

Notice to Asset Manager Swap Counterparties Executing Bunched Swap Orders For Post-Trade Allocation

Commonwealth Bank of Australia (“CBA”) may enter into bunched Swap¹ orders with asset managers for post-trade allocation to two or more customers of such asset managers. Where CBA executes a bunched Swap with you as agent on behalf of your customers, we do so on the condition that you will allocate such bunched Swap only:

- a) to non-U.S. Person² customers for which you have provided or caused to provide a representation or other evidence satisfactory to us that they are not a U.S. Person; or
- b) to U.S. Person, Guaranteed Affiliate³, or Conduit Affiliate⁴ customers for which you have provided or caused to provide a representation or other evidence satisfactory to us that they are a U.S. Person, Guaranteed Affiliate, or Conduit Affiliate, respectively, and have (1) adhered to the ISDA August 2012 DF Protocol Agreement⁵ and exchanged or ‘matched’ the questionnaire related thereto with us or otherwise entered into equivalent bilateral documentation and (2) adhered to the ISDA March 2013 DF Protocol Agreement⁶ and exchanged or ‘matched’ the questionnaire related thereto with us or otherwise entered into equivalent bilateral documentation.

In addition, post-trade allocation of your Swaps will generally only be permitted to customers that, to the best of your knowledge, have an open Swap trading account with CBA including a written agreement governing the terms and conditions of Swaps entered into with CBA (such as an ISDA Master Agreement). In the event that you allocate a bunched Swap or portion thereof to a customer other than as set forth above, CBA may require you to use your best efforts in cooperation with us to, as soon as reasonably practicable:

- 1) allocate the Swap or portion thereof to another customer that is in compliance with the requirements set forth above; or
- 2) remedy the non-compliant allocation by any other mutually agreeable remedy that complies with applicable laws, rules and regulations.

For any bunched Swaps that you allocate to your customers, you, as agent, will be deemed to agree to receive oral disclosure (with written post-trade notification) of any (1) pre-trade mid-market marks

¹ The term ‘Swap’ shall have the definition ascribed in the August 2012 DF Protocol Supplement published by the International Swaps and Derivatives Association, Inc. (“ISDA”) on August 13, 2012 available at <https://www2.isda.org/functional-areas/protocol-management/protocol/8>

² The term ‘U.S. Person’ shall have the definition ascribed in the CFTC’s Interpretive Guidance and Policy Statement Regarding Compliance With Certain Swap Regulations; Rule (the “Cross-Border Guidance”), 78 FR 45292 (July 26, 2013).

³ The term ‘Guaranteed Affiliate’ shall have the definition ascribed in the Cross-Border Guidance.

⁴ As determined by reference to the factors set out in the Cross-Border Guidance that the CFTC considers relevant in determining whether a person is a ‘Conduit Affiliate.’

⁵ Published by ISDA on August 13, 2012 available at <https://www2.isda.org/functional-areas/protocol-management/protocol/8>

⁶ Published by ISDA on March 22, 2013 available at <https://www2.isda.org/functional-areas/protocol-management/protocol/12>

pursuant to CFTC Regulation 23.431(a)(3)(i) and (ii) material economic terms, including price, notional amount and termination date, pursuant to CFTC Regulation 23.431(a)(2). In addition, you should visit, and should direct each of your customers to visit, <https://www.commbank.com.au/corporate/financial-markets/dodd-frank.html> for important informational disclosures prior to transacting any Swap with CBA. By executing a Swap with CBA, you and your customers will be deemed to acknowledge that you have read and accepted the information contained on this website.

Should you have any questions or concerns about this Notice, please contact your CBA representative, copying in CommBankDoddFrank@cba.com.au.