

Term Deposits

Dated 30 March 2017

General Information and Terms and Conditions

You should read this brochure before making an investment.

You can contact us:

- in person at any branch of the Commonwealth Bank of Australia (the Bank);
- by telephone on **13 2221**, 24 hours a day, 7 days a week;
- by contacting your relationship manager or adviser;
- through our website **commbank.com.au**; or
- in writing addressed to
Commonwealth Bank of Australia,
GPO Box 2719, Sydney NSW 1155.

If you have any questions on the Financial Claims Scheme, terms and conditions or fees and charges ask our staff or call us on **13 2221**.

This product is issued by the Commonwealth Bank of Australia ABN 48 123 123 124 AFSL 234945.



Contents

2 General Information

- 2 • Features at a glance
- 4 • What is a Term Deposit and who is it suitable for?
- 4 • What are the key features and benefits?
- 4 • How do I apply for a Term Deposit?
- 5 • What terms are available?
- 5 • What are the interest payment options?
- 5 • Where can I find the latest interest rates?
- 6 • What will happen to my Term Deposit at maturity?
- 7 • What if I need to withdraw funds early?
- 8 • What is the holding facility?
- 9 • How is interest calculated?
- 9 • What are the key costs?
- 13 • What are the tax implications?
- 14 • What if I have a complaint?
- 14 • Customer information and privacy
- 17 • Financial Claims Scheme

18 Terms and Conditions

- 18 • 1. About these Terms and Conditions
- 18 • 2. Definitions
- 20 • 3. Changes to Terms and Conditions
- 20 • 4. Opening a Term Deposit
- 21 • 5. If you conduct a Term Deposit jointly with another person
- 22 • 6. Information we may send you
- 23 • 7. Minimum and maximum terms
- 23 • 8. Payment of interest
- 25 • 9. At maturity
- 27 • 10. Withdrawals in advance of maturity
- 28 • 11. Bank Cheque fees
- 28 • 12. Government charges
- 29 • 13. Change of personal details
- 29 • 14. Breach of law
- 29 • 15. Severance
- 29 • 16. Special Terms and Conditions –
Term Deposits opened via the internet

This brochure provides information about a product called a Term Deposit. If you decide to invest in a Term Deposit, you should keep this brochure and all other documentation relating to your Term Deposit for future reference.

Information about the key benefits of this product is set out in the section “General Information”. The Terms and Conditions that govern Term Deposits are set out in the “Terms and Conditions” section. When you lodge funds in a Term Deposit you agree to the Terms and Conditions detailed in this brochure.

The information in this brochure is subject to change from time to time and is up to date as at the date stated on the cover. You will be able to find the updated information by contacting your local branch, relationship manager or adviser, visiting [commbank.com.au](https://www.commbank.com.au) or calling **13 2221**.

General Information

Features at a glance	
Key features	<ul style="list-style-type: none">• A Commonwealth Bank Term Deposit account earns interest that is guaranteed not to change for the whole of an agreed fixed term.• This provides you with the security of knowing that your interest income is protected from fluctuations in investment markets.• At maturity, your funds may be renewed, withdrawn or transferred to the “holding facility” where your funds can be more easily accessed. (see page 8).
Key risks	<ul style="list-style-type: none">• You will not be able to take advantage of interest rate increases should interest rates rise during the term of your investment.• Your funds are locked in for the agreed fixed term and 31 days’ notice is required if you need to withdraw before maturity (subject to prepayment costs being applied to the amount withdrawn).
Minimum opening balance	<ul style="list-style-type: none">• \$5,000.00 (or as advised if opened online)
Maximum balance	<ul style="list-style-type: none">• No limit (subject to acceptance by the Bank or as advised if opened online)

General Information

Features at a glance	
Available terms	<ul style="list-style-type: none">• Term in months – 1 month to 60 months.• Term in days – 30 days to 990 days.• May be subject to change as advised if opened online.
Payment of interest	<ul style="list-style-type: none">• Paid 4 weekly, 6 monthly or annually (and/or at maturity).• Can be paid into your nominated account or compounded to your Term Deposit.
Interest rates	<ul style="list-style-type: none">• Refer to a separate brochure 'Interest Rates on Term Deposits and Investment Accounts'^[1] for rates applicable to terms of 1 month to 60 months as well as for the holding facility.
Grace period	<ul style="list-style-type: none">• For renewals, you can give alternate instructions within seven calendar days, starting on the maturity date.• Any alternate instruction will take effect as if from the most recent maturity date - so if you choose to withdraw funds during the grace period no interest will be paid from the maturity date to the date of withdrawal.
Fees and charges	<ul style="list-style-type: none">• No account keeping fees.• Prepayment interest adjustment and \$30.00 administration fee

[1] This is available at any branch, by contacting your relationship manager/adviser, visiting commbank.com.au or calling 13 2221.

