. Ability to access some *Markets* functionality on a mobile device via the CommBiz Mobile App.
7. Ability to bulk upload a large number of outgoing foreign currency transactions.
8. Rights and obligations for both parties are clearly established.
9. The ability to export data into a spreadsheet application such as Excel.
10. Access to the Commonwealth Bank of Australia's economic research.
11. Automatic upgrades.
12. Accessible:
 - ▶ Access to a dedicated Help Desk on 1300 222 339 between 8.00am and 6.00pm (AEST).
 - ▶ Access to *Markets* functionality during the following business hours.

Markets	Monday to Friday AEST	Saturday, Sunday & Non-Business Days
Help Desk	8.00am to 6.00pm	Service not available
View Functions	24 hours	Service available 7 days
Foreign Exchange	Monday to Friday AEST	Saturday, Sunday & Non-Business days
Online Dealing	7.00am Monday to 12.00am Saturday	Available until 5.00pm Friday New York Time. This varies between 8.00am and 9.00am Saturday AEST depending on daylight savings. Excluding this, service not available.
Value today Transactions (Trade Entry)	See cut off times on www.commbiz.com.au Service available times as outlined for Online Dealing.	
Value tomorrow, Spot and Forward Transactions (Trade Entry)	Service available times as outlined for Online Dealing.	
Trade Authorisation	24 hours	
Direct Debit Request (DDR)	DDRs can be established 24 x 7 but have to be submitted by 5.00pm Monday - Friday for same day processing	
Previous Trades information	24 hours	
Outstanding Trades Information	24 hours	
Money Markets	Monday to Friday AEST	Available Saturday Morning until 5.00pm New York time
Money Markets view	8.00am to 9.30pm	Service not available
11am Call Deposit withdrawals for same day value*	8.00am to 2.00pm	
At Call Deposit withdrawals for same day value*	8.00am to 4.00pm	
11am Call Deposit and At Call Deposit deposits for same day value*	8.00am to 4.00pm	
Fixed Term Deposit and Security Investment in a CDA or CRA**	8.00am to 4.00pm	
Changes to Fixed Term Deposit and Security Investment maturity instructions	Up until 6.00pm on the business day prior to the maturity date	

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

* **Money Market** transactions entered after these cut off times will be processed for next day value.

** **Fixed Term Deposits** and **Security Investments** can only be booked for same day value.

Benefits: Foreign Exchange

1. Real-time pricing;
2. Access to *spot*, *value today*, and *value tomorrow* transactions with the ability to access *forward transactions* and optional dated forwards upon application (subject to credit approval).
3. Choice of settlement methods – including debits from a Commonwealth Bank account, direct debits from an account held at other financial institutions using *Direct Debit Requests (DDR)* from a nominated settlement account, via BPAY®, or Electronic Funds Transfer (*EFT*) from a nominated settlement account.
4. Online trade and settlement *confirmations* that can be printed, saved, or emailed.
5. Ability to make payments to trading partners and other third parties both within Australia and internationally (subject to the *Bank* holding *cleared funds* representing all of *your* obligations on settlement or subject to credit approval or prior arrangement).
6. Ability to view *your foreign exchange transaction* history online for 12 months (360 days) from the *value date* of transaction.
7. Ability to view indicative *spot* rates before booking a *foreign exchange* trade.*
8. Ability to bulk upload a large number of outgoing foreign currency transactions.
9. Ability to view and authorise FX transactions on a mobile device via the Commbiz Mobile app.

Benefits: Money Markets

1. Access real time balances on At Call Deposits and 11am Call Deposits.
2. Real time pricing on investments in *Fixed Term Deposits* and *Security Investments*.
3. Flexible investment options – *at call*, fixed term, *Security Investments*.
4. Invest in *Fixed Term Deposits* or *Security Investments* at market related rates.
5. Ability to make payments to CBA and non-CBA accounts in the same name as *your* CDA or CRA.
6. Ability to view *your Money Market transaction* history and interest payments online for 12 months from the *value date* of the transaction.
7. *Money Market confirmations* can be printed, saved and exported.

What are the significant disadvantages of Markets?

Disadvantages

1. You must satisfy the CommBiz minimum browser requirements (refer to the “Operation of Markets” section of this PDS); and
2. Access to *Markets* is 24 hours, 7 days but online trading can take place between 7.00am Monday (Sydney Time) to 5.00pm Friday (New York Time) and transactional functionality is limited to specific hours. 5.00pm Friday New York Time varies between 8am and 9am Saturday AEST depending on daylight savings. Excluding the above, the service is not available Saturday, Sunday and non-*business days*. Refer to the table on page 5 and to Business Hours on the CommBiz web site www.commbiz.com.au

Disadvantages: Foreign Exchange

1. Owing to market conditions we may not always be able to quote on the particular currency or *currency pair* that you want to trade.
2. For *foreign exchange*, online *transaction* history is only available for 12 months from the *value date* of *transaction* (360 days).
3. *Terms* are limited to 1 year after the *spot date* of the *currency pair*. Longer *terms* may be available upon request.

Disadvantages: Money Markets

1. *Terms* for *Fixed Term Deposits* and *Security Investments* are limited to 1–6 months, however longer and shorter *terms* may be available by contacting a Dealer.
2. *Maturity dates* for *Security Investments* are subject to stock availability.
3. Within *Markets*, you can only transact on CDAs and CRAs and not on other types of accounts.

What are the significant risks?

All financial *products* involve a certain amount of risk. For *Markets* we strongly recommend that you implement robust information systems management processes appropriate to your PC or network. We also strongly recommend that you implement and regularly review the risks associated with your own internal procedures and controls.

* These indicative *spot* rates are intended as a guide only. Before proceeding, you should confirm the latest *exchange rates* by requesting a quote under ‘New Trade’, or contacting your FX Dealer. Due to market conditions, occasionally some rates may be unavailable.

Laws to prevent Money Laundering and Terrorism Financing

If *you* provide an instruction to make a payment, the payment may be held or delayed to comply with Australian or foreign laws, including laws to prevent money laundering and terrorism financing.

You may not be able to recover the value of the payment or interest if the payment is delayed.

Security risk

Unless *you* take adequate security precautions, it may be possible, for a computer hacker or an *unauthorised user* to gain access to *Markets* and view *your* account details and give *us* instructions using *your* security identification. *You* will need to take measures to protect the security of security identification and security tokens we issue to enable *you* to use *Markets*.

Adequate security precautions must be taken to prevent an *unauthorised user* accessing *your* accounts. This should include the use of appropriate anti-‘spamming’, anti-‘key logging’ and anti-‘virus’ software, in addition to appropriate personal computer or network ‘firewall’ protection.

Please refer to the “Terms and Conditions” section of this PDS.

Risk associated with use of technology

There may be a potential risk resulting from the use of technologies or from the changing nature of technologies that will have an impact upon the business objectives. *Markets* will provide clients with access to *Markets* at such times and in such a manner as we may display on the *Markets* site. Please refer to the “Terms and Conditions” section of this PDS.

These are the most significant risks. However, there may be other considerations that are relevant to *you* should *you* invest or transact through *Markets*.

You should obtain *your* own independent professional advice to determine whether the *transaction* is appropriate to *your* particular circumstances.

Market risk

Market risk is the risk that prices, including *foreign exchange rates* or interest rates will move against *you*.

The *Bank* expects that in most cases, *foreign exchange transactions* are to be used for managing *your* foreign currency cash flow requirements. If *you* enter into a *foreign exchange transaction* for a purpose other than the exchange of a foreign currency cash flow, *you* may be directly exposed to changes in the relevant *foreign exchange* market. These changes may result in losses to *you*. When *foreign exchange transactions* are used to manage *your* foreign currency cash flows, there is a risk that *you* may not receive any benefit relative to not having entered into a *foreign exchange transaction*. This will occur if the relevant current market exchange rate is more favourable to *you* than the exchange rate that was agreed on the *settlement date*. Early termination of a *foreign exchange transaction* may result in a cost to *you*.

Credit risk

Credit risk is common to all financial market *products* that *you* may hold with the *Bank*. In all cases, with *foreign exchange transactions*, *you* are reliant on the ability of the *Bank* to meet its obligations to *you* under the *terms* of each transaction. This risk is sometimes described as “counterparty risk”.

Operational risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or external events. For example, with *foreign exchange*, *you* are reliant on the ability of the *Bank* to price and settle *your* *foreign exchange transaction* in a timely and accurate manner. The *Bank* in turn is dependent on the reliability of its own operational processes that include communications, computers and computer networks. Disruptions in the *Bank*’s processes may lead to delays in the execution and settlement of *your* *foreign exchange transaction*. Such disruptions may result in contractual outcomes that are less favourable to *you*.

However, once *you* have entered into the transaction, the management of risks associated with its own operational processes is the responsibility of the *Bank*.

Settlement risk: Foreign Exchange

The *Bank* will only settle a *transaction* subject to credit approval or after it unconditionally holds *cleared funds* representing *your* entire liability at settlement of the *transaction*.

If we do not receive *cleared funds* by the currency cut off time on the settlement date or if we cannot reasonably identify the receipt of *cleared funds*, we reserve the right not to settle and to either extend the *transaction* or to terminate *your transaction*.

Non-settlement of a *transaction* could result in a cost to *you*. For details on termination costs, please refer to “Terminating a *Markets foreign exchange transaction*” on page 13. For details on how *extensions of settlement dates* may affect *your* exchange rate please refer to “Variations to *settlement dates*” on page 13.

You should be aware of the trading times that are specified for the relevant *CommBiz Markets* service. For example, if *you* would like to transact a *foreign exchange transaction* with delivery ‘value today’, *you* must enter and authorise the *transaction* before the cut-off time specified for the relevant currency (see Cut Off Times on www.commbiz.com.au). If *you* do not enter and authorise a *transaction* by the relevant cut-off time then we would not be able to process that *transaction* for delivery on that day.

Legal Risk

Australia, as a member state of the United Nations, is obliged to implement United Nations Security Council sanctions. Australia also may be required to implement other international sanctions and sometimes imposes unilateral sanctions. Sanctions can cover various subject matters including financial restrictions. Consequently, the *Bank* may be prohibited from dealing with certain persons or entities.

This means that if the *Bank* is aware that *you* are a proscribed person or entity, then the *Bank* may be required to suspend, cancel or refuse *you* services or close or terminate any account, facility, transaction, arrangement or *agreement* with *you*. We may also be required to freeze *your* assets. *You* could incur significant costs as a result of these actions.

Product Risk

Cash Deposit Accounts (CDA) and Cash Relationship Accounts (CRA) transacted on *Markets* may have market, credit, interest rate and other risks. Please consult the relevant Product Disclosure Statement or General Information and Terms and Conditions available at www.commbank.com.au

Types of Access

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

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

You/your administrator can set entitlements to suit *your* business needs. For example, *you* may set up some *Foreign Exchange users* with the ability to view and create transactions, while others will have the ability to authorise *Foreign Exchange transactions*.

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

Ability to control entitlements

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

How do I sign up for Markets?

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

1. If you are already a Commonwealth Bank customer, contact your relationship manager and advise him or her that you want to sign up for Markets. Your relationship manager will either arrange for a Markets Sales Specialist to give you a demonstration of Markets or direct you to an online demonstration and the relevant Application Forms. If you are not a Commonwealth Bank customer, or do not have a relationship manager, call 1300 222 339 to find out how you can sign up for Markets.

Alternatively, you can apply online for the Markets service on www.commbiz.com.au. Once we receive your Application Form, your relationship manager and a Markets Sales Specialist will call you to complete the relevant Identification Forms and, where applicable, your foreign exchange credit assessment.

If necessary, your relationship manager or the Markets Sales Specialist will help you to complete the relevant Application Form.

2. Once your Application Form has been approved, we will send all authorisers and administrators:
 - ▶ a letter containing a Login ID and Security Token; and
 - ▶ a letter containing a temporary password.

On first login, you will be directed to a Self Service website to change your password, register your security questions and to confirm your Security Token serial number.

If you do not log into Markets within 60 days of receiving your Login ID and Security Token notification, your Login Account will expire. If this occurs you will need to contact the Help Desk on **1300 222 339** to have your Login ID and Security Token reset.

What to do before you meet with your Sales Representative or relationship manager

1. Decide who you want to nominate as users for Markets.
2. Decide who will act as your administrator(s): Your administrator is the first point of contact for all issues regarding Markets and is responsible for setting access levels and rights for staff registered on the Markets service. This includes:
 - ▶ authorising new users/setting user profiles;
 - ▶ specifying user entitlements;
 - ▶ deleting or amending user entitlements;
 - ▶ resetting user passwords;
 - ▶ sending maintenance requests to the Bank to add or remove accounts and authorisers.
3. Decide who will act as your authoriser(s) and Foreign Exchange users.
4. Ensure that the computers you will use to access Markets meet the minimum browser requirements – (refer to the “Operation of Markets” section of this PDS).

Accessing Markets

Once you have signed up for Markets you can access Markets functionality from any location where the Internet is available via www.commbiz.com.au. You will need your Login ID, Password and Security Token. An online demonstration will be available on www.commbiz.com.au

No installation is necessary but your browser requirements must meet minimum standards (refer to Operation of Markets on page 14).

Your relationship manager and the Help Desk (**1300 222 339**) will be available to answer any questions you may have.

Markets Functionality: Foreign Exchange

Through Markets, you are able to:

- ▶ buy and sell foreign currency for value today, tomorrow, spot and forward (subject to credit approval), with real-time quotes (please consult the relevant PDS at www.commbank.com.au);
- ▶ pre-deliver and extend foreign exchange contracts (subject to Bank approval);

- ▶ transact using *forward foreign exchange* contracts with optional delivery dates;
- ▶ create standard settlement instruction templates and use these templates to settle *foreign exchange transactions* online;
- ▶ Ability to bulk upload a large number of outgoing foreign currency transactions.
- ▶ Ability to view and authorise FX transactions on a mobile device via the Commbiz Mobile app.
- ▶ view all outstanding *foreign exchange* trades, including those dealt over the phone with the *Bank*;
- ▶ access records of trades settled in the past 12 months from *value date*;
- ▶ print, save and email deal *confirmations* and authorised *settlement acknowledgments*;
- ▶ access historic *foreign exchange rates* dating back to 1990.

Markets Foreign Exchange transactions

Following completion of the *Markets* Application Form and approval by the *Bank*, you may enter into *foreign exchange transactions* with the *Bank*.

The next steps:

1. You log on to the CommBiz web site on **www.commbiz.com.au** and select the *Markets* tab for a *foreign exchange rate* for a *currency pair* for a specified *transaction amount* and *settlement date*.
2. If the *Bank* offers you a *spot exchange rate*, *value today exchange rate*, *value tomorrow exchange rate* or *forward exchange rate*, and if you accept the offer (which can be done online or over the telephone), a binding *foreign exchange transaction* is entered into between you and the *Bank*. If you are transacting over the telephone, all telephone conversations between you and the *Bank* will be recorded.
3. The *Bank* will send you a *confirmation* setting out the details of your *foreign exchange transaction* (this will be available to

you online). If the online system is unavailable and you use the telephone, the *confirmation* will be faxed to you.

4. If you are transacting online, you must advise us if there is an error in the *confirmation*. If you are transacting over the telephone you have to sign and return the *confirmation* by fax. However, failure to return the *confirmation* does not affect the validity of the *transaction*.
5. All *transactions* must be authorised. You must provide us with authorised *Settlement Instructions* prior to the settlement cut off times or country cut off times applicable to your *foreign exchange transaction*. If you fail to do so we may extend the delivery date at our discretion. For more information on cut off times visit **www.commbiz.com.au**
6. If you instruct us to make a payment to an overseas *beneficiary*, the processing of the payment will be subject to *fees* and charges imposed by the overseas banks involved in the transaction, in addition to any *fees* and charges imposed by us.

Settling a Markets Foreign Exchange transaction

Subject to the *Markets* terms and conditions, on the *settlement date* the *currency pair* will be exchanged. If you do not have credit approval, you must ensure that you have sufficient *cleared funds* accessible to the *Bank*.

If you do not have credit approval, the *Bank* will only settle a *transaction* after it unconditionally holds *cleared funds* representing your entire liability at settlement of the *transaction*.

If we do not receive *cleared funds* by the currency cut off time on the *settlement date* or if we cannot reasonably identify the receipt of *cleared funds*, we reserve the right not to settle and to either extend the *transaction* or to terminate your *transaction*.

If the receipt of *cleared funds* is delayed for whatever reason including by a BPAY®, RTGS, EFT or DDR system related error, we reserve the right to extend the *transaction* or to terminate your *transaction*.

You can settle *Markets transactions* using the following payment methods:

Australian dollar payments

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

All currencies

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

Making payments using BPAY®

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

You will be able to use standard *Markets* settlement instructions using BPAY®.

You can simply pay for a *foreign exchange transaction* using Australian dollars, by accessing BPAY® through *your* bank. *You* will need to provide the *Bank's* biller code, *your* unique client reference number, and the relevant *transaction* details. The *Bank's* biller code and *your* client reference number will be available online at www.commbiz.com.au or by calling the Help Desk on **1300 222 339**.

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

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

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

Making payments using Direct Debit Requests (DDR)

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

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

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

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

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

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

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

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

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

Making payments using an eligible Commonwealth Bank account

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

If you would like to use an eligible Commonwealth Bank account as a method of settlement or fee payments, you will need to add it to your service, and complete and sign an Account Authority Form. This can be done during registration in your *Markets Application Form* or through a maintenance request. The *Bank* will establish the settlement instruction within *Markets* for you to confirm and activate.

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

Making payments using Electronic Funds Transfer (EFT)

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

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

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

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

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

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

Settlement of the *foreign exchange transaction* using *EFT* (including *RTGS*) will only occur subject to credit approval, or when the *Bank* unconditionally holds *cleared funds* for settlement of a *transaction*, or if alternative arrangements have been made with the *Bank*.

Real Time Gross Settlement (RTGS)

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

Direct payments to Commonwealth Bank Settlement Account

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

You will be able to attach, authorise and submit your Direct Payment settlement instructions up to and including the *settlement date*. However, we recommend that you initiate your Direct Payment one day in advance of the *settlement date*. This is because intra day settlement times vary by currency type. Refer to the web site www.commbiz.com.au or call the Help Desk on 1300 222 339 for details of currency cut off times.

Transaction Extension or Termination due to lack of Cleared funds

If the *transaction* does not settle due to a lack of *cleared funds* (i.e. if the receipt of *cleared funds* is delayed for whatever reason, including by a BPAY®, DDR, EFT or RTGS system related error, or if we cannot reasonably identify the receipt of *cleared funds*), we reserve the right to extend the *transaction* or terminate *your transaction*. There may be a change to the rate we quoted on the *transaction* date depending on the *mark-to-market* value of the *transaction*. If we extend the *transaction*, you will be bound to settle the varied *transaction*.

If we terminate the *transaction*, you may be liable to make payment to the *Bank*. Refer to “Extensions” and to “Terminating a *Markets* foreign exchange transaction” on the following page.

Variations to Settlement dates

The *settlement date* for *foreign exchange transactions* may be varied subject to approval of the *Bank*. If you need to vary the *settlement date* after you have entered into a *foreign exchange transaction* two variations are available subject to approval by the *Bank*. They are:

Pre-delivery

A *pre-delivery* is where the *settlement date* is adjusted from the existing *settlement date* to an earlier *settlement date*. For example, the forward *settlement date* is changed from 20 May to 5 May.

Extensions

An extension is where the *settlement date* is adjusted from the existing *settlement date* to a later *settlement date*. For example, the *settlement date* for a forward *transaction* is changed from 20 May to 20 June.

For these variations the agreed *exchange rate* will be adjusted to reflect the new *settlement date*.

Requests for variations to *settlement dates* may be made online or by telephone. Where the adjusted *exchange rate* has been agreed with you, the *Bank* will send you a confirmation setting out the new details of *your foreign exchange transaction* (either by mail or by fax). The variation takes effect from the time of *agreement* – by telephone, this is when agreed on the call; online, this is when you click on the “Accept rate” button on the Extension or Pre delivery screen. This *confirmation* must be signed and returned to the *Bank* by fax (if you are transacting via the telephone), however the *transaction* is valid even if the *confirmation* is not signed and returned.

Terminating a *Markets* foreign exchange transaction

A *Markets* foreign exchange transaction may be terminated before the *settlement date* either:

- ▶ by *agreement* between you and the *Bank*;

- ▶ as set out in the *Markets* documentation, including by the *Bank* if the receipt of *cleared funds* is delayed for whatever reason including by a BPAY®, DDR, RTGS or EFT system related error, or for a breach of agreement or insolvency; or
- ▶ by booking an opposite trade and net settling the difference between the two trades.