Features at a glance

Withdrawals in advance of maturity ('prepayment')

- For Term Deposits opened or renewed on or after 8 December 2014, you will need to give us 31 days' notice before you can withdraw funds and prepayment costs may apply.
- If you think you may need to immediately access your money during the term, other savings accounts may be more suitable.
- This does not apply to funds in holding facility.

What is a Term Deposit and who is it suitable for?

A Term Deposit earns interest at a rate that is guaranteed not to change for the whole of an agreed fixed term. It provides the security of knowing that interest income is protected from fluctuations in investment markets.

A Term Deposit may be appropriate for those who are looking for a competitive interest rate and do not need immediate access to their money.

What are the key features and benefits?

When investing in a Term Deposit, you agree to invest your funds for a set period of time, at a fixed interest rate and interest payment option. This provides the security of knowing what the return will be, how frequently interest income will be paid and when the principal will be available, as long as funds are not required prior to the maturity date.

How do I apply for a Term Deposit?

Simply visit any branch, contact your relationship manager/adviser, or apply online via **commbank.com.au** or NetBank (for registered users only).

What terms are available?

- In months: choose from 1 month to 60 months.
- In days: choose from 30 days to 990 days.
- A term of less than 30 days may be available at the Bank's discretion.

What are the interest payment options?

- Interest is credited to your nominated account with the choice of the following payment frequencies:
 - **4 Weekly:** interest is credited to your nominated account every 28 days and at maturity.
 - **6 Monthly:** interest is credited to your nominated account every 6 months and/or at maturity.
 - **Annual:** interest is credited to your nominated account every 12 months and/or at maturity.
- Interest is added to your Term Deposit with the choice of the following frequencies:
 - **Compound 4 Weekly:** interest is added to your Term Deposit every 28 days and at maturity.
 - **Compound 6 Monthly:** interest is added to your Term Deposit every 6 months and/or at maturity.
 - **Compound Annually:** interest is added to your Term Deposit every 12 months and/or at maturity.

For Term Deposit fixed terms greater than 12 months, interest is paid every 12 months and at maturity.

Online applications may offer selected fixed terms and interest payment options.

See page 8/Clause 8.2 for more information about interest payments for funds in the holding facility.

Where can I find the latest interest rates?

The Bank publishes Term Deposit interest rates on **commbank.com.au**. For Term Deposits opened via the internet, the applicable interest rates will be provided via **commbank.com.au** or NetBank (for registered users).

For investment amounts outside of those published on the website, indicative interest rates can be given by contacting us.

General Information

As interest rates vary over time, you should always check and confirm the current rates at the time of opening or renewing a Term Deposit.

What will happen to my Term Deposit at maturity?

Approximately one week prior to maturity we will send you a Renewal Notice. This notice will let you know what options are available and what you need to do. It will also tell you how we will treat your funds if you do not contact us before maturity.

If you know what you want to do with your funds at maturity, you can provide your instructions at any time before the maturity date. If you give instructions to:

- renew your Term Deposit for another fixed term, the interest rate will be set on the day of maturity and will depend on the amount, term and interest option you choose.

or

- withdraw all or part of your deposit to be paid to a nominated account on maturity, you cannot change or cancel those instructions on or after the maturity date.

Maturity instructions submitted with respect of a Term Deposit, apply only to that Term Deposit. They will not apply to any subsequent renewal of that Term Deposit or any new Term Deposit that you open.

If you submit more than one maturity instruction on the same account, the latest request will override any previous instruction(s) and will be used by the Bank to process the transaction on the maturity date.

If you do not contact us before the maturity date, you agree that we will, at our discretion:

- transfer your funds to the holding facility of your account until we receive your further instructions.

or

- renew your Term Deposit for the same fixed term as before, at the interest rate that applies on the day of maturity to that term. The applicable interest rate may be significantly different, higher or lower, to the interest rate that you received in the previous term as a consequence of market rate movements and because

General Information

the Bank changes the terms of its best rates from time to time.

If the interest rate or term applied to your renewed Term Deposit does not meet your needs or you wish to withdraw your funds and you wish to make a change, you will have a **grace period of seven calendar days** starting from the maturity date to provide your alternative instructions without incurring a fee or incurring a reduction in interest rate.

You may only make one change to your instructions during the grace period.

Instructions provided via NetBank/CommBiz during the grace period may not be processed until the end of seven calendar days from the maturity date, and those submitted using CommBiz service requests will not be processed until the request is fully authorised and will expire at the end of the grace period unless changes are made to the account before the authoriser approves the request. If during the grace period your instruction is a withdrawal and you need access to your funds on the same day, please contact your local branch or call **13 2221**.