If we elect to terminate outstanding *foreign exchange transactions* under the preceding Clause we will calculate the *mark-to-market* value of each *foreign exchange transaction* as at the *termination date*, using current market rates chosen by us in good faith, having regard to what a person would pay us or what we would have to pay another to take over *your* rights and obligations under the terminated *foreign exchange transactions*. We then deduct the sum of all amounts that a person would pay us from the sum of all amounts we would have to pay another person. If the result of this calculation is that a person would pay us more than we would have to pay another person, we will pay you the difference.

Alternatively, if a person would pay us less than we would have to pay another person, then you must pay us the difference. Additionally, you may also be liable for any loss, costs, fees, charges and reasonable expenses including, without limitation, any break costs and interest, suffered or incurred by the *Bank* in consequence of termination.

Markets Functionality: Money Markets

Through *Markets*, you are able to access your Cash Deposit Account (CDA) or Cash Relationship Account (CRA). For more information on these *products*, please refer to the CDA General Information and Terms and Conditions brochure or the CRA Product Disclosure Statement which are available at www.commbank.com.au

Within your CDA or CRA, you are able to:

- ▶ access real-time balances on CDA At Call Deposits and CRA 11am Call Deposits;
- ▶ deposit to and withdraw from an At Call Deposit or 11am Call Deposit using your nominated accounts;
- ▶ invest in *Fixed Term Deposits* and *Security Investments* with real time quotes;
- ▶ establish and amend maturity *instructions* on *Fixed Term Deposits* and *Security Investments*;
- ▶ print and save *Money Markets* confirmation advices;
- ▶ view interest and *transaction* information on your CDA and CRA;
- ▶ view your CRA 11am Call Loan balance, transaction and interest history; and
- ▶ order a copy of your last statement.

Markets Documentation

Foreign Exchange:

1. *confirmations* (electronic or fax);
2. all matters, terms and conditions included in this PDS;
3. CommBiz Application Form; and
4. *User Instructions and Acceptances*.

The *foreign exchange* documentation sets out in full the terms and conditions of each *foreign exchange transaction* entered into using *Markets*.

Money Markets:

1. *confirmation advices*;
2. all matters, terms and conditions included in this PDS;
3. CommBiz *Application Form*;
4. *User Instructions and Acceptances*; and
5. Cash Relationship Account PDS and Cash Deposit Account General Information and Terms and Conditions brochure.

Operation of Markets

CommBiz Markets Desktop

Markets is an online electronic banking channel with some minimum browser requirements

Please refer to the minimum supported browser and operating system requirements available at www.commbiz.com.au

Flash and PDF Reader are also required for the reading of help and tutorial information. Please refer to the minimum version of each application available at www.commbiz.com.au

The CommBiz minimum browser requirements are intended as a guide only and, as network requirements may vary, *you* should consult *your* IT consultant or supplier.

CommBiz Mobile App

Please refer to the CommBiz Mobile supported devices and operating systems available at www.commbiz.com.au

Other significant features

Help Desk

There is a dedicated Help Desk on hand to assist *you* with business and technical support. *You* can contact the Help Desk on **1300 222 339** Monday to Friday 8am-6pm (AEST). Questions can also be sent by email to gmsupport@commbiz.com.au

Online Help

Markets provides a context-sensitive Help function that is available, on the page *you* are using. Online Help is customized for each page and is accessed by the Help link in the top right hand corner of each screen.

Markets Security

All *authorised users* require a *Security Token*. The *Security Token* will produce a one-use-only 6 digit code that is to be used in conjunction with *your* Login ID and password to access *Markets* and authorise settlements.

The *security token* is the second level of authentication for *Markets* and must be kept secure. It is *your* responsibility to keep *your Security Token*, Login ID and password separate, secure and protected from unauthorised use. It is *your* responsibility to advise the *Bank* if *your Security Token* is lost or stolen.

Once *your* application has been approved by the *Bank*, *your security identification* and *Security Tokens* will be sent out to *you*. The *Bank* will provide the first *Security Token*, per client, free of charge. Additional *Security Tokens* will be provided upon request with costs being charged to *you*.

On first login, *you* will be directed to a Self Service module to change *your* password, register *your* security questions and to confirm *your Security Token* serial number. If *you* do not log into *Markets* within 60 days of receiving *your* Login ID and *Security Token* notification, *your* Login Account will expire. If this occurs *you* will need to contact the Help Desk on **1300 222 339** to have *your* Login ID and *Security Token* reset.

Use of Security Tokens

Security Tokens generate a "one time password". This token is used for the creation of *Markets transactions*, authorisation of all *transactions* and access to the CommBiz Administration module. If *you* choose, tokens can be used for the viewing of information by *users* in addition of the standard password and *user ID* access. The device issues a new password approximately every 30 seconds and can only be used once in that time.

Every person authorising *transactions*, creating *transactions*, or carrying out an administrative role, must have been issued with a personal *Security Token*. Payments will only be processed when the *Bank* has been provided with each *authoriser's* password and a "one time password" generated by their personal *Security Token*.

All transactions are transmitted to the *Bank* fully encrypted (meaning that the security of the data is protected during transmission).

Important Information about Passwords

What to do with passwords

Passwords should not be recorded.

A password also includes any other type of security access code such as a PIN code.

Where to keep a password record

If *you* keep a disguised record of *your* password, the record should be kept separate and well apart from *Security Tokens*. Never keep the password record and the *Security Token* in a situation where, if a third party gains access to the *Security Token*, he/she will also find the disguised password.

You and any other *users* must ensure that *Security Tokens* and password records are never kept together:

- i. In a briefcase, bag, wallet or purse (even if in different compartments);
- ii. In a car (even if in different areas of the car; in fact *Security Tokens* should not be left in a car at all);
- iii. At home in the one item of furniture, e.g. different drawers of the same bedroom dresser; or
- iv. In any other situation where a *Security Token* is not separate and well apart from a password record.

You will be liable for unauthorised *transactions* using *your* password and *Security Token* even if *you* take these precautions except for *transactions* after *you* have told *us* that *Security Token* used by *you* or any *user* is lost or stolen, or that *you* suspect that *your* (or any *user's*) password as become known to another party.

Unless you make a reasonable attempt to disguise the password or to prevent unauthorised access to the record, including hiding the password record among other records or in a securely locked container or password protected device.

What do I do if a *security token* or password record is misused, lost or stolen?

It is important that *you* tell *us* as soon as *you* become aware that the *Security Token* used by *you* or any *user* is lost or stolen, or *you* suspect that *your* (or any *user's*) password has become known to another party.

When *you* tell *us*, *we* will give *you* a number which will represent the date and time of *your* report. *You* should keep this number as evidence that *you* advised the Bank of the misuse, loss or theft. In the event that a *Security Token* is reported lost or stolen and unauthorised *transactions* have occurred after *your* report, the Bank will be liable for all losses where the *Security Token* in question was used as the authorising device.

Even if *you* are confident that passwords are secure, *you* must tell *us* as soon as *you* become aware of the loss or theft of a *Security Token* or of any unauthorised access to *your* account(s).

What are the costs involved in Markets?

Costs, *fees* and charges related to *transaction* costs, and retrievals of payment/settlement *instructions* are contained in Appendix A of this PDS.

Are there any tax implications I should be aware of?

Some *fees* directly applicable to this product (refer to Appendix A of this PDS) are input taxed which means that the *Bank* does not charge GST on these *fees*. However, for some *fees*, the *Bank* will be charging GST. These taxable *fees* are identified by an asterisk “ * ”.

When you transact using *Markets* you may have income tax consequences. You should seek tax advice for your own circumstances when transacting using *Markets*.

Personal Undertaking

Where the *foreign exchange* client is a company, the *Bank* may require one or more Personal Undertakings from directors or other persons associated with the company.

The undertaking requires the person giving it to indemnify the *Bank* for any loss it suffers due to the client breaching the *Markets* Terms & Conditions in respect of *foreign exchange*.

We may supply information regarding *your* liability under the *Markets* Terms & Conditions in respect of *foreign exchange* to any person who gives such an undertaking.

What if I have a complaint?

Please contact your relationship manager or the manager of the department that handled the matter and explain the problem.

Our staff will review the situation and, if possible, resolve it immediately. If the matter has not been resolved to your satisfaction, please contact our Customer Relations team via:

- ▶ our web site at **commbank.com.au/contactus/comment.asp**;
- ▶ telephone **1800 805 605**;
- ▶ facsimile **1800 028 542**; or
- ▶ writing to:
 - Customer Relations
 - Commonwealth Bank
 - Reply Paid 41
 - Sydney NSW 2001

If after giving us the opportunity to resolve your complaint, you feel we have not resolved it satisfactorily, you may also lodge a written complaint with the Financial Ombudsman Service at:

Financial Ombudsman Service Limited
GPO Box 3
Melbourne Victoria 3001

Phone **1300 780 808**
Fax **03 9613 6399**
Internet **www.fos.org.au**

Customer Information and Privacy

What information we collect

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

Why we collect your information and what we use it for

We collect your information because we are required to identify you in accordance with the **Anti-Money Laundering and Counter-Terrorism Financing Act 2006** and in order to comply with taxation laws, such as the **Taxation Administration Act 1953** and the **Income Tax Assessment Act 1936**. We also collect it to administer our customer relationships and internal processes including risk management and pricing, to meet our obligations in relation to external payment systems and under our arrangements with government agencies, and to identify and tell you about products and services that may interest you (unless you tell us not to). If you don't want to receive marketing information you can tell us by calling 13 2221, or speak to your relationship manager.

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

You must give us accurate and complete information; otherwise you may be breaking the law and we may not be able to provide you with the products and services that you require. If you change your personal details (e.g. address, name or email address) you must tell us straight away.

Who we may exchange your information with

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

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

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

Our Group Privacy Policy

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

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

We encourage you to check our website regularly for any updates to the Policy.

How to contact us

For privacy-related enquiries, please contact us by:

- ▶ email at CustomerRelations@cba.com.au
- ▶ telephone 1800 805 605, or
- ▶ writing to the address in our Group Privacy Policy.

Privacy and Confidentiality – BPAY®

If *you* use the BPAY® Scheme, *you* agree to *us* and BPAY® Pty Ltd (the entity operating the BPAY® Scheme) disclosing to Billers nominated by *you* and BPAY® Pty Ltd or any other participant in the BPAY® Scheme and any agent appointed by it from time to time, including Cardlink Services Limited, that provides the electronic systems needed to implement the BPAY® Scheme:

- (a) such of *your* personal information as is necessary to facilitate *your* use of the BPAY® Scheme; and
- (b) such of *your* transactional information as is necessary to process *your* BPAY® Payments.

You can request access to *your* information held by BPAY® Pty Ltd by contacting it at:

**Level 11, 1 York Street,
Sydney NSW 2000
Phone (02) 8252 0500**

or held by Cardlink Services Limited ABN 60 003 311 644 by contacting it at:

**Cnr Park Road and South Parade,
Auburn NSW 2144
Phone (02) 9646 9355.**

Terms and Conditions

1. About these Terms and Conditions

These Terms and Conditions along with the *General Information Section* of this PDS, the Application Form and the *user instructions* (together, the “*Markets Terms and Conditions*”) govern the *Bank’s Markets* service. They do not include Terms and Conditions which may apply by operation of law.

Further, the Code of Banking Practice (discussed below) and Electronic Funds Transfer Code of Conduct or, from 20 March 2013, ePayments Code may also apply.

It is not possible to set out in these Terms and Conditions all of the legislative, common law or code provisions which may apply to a banking or financial service provided to you. If you need advice about any aspect of these, you may ask us. We will answer your queries where we are able to do so, otherwise we will ask you to seek advice from your own sources.

You should read this document carefully and keep a copy for future reference. We observe the provisions of the code of Banking Practice (Code). The Code is applicable to the *Markets* documentation. Relevant provisions of the Code apply to the *Markets* service when it is provided to small business *customers*.

The Code is a voluntary code of conduct which sets standards of good banking practice for *us* to follow when dealing with *you*. We have prepared an information booklet, The Better Banking Book, which contains useful information on a range of banking matters including:

- ▶ the rights and obligations that arise out of the banker and *customer* relationship;
- ▶ account opening procedures;
- ▶ *our* obligations regarding confidentiality of *your* information;
- ▶ *our* complaint handling procedures;
- ▶ bank cheques;
- ▶ the importance of *you* informing *us* promptly when *you* are in financial difficulty;
- ▶ the importance to *you* of reading the *terms* and conditions applying to any banking service provided to *you* or in which *you* are interested; and
- ▶ how to use a cheque account.

Refer to the information below for details of how to obtain a copy of The Better Banking Book or Code of Banking Practice.

Where to obtain a copy:

The Better Banking Book

- ▶ any branch of the Commonwealth Bank;
- ▶ call **1300 222 339**, 8am to 6pm (AEST) Monday to Friday; or
- ▶ ask *your* Relationship Manager or Global *Markets* Specialist.

Code of Banking Practice

- ▶ any branch of the Commonwealth Bank;
- ▶ call **1300 222 339**, 8am to 6pm (AEST) Monday to Friday;
- ▶ ask *your* relationship manager or Global *Markets* Specialist; or
- ▶ visit www.commbank.com.au

1.1 General

In this *agreement*:

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

1.2 Definitions

acceptance

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

acknowledgment

The message we send *you* through *Markets* accepting the *transaction* initiated by *your instructions*, for example when we quote *you* an interest rate or *foreign exchange* rate for a specific *transaction*.

administrator

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

agreement

The *agreement* as defined in Clause 1.3 of these *Terms* and *Conditions*.

Application Form

The CommBiz Application form which *you* sign in order to enter into this *Agreement*.

at call

Your money is readily available to *you*.

authorised user

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

authoriser

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

available balance

Funds available for immediate drawing and being either credit funds provided by *you* or intra day credit accommodation or overdraft accommodation provided by *us* to *you* upon the terms and conditions governing such accommodation.

“the Bank”, “our”, “us”, “we”

Commonwealth Bank of Australia ABN 48 123 123 124.

bank bill

A *bank accepted bill* or *bank endorsed bill*.

“bank accepted bill”

A *bill of exchange* that has been issued by a drawer and that is subsequently accepted by a bank. If the *bank accepted bill* is subsequently on-sold to an investor, the accepting bank is obliged to repay the *face value* of the *bill* at maturity to that investor.

bank endorsed bill

A *bill of exchange* that has been issued by a drawer and that is subsequently endorsed by a bank. If the *bank endorsed bill* is subsequently on-sold to an investor, the endorsing bank is obliged to repay the *face value* of the *bill* at maturity to the investor should the acceptor or the drawer of the *bill* be unable to do so.

bill of exchange; bill

A negotiable instrument regulated by the Bills of Exchange Act 1909 (Cth).

beneficiary

The final recipient of the exchange funds upon settlement as indicated by *you* in *your instructions*. *You* and the *beneficiary* may be the same person.

BPAY®

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

business day

Foreign exchange: A day on which banks are open for business in each of the centres applicable to the currencies being transacted, for example, for a GBP/AUD *FX transaction*, banks in Sydney and London must be open for business.

Money Markets: A day on which the *Bank* is open for the *transaction* of business in relation to a Cash Deposit Account or Cash Relationship Account.

cleared funds

Funds that are immediately available to *you* for settlement of a *foreign exchange transaction*.

CommBiz Account Authority

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

confirmation; confirmation advice

A document or electronic message confirming the details of a particular *foreign exchange* or *money market transaction*.

currency pair

The two currencies that are the subject of the transaction. For current information on currency pairs that *you* are able to trade online visit www.commbiz.com.au

customer

The contracting party.

deal date

The date on which *you* enter into a *Security Investment* or a *Fixed Term Deposit* with the *Bank*.

Direct Debit Request (DDR)

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

Electronic Funds Transfer (EFT)

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

exchange rate

The expression of value of one currency in *terms* of another. For example, in the exchange rate AUD/USD0.9000, one Australian dollar is equal to 90 United States cents (AUD1.0000 = USD0.9000).

extensions

An extension is where the *settlement date* is adjusted from the existing *settlement date* to a *settlement date* further into the future. For example, the *settlement date* for a *transaction* is adjusted from 20 May to 20 June.

face value

The amount payable to *you* on the *maturity date* of a *Security Investment*.

fees

The *fees* specified in the *Markets Fee Schedule* (see Appendix A in this PDS for current version) or the *Markets Fee Schedule* posted from time to time on the *Markets* site (as varied in accordance with this *agreement*).

fee account

The account nominated in the *Markets Application Form* or such other account as *you* and *we* may agree to be debited with *fees*.

Fixed Term Deposits

An investment where the interest rate is fixed for the whole of the nominated *term*.

foreign currency(ies)

Any currency other than Australian Dollars (AUD).

foreign currency accounts

Clients can receive *foreign currencies* into their nominated account and then hold for payment, exchange into Australian Dollars or any other freely floating currency.

foreign exchange

A transaction, which provides for the purchase of one currency against the sale of another, at an agreed *term* and exchange rate. *Foreign exchange* can be transacted (dealt) for delivery today, tomorrow, Spot and Forward.

foreign exchange user

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

forward foreign exchange

A forward *foreign exchange transaction* provides for the purchase or sale of one currency against another where an exchange rate is agreed today for physical delivery at a date that is greater than 2 *business days* time. *Terms* for forward *foreign exchange* contracts on *Markets* range from 3 days to 12 months and forward exchange contracts are available in the major traded *currency pairs*.

FX Trade Cap

A FX Trade Cap is a limit that determines the maximum amount of **foreign currency** (AUD equivalent) tradeable for a single day, per **user**. A tolerance of +/- 2.5% may be applied to the FX Trade Cap to accommodate exchange rate fluctuations. The FX Trade Cap may be set in the User Profile page, and amended as and when required.

General Information Section

Means this document except for the *Terms* and Conditions.

inquiry

Any *inquiry* using *Markets* whereby *you* obtain information in relation to an account or *transaction* (including interest rates, account balances or details as to transactions) or *foreign exchange rates* or information relating to *Money Markets products*.

insolvent

Insolvent or an *insolvent* under administration (each as defined in the Corporations Act 2001), having a receiver, receiver and manager or *administrator* appointed, in liquidation or provisional liquidation, or subject to any arrangement or composition or otherwise unable to pay debts when they fall due. This applies to individuals as well as companies.

instructions

Instructions given to *us* using *Markets* in accordance with the *Markets user instructions*, including trades and orders relating to *money market products*.

mark-to-market value

A valuation method where an existing *transaction* is valued against current market rates to calculate any potential profit or loss on termination.

Markets or CommBiz Markets

The Commonwealth Bank's service *you* access with the *required equipment* that enables *you* to transmit *instructions* to *us* and receive information from *us* for *foreign exchange* and *money market products*.

Markets site

The Internet web site notified by *us* to *you* from time to time as the web site through which *you* may access *Markets*.

Markets user instructions or user instructions

The procedures detailed on the *Markets* site.

maturity date

The date on which a *Security Investment* or *Fixed Term Deposit* ends and the maturity proceeds become available to *you*.

money market

The short term *money market* is the term given to that sector of the financial markets which caters for the borrowing and lending of money overnight, *at call* and fixed for short periods against highly liquid assets or the name of the borrower.

The functionality in *Markets* which allows clients to transact on At Call Deposits and 11am Call Deposits, and make investments in *Fixed Term Deposits* and *Security Investments* through the *Bank's* Cash Deposit Account or Cash Relationship Account.

pre-delivery

A *pre-delivery* is where the *settlement date* is adjusted from the existing *settlement date* to an earlier *settlement date*. For example, the *settlement date* is brought forward to 5th May from 20th May.

prime bank

According to the *Australian Financial Markets Association (AFMA)*, to be considered a *prime bank*, a bank must:

- ▶ be an Australian Prudential Regulation Authority (APRA) Authorised Deposit-Taking Institution and classified by APRA as; an 'Australian-owned Bank'; a 'Foreign *Subsidiary* Bank'; or a 'Branch of a Foreign Bank' that is authorised to carry on banking business pursuant to the Banking Act 1959 (as amended) or 'comparable legislation in its country of origin';
- ▶ be rated by Standard & Poor's as having a short *term* rating of A1+ and a long *term* rating of at least AA-.

It is also expected that its *acceptances* or certificates of deposit trade at the lowest benchmark yield, as determined by the market.

A listing of *prime banks* is accessible via the AFMA web site www.afma.com.au

Banks that are not defined as a *prime bank* under the AFMA definition will be classified as non-*prime banks* for the purposes of this document.

products

The services *you* have selected, and the accounts *you* have nominated, in the *Markets* client entitlement form or any subsequent additional or replacement *Application Form* signed by *you*.

Proscribed Person

A person who appears to *us* either (a) to be a proscribed person or entity under the Charter of the United Nations Act 1945 (Cth); (b) to be in breach of the laws of any jurisdiction relating to money laundering or counter-terrorism; (c) to appear in a list of persons with whom dealings are proscribed by the government or a regulatory authority of any jurisdiction; or (d) act on behalf, or for the benefit of, a person listed in subclauses (a)-(c).

repurchase

Where *you* wish to redeem all or part of *your Security Investment* prior to the *maturity date*, *you* may request the *Bank* to buy back from *you* all or part of the *face value* of *your Security Investment*.

RTGS

Real Time Gross Settlement – a payment system introduced in 1997 to eliminate time delays in transfer of funds between the Reserve Bank and financial institutions. In *RTGS*, processing and settlement of transactions takes place continuously and irrevocably in real-time out of credit funds in financial institutions Exchange Settlement Accounts.

Security identification

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

securities

Either a *bank accepted bill* or a *bank endorsed bill*.

Security Investment; Security Investment-Bank Bill

A *Security Investment – Bank Bill (Bank Bill)* is a short *term* investment in an underlying security being either a *bank accepted* or *bank endorsed bill* of exchange where the *term* of the security is for a period of 185 days or less. The interest rate applicable on the *Bank Bill* is determined on the *deal date* by reference to market interest rates and is fixed for the *term* of the investment.

security token

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

settlement date or value date

Foreign exchange: A *business day* on which a *transaction* is to be settled. If the settlement is by exchange involving a *currency pair*, the banks involved for each currency must be open for the settlement of currency transactions in each of their respective countries. Where they are not, settlement falls on the following *business day*.

Special Terms and Conditions

The terms and conditions applicable to the particular *products* you select from time to time.

spot foreign exchange

A *spot foreign exchange transaction* provides for the purchase or sale of one currency against another where an exchange rate is agreed today for physical delivery at a date that is in 2 *business days'* time.

It is possible for a FX *transaction* to take place for settlement prior to the *spot date*:

- ▶ settlement on the same day known as value “today” or value today; and
- ▶ settlement on the next *business day* known as value “tomorrow” or *value tomorrow*.

standard settlement instructions

Standard *instructions* you give us (either online or email) specifying the method by which you will be settling certain *foreign exchange transactions* (and in the case of direct debit, authority to debit those funds) and an authority to us to transfer funds on your behalf, up to a fixed or determinable amount, or when specific conditions are fulfilled, to a nominated account of a specified *beneficiary*.

subsidiary

Has the same meaning as in Section 46 of the Corporations Act 2001.

term

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

money market: The period from *deal date* to the *maturity date*.

termination date

A date on which you or the *Bank* terminate the transaction.

trade date

The date on which a *transaction* is entered into.

transaction

Any *transaction* using *Markets* whereby you instruct and authorise us to carry out or settle a transaction.

user

Person who has the authority to log into CommBiz.

user entitlements

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

user instructions

The procedures detailed on the *Markets* site.

value date

money market: A *business day* on which a *transaction* negotiated in *Money Markets* is settled between you and the *Bank*. Where a *transaction* is negotiated for value “today”, it is settled on the same *business day*. Transactions negotiated after a predetermined cut off time are settled on the following *business day* (i.e. value “tomorrow”).

value today – Foreign Exchange

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

value tomorrow – Foreign Exchange

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

“we”, “our”, “ours”, “us”

Commonwealth Bank of Australia ABN 48 123 123 124.

“you”, “your”, “yours”

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

1.3 Single agreement

The *agreement* between us which governs *Markets* including *transactions* and *inquiries* consists of the *Application Form*, *CommBiz Account Authority Form* which includes *user entitlements* (as applicable) and any subsequent additional or replacement *CommBiz Account Authority Variation Form* and *CommBiz user Identification form(s)* signed by you, all matters, terms and conditions set out in this PDS, including these *Terms and Conditions*, the *General Information Section* and any fee schedule, the *user instructions* and for *transactions* also includes the *Markets* documentation set out at page 15. In the event of any inconsistency between these documents, the following order of precedence will prevail:

- a) the *user instructions*;
- b) the terms and conditions in this PDS;
- c) the *Application Form*; and
- d) any other documentation.

1.4 Writing requirement

Except for any variation pursuant to Clause 5.3, any variation to the *agreement* must be in writing and signed by both parties.

1.5 Undertaking

You must procure that any of your *Subsidiaries* wishing to use *Markets* becomes a party to this *Agreement*.

1.6 Relationship

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

1.7 Code of Banking Practice

The relevant provisions of the Code of Banking Practice apply if *you* are an individual or a “small business” within the meaning of the Code.

2. Terms

2.1 Commencement and duration

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

3. Access

3.1 Access to *Markets*

We will provide *you* with access to *Markets* at such times and in such manner as *we* may display on the *Markets* site. We may vary these access hours from time to time if we consider it reasonably necessary to do so. We will not be responsible for access outside these hours or for difficulties in access caused by matters beyond *our* reasonable control.

3.2 Security identification

We will provide *you* with the *security identification* subject to the Fee Schedule (refer to the Appendix A “Fees and Government taxes” section of this PDS) but *you* will be responsible for protecting *your security identification/passwords*.

3.3 Provision of *products*

We will provide *you* with the *products* for the term of the *agreement*, subject to procurement and maintenance by *you* of the required equipment and all such other equipment, telecommunications links, software and facilities required to operate *Markets* and subject to the *terms* of the *agreement*.

3.4 *Your* obligation

You must ensure that the procedures outlined in the *Markets user instructions* are correctly followed for all *your* transactions. *You* must further ensure that all information *you* input into *Markets* is correct before *you* provide *your instructions*. We are not liable for any failure on *your* part either to follow such procedures correctly or to input correct information into *Markets*. *You* must ensure that only authorised *users* use *your security identification*.

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

4. Fees

4.1 Payment

Any fee listed in the Fee Schedule (refer to the Appendix A “Fees and Government taxes” section of this PDS) must be paid by either the date specified in that schedule or such other date notified by us.

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

All *fees* are charged in Australian dollars. *You* must nominate an Australian dollar *bank* account to which *fees* may be charged. *You* cannot nominate a foreign currency account, CDA or CRA for the purpose of charging *fees* to that account.

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

4.2 Fee variations

We are entitled to increase or decrease the *fees* or introduce a new fee. We will give *you* 30 days’ notice of any such change in accordance with Clause 5.3. Any such notice may be provided to *you* in writing or by prominent notice posted on the *Markets* site www.commbiz.com.au. *You* agree to receive such notice in this way.

4.3 Charges by overseas banks

If *you* instruct *us* to make a payment to an overseas *beneficiary*, the processing of the payment will be subject to *fees* and charges imposed by the overseas banks involved in the transaction, in addition to any *fees* and charges imposed by us. There may be more than one overseas *bank* involved, each of which may seek reimbursement for its services. We will instruct the overseas banks to deduct their *fees* from the payment. Where such *fees* and charges are deducted, *you* must assume that the *beneficiary* will receive a lower amount than the amount sent. If for whatever reason the overseas *bank* fails to observe these instructions, *you* will reimburse *us* for any *fees* or charges which an overseas *bank* may separately levy against us.

5. Variation

5.1 Additional products

You can request additional *products* by signing and returning to us new *Markets* client entitlements and *user entitlements* forms nominating the additional *products*.

5.2 Special Terms and Conditions

Upon *acceptance* by us of your revised *Markets* client entitlements and *user entitlements* forms for the provision of the additional *products* you will be bound by the Terms and Conditions, the *Special Terms and Conditions* and the Fee Schedules that apply to the additional *products*.

5.3 Variation of Terms and Conditions

We may at any time vary the Terms and Conditions or the *Special Terms and Conditions*. We will give you 30 days' notice of any such change. Any such notice may be provided to you in writing or by prominent notice posted on the *Markets* site. Any changes to the Terms and Conditions or *Special Terms and Conditions*, as the case may be, will apply to transactions, inquiries and *products* on and from the day that is 30 days after the notice of the change is given.

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

5.4 Changes to service

We may at any time vary the technical requirements, appearance or both of *Markets* including *security identification* or *security tokens* or software required to use the service, whether separately from or in conjunction with varying the Terms and Conditions or the *Special Terms and Conditions* pursuant to clause 5.3. If any change has a material effect on the way you access *Markets* or the way *Markets* is provided to you, we will give you 30 days' notice of any such change but in any other case we will give you notice no later than the day on which the change takes effect. Any such notice may be provided to you in writing or by prominent notice posted on the *Markets* site.

6. Your security

6.1 Security

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

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

b) We strongly recommend that you implement and use sound information systems management processes appropriate to your systems environment. Examples of suitable processes are standards such as AS/NZS 4444 Parts 1 and 2, and BS7799. These standards recommend processes such as an information security policy, data and system integrity, anti-virus measures, individual *user* identifiers, passwords for every *user* which are changed on a regular basis, audit records of all *user* activity, and system security reviews are implemented and followed.

6.2 Security identification

We will give you *security identification* and will enable you to access *Markets*. We grant to you the non-exclusive and non-transferable right to use *Markets*. You must use all *security identification* provided to you by us in accordance with the applicable *Markets user instructions*.

6.3 Delivery of security identification

When you sign up for *Markets*, you will receive two welcome letters from the Bank. Your Login ID and Security Token will be provided in one letter with your temporary password being provided in a separate letter. The first Security Token, per client will be provided by the Bank free of charge. Additional Security Tokens that you request will be provided at a cost to you. We will mail the letters to the address of the authorised *user(s)* specified on the Application Form. Upon each authorised *user(s)* first log onto *Markets* the *user* will be auto directed to reset the password, set up their security questions and confirm the serial number of their token.

6.4 Loss of security identification

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

6.5 Changes to security identification

You must change passwords which are part of your *security identification* frequently and at irregular intervals in accordance with the *user instructions*.

6.6 Changes to authorised users/administrator(s)

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

6.7 Unauthorised access

You must notify us immediately if you become aware of any access to your *security identification* by unauthorised persons, or any suspected unauthorised access to the *products*.

6.8 Tokens

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

6.9 Viruses, worms etc.

It is *your* responsibility to protect *your* computer(s) and/or computer network from being affected by viruses, worms, Trojan horse programs or other malicious *software* while using *Markets* and at all other times.

6.10 Modification of site

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

7. Receiving instructions and acceptances

7.1 Instructions

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

7.2 Acknowledgments

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

7.3 Acceptances

You must provide *your acceptance* within the time specified in the *Markets user instructions* or in *our acknowledgment*. *You* and *we* are bound from the time we receive *your acceptance*. By *you* sending *your acceptance*, *you* irrevocably authorise *us* to carry out all aspects of the transaction. In particular, *you* irrevocably authorise *us* to debit *your* account in accordance with those *instructions*.

Because *Markets* is Internet-based, potentially there can be delays between the time *you* send *your acceptance* and *our* receipt of *your acceptance*. In some circumstances, such as volatility in *foreign exchange rates*, if there is such a delay in transmission we may withdraw *our acknowledgment* before we receive *your acceptance*, even though the *acceptance* has already been sent by *you*. In other cases, because of such a delay in transmission, we may withdraw *our acknowledgment* before we receive *your acceptance*, even though the *acceptance*

has already been sent by *you* within the time specified in the *Markets user instructions* or in *our acknowledgment*. In some cases, for example due to a failure in telecommunications links, we may not receive *your acceptance* at all.

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

In respect of certain transactions specified in the *Markets user instructions*, we may require that *your acceptance* be sent by an *authorised user* (using that *user's security identification*) different from the *authorised user* who sent *us* the *instructions* for the transaction.

7.4 Deemed authority

You agree that:

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

7.5 Incorrect information

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

7.6 Instructions to pay another bank

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

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

7.7 Incorrect account details

If in any instruction (including a settlement instruction, standard settlement instruction or authorised settlement instruction) *you* instruct *us* to pay monies to the credit of an account at another *bank* or financial institution and specify an account number as the recipient of those funds which is incorrect, *you* must indemnify and hold *us* harmless from all actions, suits, proceedings, claims, costs and demands that may be made, brought or incurred by or against *us* arising from *our* payment of such monies to the incorrect account number in accordance with the instruction.

8. Liability

8.1 Limited warranty

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

We do not warrant that the services provided to *you* in relation to *Markets* will be fault free or that any problem with the *Markets* site or the Internet can be solved immediately or at all. *You* acknowledge that those services may rely on factors outside *our* control. We will use reasonable endeavours to overcome any fault in the services *we* provide to *you* as quickly as possible. This clause does not limit our liability to *you* if *we* fail to complete a *money market transaction* where *we* have received in time your *acceptance* for that *transaction*.

8.2 Suspension of access

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

8.3 Non-availability of Markets

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

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

It is *your* responsibility to use other means of effecting transactions and obtaining information if for any reason, including a failure on *our* part, *you* are unable to use *Markets* or access a product. *You* may call *us* on **1300 222 339** to discuss *your* options.

8.4 Exclusion of liability

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

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

8.5 Consequential loss

Notwithstanding the generality of Clause 8.4, *we* expressly exclude liability which may arise in respect of the *agreement*, *Markets*, the *products*, or the tokens, for consequential loss or damage or for loss of profit, business, revenue, goodwill or

anticipated savings. For transactions subject to the EFT Code, or from 20th March 2013 the ePayments Code, this clause does not limit your right (if any) to claim consequential damages against us, in respect of a *money market* transaction or attempted *money market* transaction, as a result of the malfunction of our systems or equipment however caused. But if you were aware or should have been aware that the system or equipment was unavailable for use or was malfunctioning, our responsibility is limited to correcting and errors in your account and refunding any fees or charges imposed on your account as a result.

8.6 Other banks

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

8.7 Your responsibility for administrator or authorised users

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

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

8.8 Special Provisions for Unauthorised EFT Transactions

8.8.1 What is an EFT Transaction?

An EFT Transaction is a funds transfer either from or to an account (not being an account designed primarily for use by a business and established for business purposes) of yours maintained by us and which is initiated by the giving of an Instruction.

8.8.2 Application of the EFT Code & ePayments Code

We will comply with the provisions of the Electronic funds transfer Code of Conduct, and from 20th March 2013 the ePayments Code, applying to EFT Transactions.

8.8.3 What is an unauthorised EFT transaction?

An unauthorised EFT *transaction* is one which is not authorised by *you* or *your* authorised users, according to the permissions defined for *CommBiz Markets*. A *transaction* carried out by *you*, or with *your consent*, is not an unauthorised *transaction*. Any *transaction* carried out by any *authorised user* is authorised by you, unless, prior to the *transaction*, you have instructed us to cancel that *user's security identification*.

8.8.4 Where you will not be liable for an unauthorised transaction

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

- a) a *user* did not contribute to; or
- b) arises after you have notified us that any *security token* forming part of the *security identification* has been misused, lost or stolen or that the security of passwords forming part of the *security identification* has been breached; or
- c) is caused by the fraudulent or negligent conduct of any of our employees or agents; or
- d) results from any token which is part of your *security identification* being forged, faulty, expired or cancelled; or
- e) arose from a *transaction* which occurred prior to *you* or another *user* receiving a *security token* or password forming part of your *security identification*; or
- f) is caused by the same *transaction* being incorrectly debited more than once to your account.

8.8.5 Where will you be liable for an unauthorised transaction

You will be liable for any loss arising out of unauthorised *EFT transaction* where we can prove on the balance of probability that you contributed to loss:

- a) occurring before we were notified that a device forming part of the *security identification* has been misused, lost or stolen or that the security of the passwords forming part of the *security identification* has been breached and which arose through:
 - i) fraud on the part of any *user*;
 - ii) any *user* voluntarily disclosing their password;
 - iii) any *user* recording one or more of the passwords on the outside of a *security token*;
 - iv) any *user* keeping a record of one or more of the passwords (without making any reasonable attempt to protect the security of the passwords) on the one article, or on several articles, carried with the *security token*, or liable to loss or theft simultaneously with the *security token*;
 - v) where we permitted a *user* to select or change any of their passwords, and, immediately prior to the selection or change of password, we have specifically instructed the *user* not to select a password which represents:
 - (A) their date of birth; or
 - (B) a recognisable part of their name; and we have brought to the *user's* attention the consequences of selecting such a password, and, notwithstanding which, the *user* has selected such a password; or

- vi) any *user* acting with extreme carelessness in failing to protect the security of all their passwords; or
- b) your unreasonable delay in notifying us after you became aware of the misuse, loss or theft of a *security token*, or that the security of a password forming part of the *security identification* has been breached.

8.8.6 Extent of your liability for unauthorised EFT transactions

- a) Where any of the circumstances in Clauses 8.8.5(a)(i)-(vi) apply, you will be liable for the actual losses which occur before we are notified that:
 - i) a *security token* has been misused, lost or stolen; or
 - ii) the security of the passwords forming part of the *security identification* has been breached, but you will not be liable under this sub-Clause 8.8.6(a)(ii) unless such breach was the dominant cause of the loss.

However, you will not be liable for any of the following amounts:

- i) that portion of the total losses incurred on any account which exceeds the balance of that account(s);
- ii) all losses incurred on any accounts which we had not agreed with you could be accessed using the *security identification*.
- b) Where Clause 8.8.5(b) applies, you will be liable for the actual losses which occur before we are notified that:

- i) a device forming part of the *security identification* has been misused, lost or stolen; or
- ii) the security of all the passwords forming part of the *security identification* has been breached

However, you will not be liable for any of the following amounts:

- i) that portion of the total losses incurred on any account which exceeds the balance of that account(s);
- ii) all losses incurred on any accounts which we had not agreed with you could be accessed using the *security identification*.
- c) Where none of the above circumstances apply you will be liable for the least of:
 - i) \$150; or
 - ii) the balance of those account(s) (including any pre-arranged credit) from which value was transferred in the unauthorised *EFT transactions* and which we had agreed with you may be accessed using the *security identification*; or
 - iii) the actual loss at the time we are notified (where relevant) that the *security token* has been misused, lost or stolen or that the security of the passwords has been breached.

9. Termination

9.1 Termination

If you:

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

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

9.2 Continuing rights

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

9.3 Termination requirements

Upon termination *you* must:

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

9.4 Termination by either party

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

10. Intellectual Property

10.1 You acknowledge that:

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

11. General Provisions

11.1 Governing law

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

11.2 Non-assignability

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

11.3 Waiver

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

11.4 Severability

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

11.5 Government duties, fees and charges

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

11.6 Notices

- a) Unless otherwise provided in these Terms and Conditions, all notices or other communications in connection with these Terms and Conditions must be in writing and addressed, either to the address provided in the current *Markets* client entitlements form or to our address posted on the *Markets* site, as the case requires;
- b) must be signed (in the case of postal or faxed communication) by an *authorised user*, or in the case of a notice or communication sent by us, an officer, the title of whose position is or includes the word "manager"; and
- c) will be deemed to be duly given or made:
 - iv) in the case of delivery in person, when delivered personally or to the address, place of business or registered office of the intended recipient referred to in this section;
 - v) in the case of post, on the third day after having been posted as prepaid ordinary mail;
 - vi) in the case of facsimile, on the production by the despatching facsimile machine of a transmission control report showing the relevant number of pages comprising the relevant document to have been sent to the facsimile number of the recipient and the result of the transmission as "OK" (or an equivalent expression), unless the recipient notifies the sender within 2 hours that the transmission was not received in its entirety in a legible form; and
 - vii) in the case of an electronic messaging system (email), on production of a "return receipt" (or an equivalent expression) by the despatching electronic message delivering system stating that the "document" (or transmission by whatever name called) was received by the intended recipient unless the recipient notifies the sender within 2 hours that the transmission was not received in its entirety in legible form.

- d) If a notice or other communication is taken to have been duly given or made after 4.30pm in the place to which the communication is addressed or on a day which is not a working day in that place, it will be deemed to be duly given or made at 8.30am on the next working day in that place.

11.7 Change of name and address

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

11.8 Disclosure

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

11.9 Consent

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

12. Refusal of Service

In the event that you or a signatory appears to be a Proscribed Person, then we may, acting reasonably, immediately refuse to process or complete any transaction or dealing of yours; suspend the provision of a product or service to you; refuse to allow or to facilitate any of your assets held by us to be used or dealt with; refuse to make any asset available to you to any other proscribed person or entity; or terminate these arrangements with you. Provided we act in good faith and in compliance, or purported compliance, with any legal requirements in relation to a Proscribed Person, we will be under no liability to you if we do any or all of these things. Our rights under this clause are in addition to all other rights we may have.

If we exercise our rights under this clause you must pay us any damages, losses, costs (including, without limitation, termination costs) and reasonable expenses (including, without limitation, any reasonable legal or out of pocket expenses) that we may reasonably incur in relation to any action taken under this clause, including without limitation our refusal of service under this clause, interest adjustments, administrative costs and/or costs of sale or purchase of any transaction or deal put in place for the purposes of meeting our obligations under these terms and conditions.

Special Terms and Conditions for Foreign Exchange

Fx.1

- a) These *Special Terms and Conditions* and the Terms and Conditions govern all *Foreign exchange (FX)* transactions. In addition, each *FX transaction* is governed by the Australian *foreign exchange* market conventions, as published by the Australian Financial Operations Association and Australian Financial Markets Association, to the extent not inconsistent with the *Markets Agreement*.
- b) For the avoidance of doubt, these *Special Terms and Conditions* and the Terms and Conditions also govern all *FX transactions* outstanding as at the effective date and *you* and *we* agree that the terms of any other *agreement* governing any *FX transaction* outstanding as at the effective date do not apply to that *FX transaction*. The effective date is the date on which the *Bank* approves *your Markets* application, as notified to *you* in *your* welcome notification. We are not obliged to enter into any *foreign exchange transaction* with *you*.
- c) If *you* and *we* have entered into, or do enter into, with each other either an agreement in the form of an ISDA Master Agreement as published by the International Swaps and Derivatives Association Inc. ("the ISDA Agreement") or an agreement in the form of *our* standard derivatives master agreement ("the DMA"), the ISDA Agreement or the DMA, as the case may be, will govern all *FX transactions*, and these *Special Terms and Conditions* and the Terms and Conditions will not govern such *FX transactions*, provided that in respect of each *FX transaction* entered into by using *Markets*:
- i) Clauses Fx.3, Fx.4, Fx.5, Fx.6, Fx.7, Fx.8, Fx.9, Fx.10 (first sentence), Fx.15, Fx.19, Fx.20, Fx.22, Fx.23; and
 - ii) Clause 1.2 in relation to any *terms* defined in those clauses which appear in the clauses referred to in paragraph (i),

will be deemed to be incorporated into each confirmation of an *FX transaction* under the ISDA Agreement or the DMA, as the case may be. We are not obliged to enter into any *FX transaction* with *you*.

Fx.2

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

- a) *You* and *we* are bound from the time the deal is agreed by us. The *FX transactions* may be entered orally and *you* consent to *our* recording the telephone conversations with *you*.
- b) We will send *you* a written confirmation setting out the details of each *FX transaction*. Promptly after receiving the confirmation, *you* must either:

- ▶ notify *us* that there is an error in the confirmation (*you* are bound by the confirmation unless *you* tell *us* there is an error within that time); or
- ▶ sign a copy of the confirmation and return it to *us* to acknowledge it is correct.

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

In accordance with Clauses FX.5 and FX.6, if *we* agree to amend the delivery date for an existing *FX transaction*, *we* will issue a confirmation, which shall supersede and replace the previous confirmation in all respects.

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

Fx.3

In relation to a *FX transaction* entered into by using *Markets*:

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

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

In accordance with Clauses Fx.5 and Fx.6, if *we* agree to amend the *settlement date* for an existing *foreign exchange transaction*, *we* will issue a further confirmation, which shall supersede and replace the previous confirmation in all respects.

Fx.4

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

Fx.5

If we agree, you may extend the *settlement date* of a FX *exchange transaction* (including partial delivery) to a later date (“the extended delivery date”). We may, at our absolute discretion, refuse to agree to extend the *settlement date* of any FX *transaction* or may impose such reasonable conditions as we see fit when extending a *settlement date*, including the payment of a fee, partial settlement of the FX or adjustment to the exchange rate and of the amount to be delivered by you on the extended delivery date.

Fx.6

If, at your request, we agree to effect settlement prior to the *settlement date* (which includes an extended delivery date), or, in the case of a FX *transaction* with optional delivery dates, prior to the commencement of the agreed period for delivery, any such settlement shall be at the rate of exchange calculated by us, on or prior to the day of settlement and may not necessarily be the rate agreed when we originally entered into the *foreign exchange transaction*. We agree to effect settlement prior to the delivery date, but within the agreed period for delivery of FX transactions, with optional delivery dates at the rate agreed when we originally entered into the FX transaction.

Fx.7

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

Fx.8

Prior to the delivery date of each FX transaction, or the currency cut off time or country cut off time if earlier, you must combine an active instruction template with the cashflows of that FX *transaction* so that you provide us with *instructions* of how, at settlement, we are to deal with the funds payable by us and how you will pay us funds. Once these settlement *instructions* are completed and authorised by you, they are then your authorised settlement *instructions* for settlement of that FX transaction, and will be stored on *Markets* and used by us to settle the FX transaction. Once you have given us an authorised settlement instruction, you may not cancel or change it without our agreement. You may give us an authorised settlement instruction in respect of more than one FX transaction, provided that all such transactions that are the subject of that instruction have a common delivery date. You have the ability to select one or more outstanding

FX transactions of the same *currency pair* and delivery date for net, bulk, multiple or partial settlement. Settlement of FX transactions will be effected by us electronically in accordance with your authorised settlement *instructions*.

Fx.9

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

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

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

Fx.10

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

- a) to you or at your direction prior to receipt of any payment due to us; or

- b) into an account in *your* name or at *your* direction or on the condition that the funds are not available until *we* have received payment from *you* and until that time are repayable to us.

Each of *our* obligations to make a payment to *you* is subject to the condition precedent that none of the events entitling *us* to terminate all outstanding FX transactions has occurred and is continuing.

Fx.11

In the event that *you* become aware that *you* will be unable to settle in full a FX *transaction* on the delivery date *you* must notify *us* immediately. *We* may either effect settlement of the FX *transaction* in accordance with the procedures in Clauses Fx.13 and Fx.14, or *we* may extend the delivery date in accordance with the procedure in Clause Fx.9.

Fx.12

We may terminate all outstanding FX transactions if:

- a) *you* do not pay *us* any amount due under this *agreement* on the date required for payment; or
- b) *you* breach a *term* of this *agreement* or fail to perform any of *your* obligations to *us* under any other *agreement* or security; or
- c) *you* make a representation to *us* in connection with this *agreement* that is untrue or misleading in any material respect; or
- d) *you* become *insolvent*; or
- e) *we* terminate this *agreement* in accordance with Clause 9.1 of the *agreement*.

We will not exercise this right unreasonably.

Fx.13

If *we* elect to terminate outstanding FX transactions under the preceding Clause *we* will calculate, in Australian Dollars, the *mark-to-market* value of each FX *transaction* as at the *termination date*, using current market rates chosen by *us* in good faith, having regard to what a person would pay *us* or what *we* would have to pay another to take over *your* rights and obligations under the terminated FX transactions. *We* then deduct the sum of all amounts that a person would pay *us* from the sum of all amounts *we* would have to pay another person. If the result of this calculation is that a person would pay *us* more than *we* would have to pay another person, *we* will pay *you* the difference. Alternatively, if a person would pay *us* less than *we* would have to pay another person, then *you* must pay *us* the difference.

Fx.14

If *we* terminate a FX *transaction* in accordance with Clauses Fx.12 and Fx.13, then *we* will notify *you* as soon as practicable after termination whether *you* owe *us* or *we* owe *you* any money as a result of termination of the FX transaction. Payment due under this Clause must be made not later than 2 *business*

days after *we* give this notice. If payment is due by *you* but not effected within that time *we* may debit *your* accounts with *us* for the amount of the payment. If payment is due by *us* *we* will pay *you* by crediting *your* account with *us*.

Fx.15

If *we* consider that there has been a significant disruption to the operation of the *foreign exchange* market in respect of any currency which is the subject of any outstanding FX transactions, *we* may terminate all or any FX transactions involving that currency in accordance with the procedure set out in Clauses Fx.13 and Fx.14.

Fx.16

At any time after *we* exercise *our* rights under Clauses Fx.13 and Fx.14 (or terminate or settle FX transactions pursuant to Clauses Fx.9 or Fx.11), *we* may set-off any money *we* owe *you* under this *agreement* against any money *you* owe *us* (whether or not under this *agreement*).

Fx.17

You must pay *us* for *our* reasonable expenses, reasonably incurred in enforcing or taking any other action in connection with *our* rights if *we* become entitled to take action under Clauses Fx.11 or Fx.12. *You* must also pay *us* on demand *our* fees, charges and expenses in connection with FX transactions.

Fx.18

Unless *you* can provide satisfactory evidence to the contrary, a statement by *us* (including, but not limited to, a statement stating the value of a FX *transaction* terminated by the procedure in Clause Fx.13) about a matter or about a sum payable in connection with this *agreement* is sufficient evidence of the matter or sum stated in the statement.

Fx.19

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

Fx.20

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

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

Fx.21

You acknowledge that it may be necessary to convert a foreign currency through more than one currency to calculate the Australian Dollar value of that foreign currency.

Fx.22

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

Fx.23

Please be aware that due to exchange rate fluctuations, a tolerance of +2.5% or -2.5% will be applied in calculating the *FX Trade Cap*.

Special Terms and Conditions for Money Markets

The Terms and Conditions and these *Special Terms and Conditions for Money Markets* govern transactions on, and inquiries to, your Cash Deposit Accounts and Cash Relationship Accounts using *Markets*. They do not include terms and conditions that apply by operation of the law (for example, the Australian Securities and Investments Commission Act 2001). We comply with the Electronic Funds Transfer Code of Conduct and, from 20 March 2013, the ePayments Code.

These *Special Terms and Conditions* do not apply if you do not have, or have ceased to have, access to the account using *Markets* and are in addition to the terms and conditions that otherwise apply to Cash Deposit Accounts and Cash Relationship Accounts.

Please refer to the following brochures located at www.commbank.com.au:

- ▶ Cash Deposit Account General Information and Terms and Conditions; and
- ▶ Cash Relationship Account Product Disclosure Statement.

Cr.1 Description of types of Money Market Accounts

Cr.1.1 Cash Deposit Account

Cr.1.1.1 At Call Deposit

We accept funds on overnight deposit until 4pm on each *business day* (initial minimum deposit of AUD50,000 using *Markets*). Deposits above a limit determined by us from time to time cannot be made using *Markets* and you must contact one of our dealers by phone to arrange the deposit.

Your money is readily available. Where the amount you wish to be repaid is above a limit determined by us from time to time you must contact one of our dealers by phone to arrange the withdrawal but you may perform a withdrawal using *Markets* for lower amounts. Provided you request a withdrawal by 4pm (AEST) on a *business day*, funds will be repaid for the same day value. If you request or perform a withdrawal after 4pm (AEST) or on a day which is not a *business day*, funds will be repaid on the next *business day* for next *business day* value.

The account balance must not fall below AUD10,000.

After the initial deposit, you may only make deposits using *Markets* of AUD5,000 or more. Withdrawals using *Markets* must be for a minimum of AUD5,000

Cr.1.1.2 Fixed Term Deposit

We accept funds on deposit (minimum deposit AUD50,000) at an agreed rate of interest on the *deal date*, for fixed *terms* ranging from 1 month to 6 months using *Markets*. Shorter and longer *terms* may be arranged by contacting your relationship manager. Deposits and withdrawals above a limit determined by us from time to time cannot be made using *Markets* and you must contact one of our dealers by phone to arrange the deposit or withdrawal.

When you invest in a *Fixed Term Deposit*, you will also be asked to specify *instructions* for those funds at maturity. You may select any one of the following options which will occur automatically on the *maturity date*:

- ▶ Rollover the *Fixed Term Deposit* for a *term* of your choice (1 to 6 months)
- ▶ Pay out the interest, rollover the principal
- ▶ Pay out a specified amount, rollover the remainder
- ▶ Pay the maturity value to your At Call Deposit
- ▶ Pay the maturity value to your nominated *bank* account.

You can change these maturity *instructions* up until 6pm (AEST) on the *business day* prior to the *maturity date*.

When investing in a *Fixed Term Deposit*, you agree to invest your funds for a fixed period of time. Should you require all or part of your funds before the agreed *maturity date*, an interest rate adjustment will apply. The interest rate adjustment will be applied based on the percentage of the *term* elapsed.

For more information, please refer to the "Withdrawals in advance of maturity" section of the Cash Deposit Account General Information and Terms and Conditions brochure, which is located at www.commbank.com.au

Please contact *your* relationship manager if *you* need to withdraw all or part of *your Fixed Term Deposit* before the agreed *maturity date* as this option is not available through *Markets*.

Cr.1.1.3 Security Investments

Refer to “*Special Terms and Conditions for Security Investments*”.

Cr.1.2 Cash Relationship Account

Cr.1.2.1 11am Call Deposit

We accept funds on overnight deposit until 4pm on each *business day* (initial minimum deposit of AUD1,000,000 using *Markets*). Deposits above a limit determined by *us* from time to time cannot be made using *Markets* and *you* must contact one of *our* dealers by phone to arrange the deposit.

Your money is readily available but to be repaid to receive funds for the same day value *you* must request or perform a withdrawal by 2pm (AEST) on the day funds will be required. Where the amount *you* wish to be repaid is above a limit determined by *us* from time to time *you* must contact one of *our* dealers by phone to arrange the withdrawal but *you* may perform a withdrawal using *Markets* for lower amounts.

If *you* request or perform a withdrawal after 2pm (AEST) or on a day which is not a *business day*, funds will be repaid on the next *business day* for next *business day* value.

The account balance must not fall below AUD100,000.

After the initial deposit, *you* may only make deposits using *Markets* of AUD50,000 or more. Withdrawals using *Markets* must be for a minimum of AUD50,000.

Cr.1.2.2 Fixed Term Deposit

We accept funds on deposit (minimum deposit AUD1,000,000) at an agreed rate of interest at the date of the deposit, for fixed *terms* ranging from 1 month to 6 months using *Markets*. Shorter and longer periods, may be arranged by contacting *your* relationship manager.

When *you* invest in a *Fixed Term Deposit*, *you* will also be asked to specify *instructions* for those funds at maturity.

You may select any one of the following options which will occur automatically on the *maturity date*:

- ▶ Rollover the *Fixed Term Deposit* for a *term* of *your* choice (1 to 6 months).
- ▶ Pay out the interest, rollover the principal.
- ▶ Pay out a specified amount, rollover the remainder.
- ▶ Pay the maturity value to *your* 11am Call Deposit.
- ▶ Pay the maturity value to *your* nominated bank account.

You can change these maturity *instructions* up until 6pm (AEST) on the *business day* prior to the *maturity date*.

When investing in a *Fixed Term Deposit*, *you* agree to invest *your* funds for a fixed period of time. Should *you* require all or part of *your* funds before the agreed *maturity date*, an interest rate adjustment will apply. The interest rate adjustment will be applied according to the schedule and calculations in Appendix B of the Cash Relationship Account PDS which is located at www.commbank.com.au

Please contact *your* relationship manager if *you* need to withdraw all or part of *your Fixed Term Deposit* before the agreed *maturity date* as this option is not available through *Markets*.

Cr.1.2.3 Security Investments

Refer to “*Special Terms and Conditions for Security Investments*”.

Cr.2 Accessing Cash Deposit Account using Markets

The Terms and Conditions and these *Special Terms and Conditions for Money Markets* govern all transactions and inquiries on any Cash Deposit Account using *Markets*.

In addition, the Cash Deposit Account Terms and Conditions govern each *transaction* but to the extent that there is any inconsistency this *agreement* shall prevail.

Notwithstanding anything contained in the Cash Deposit Account Terms and Conditions, the conditions set out in the brochure “Electronic Banking Terms and Conditions” shall not apply to transactions and inquiries carried out using *Markets*.

Cr.3 Accessing Cash Relationship Account using Markets

The Terms and Conditions and these *Special Terms and Conditions* and these *Special Terms and Conditions for Money Markets* and the Terms (this *agreement*) govern all transactions and inquiries on any Cash Relationship Account using *Markets*. In addition, the Cash Relationship Account Terms and Conditions govern each *transaction* but to the extent that there is any inconsistency this *agreement* shall prevail.

Notwithstanding anything contained in the Cash Relationship Account Terms and Conditions, the conditions set out in the brochure “Electronic Banking Terms and Conditions” shall not apply to transactions and inquiries carried out using *Markets*.

Special Terms and Conditions for Security Investments

These *Special Terms and Conditions* and the Terms and Conditions govern investing in a *Security Investment* with us using *Markets*. To invest in a *Security Investment* using *Markets*, you must first have a Cash Deposit Account or Cash Relationship Account.

You should read these *Special Terms and Conditions* and the Terms and Conditions carefully before you apply to use *Markets* to invest in a *Security Investment* and keep them for your future reference. When you invest in a *Security Investment* through *Markets* you are purchasing a short term financial investment being *bills of exchange* either accepted or endorsed by Australian banks including us.

Security Investments are discount securities as they are issued at a discount to their *face value*. The customer purchases the *Security Investment* on the *deal date* and receives the *face value* on the *maturity date*.

The minimum investment amount for a *Security Investment* using *Markets* is AUD100,000 in a Cash Deposit Account or AUD1,000,000 in a Cash Relationship Account. Requests for investments and changes to maturity instructions above a limit determined by us from time to time cannot be made using *Markets* and can only be done by contacting one of our dealers by phone.

The *terms* available are 1 month to 6 months.

Detailed information on *Security Investments – Bank Bills* can be found in the relevant Product Information Document located at www.commbank.com.au

Si.1 Allocation of Security Investments

Si.1.1

At any one time, the type of *Security Investment* that will be offered to you will depend on the securities held by us at that time. This means that you may be allocated a *Bill of Exchange* either accepted or endorsed by an Australian bank.

Si.1.2

By purchasing a *Security Investment* through *Markets*, you accept that the *Security Investment* can be a *bill of exchange* either accepted or endorsed by an Australian bank.

Si.1.3

The *maturity date* of your *Security Investment* will be determined by the security that is available at the time of your request. The *maturity date* will be displayed to you prior to your acceptance of the *Security Investment* offered.

Si.1.4

We will hold the *Security Investments* on your behalf on a safe custody basis free of charge.

Si.2 Reinvestment at Maturity – Maturity Instructions

When you invest in a *Security Investment*, you will also be asked to specify *instructions* for those funds at maturity. You may select any one of the following options which will occur automatically on the *maturity date*:

- ▶ Rollover the *Security Investment* for a *term* of your choice (1 to 6 months)
- ▶ Pay out the earnings, rollover the remainder
- ▶ Pay out a specified amount, rollover the remainder
- ▶ Pay the *face value* to your At Call Deposit or 11am Call Deposit depending on whether the *Security Investment* is lodged in a Cash Deposit Account or Cash Relationship Account
- ▶ Pay the *face value* to your nominated bank account.

You can change these maturity *instructions* up until 6pm (AEST) on the *business day* prior to the *maturity date*. Changes to maturity instructions above a limit determined by us from time to time cannot be made using *Markets* and can only be done by contacting one of our dealers by phone.

Si.3 Repurchases

Si.3.1

Should you require all or part of your *Security Investment* funds before the agreed *maturity date*, you may request a *repurchase* by contacting your relationship manager as this option is not available through *Markets*.

Appendix A – Fees and Government taxes

CommBiz fees**

Item	Fee	GST	Total
Establishment			
Establishment, per client	\$60.00	\$6.00	\$66.00 (Waived)
Provision of security token , each*	No Charge	No Charge	No Charge
Access			
User access fee	No Charge	No Charge	No Charge

** This is a limited listing of fees applicable within CommBiz. Refer to the CommBiz terms and conditions (Appendix B – Fees and charges). For a complete list of fees applicable to the CommBiz service. The above fees are the only CommBiz fees applicable to *transactions* initiated and settled via CommBiz Markets

CommBiz Markets fees

Item	Fee	GST	Total
FX Settlement Fee (per settlement)	\$10.00		\$10.00
Money Market (CDA/CRA) Transactions	No Charge	No Charge	No Charge
Archive Retrieval Fee (*minimum 2 hours)	\$100.00	\$10.00	\$110.00* per hour

Note: CommBiz & CommBiz Markets fees are charged on the 15th of each month (or the next business day if a non-business day).

Charges by overseas banks

Fees and charges may be deducted from overseas payments by any of the banks within the payment chain. Where such fees and charges are deducted you must assume that the beneficiary will receive a lower amount than the amount sent.

For further information please contact the Help Desk on **1300 222 339**. Some related **products** and services, such as **bank** cheques and inward international money transfers, will incur a separate fee. These **fees** will be set out in the PDS or terms and conditions brochures for these other **products** and services.

Government taxes

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

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