What if I need to withdraw funds early?

If you need to withdraw money during the term, you may request withdrawal of all or part of your funds by giving the Bank 31 days' notice. A prepayment adjustment and \$30.00 prepayment administration fee will apply to withdrawals before maturity.

The notice period starts on the day you request withdrawal and funds will be credited to your nominated Commonwealth Bank statement account on day 32 (or the following business day if day 32 is a non business day or the same day interest is due to be paid). More information is provided in Clause 10 of the Terms and Conditions.

If you are experiencing extreme hardship and need your funds before the expiration of 31 days, please contact us immediately.

What is the holding facility?

The holding facility option gives you more time to decide what to do with your investment after your maturity date, by allowing funds to be more easily accessed and not be subject to the prepayment costs associated with early withdrawal.

When your funds are in the holding facility, they are renewed at a fixed interest rate every 7 days until we receive your further instructions. You can choose to:

- a) Reinvest the full balance for a fixed term of one month or longer; or
- b) Withdraw the full balance and close the account; or
- c) Reinvest part of the balance for a fixed term of one month or longer and withdraw the remaining funds; or
- d) Add funds and reinvest the new balance for a fixed term of one month or longer.

Interest is paid every 7 days in accordance with your existing interest payment instructions, until the balance is reinvested or withdrawn. Due to market rate movements we may vary the rate for each 7 day period without notice.

When you reinvest funds on a day on which holding facility interest is due to be paid, the new fixed term will commence on that date. If you choose to reinvest funds on a day outside of any interest payment date, the new fixed term will commence from the last interest payment date. This means no interest is paid on funds in the holding facility for the current 7 day interest period if funds are reinvested or withdrawn before the next interest payment date.

You can give us instructions at any time before your Term Deposit matures to transfer your funds to the holding facility at maturity. If you do not contact us before the maturity date, we may, at our discretion, transfer your funds to the holding facility. Term Deposits that we allow to be lodged for a term of 7 days are automatically transferred to the holding facility on maturity if you do not contact us.

General Information

If you decide, after your funds have been moved to the holding facility, to reinvest the whole of the balance of your Term Deposit into a new fixed term of one month or longer, you can instruct us to do this by submitting a CommBiz service request. This is the only instruction that we can implement through a CommBiz service request, whilst your funds remain in the holding facility.

How is interest calculated?

Interest is calculated daily on your Term Deposit using the simple interest formula:

$$\text{Interest} = \frac{\text{amount invested} \times \text{rate \% per annum} \times \text{number of days}}{365}$$

Interest is paid to you in accordance with Clause 8 of the Terms and Conditions.

Example 1: interest calculation (illustrative only)

You have lodged a 6 month Term Deposit of \$25,000.00 on 1 June at an interest rate of 4.00% per annum with 6 Monthly interest payment option.

The interest is calculated as follows:

- Interest earned on a deposit lodged on 1 June to mature on 1 December (183 days)

$$= \$25,000.00 \times 4.00\% \times \frac{183}{365}$$

$$= \$501.36$$

- Total interest earned at time of maturity is \$501.36

What are the key costs?

When investing in a Term Deposit you agree to invest your funds for a set period of time at a fixed interest rate. There are no account keeping fees to maintain this account.

However, if you request you request to withdraw all or part of your funds prior to the maturity date of a fixed term, a prepayment adjustment and a \$30.00 prepayment administration fee may apply (see Clause 10 of the Terms and Conditions). The prepayment adjustment applied will depend on the percentage of the original term elapsed.

General Information

The prepayment adjustment is calculated on the balance current as of the prepayment date and will apply even if the Term Deposit has not been paid any interest up to the date of prepayment.

Table 1: Prepayment adjustment to be applied

Percentage of term elapsed	Adjustment to be applied as a % of your interest rate
0% to less than 20%	90%
20% to less than 40%	80%
40% to less than 60%	60%
60% to less than 80%	40%
80% to less than 100%	20%

For example, if your funds are invested for 50% of the agreed term, the prepayment adjustment to be applied will be 60%. In other words, if the agreed interest rate at lodgement date was 4.00% per annum, the interest rate that you will earn on the amount that you have withdrawn early will be 40% of the interest rate agreed at the start of the term. The interest rate you would earn on the withdrawal amount is:

$$4.00\% \text{ per annum} - (4.00\% \text{ per annum} \times 60\%) \\ = 1.60\% \text{ per annum.}$$

Example 2: Full prepayment (illustrative only)

On 1 June, you have lodged a 183 day (approximately 6 month) Term Deposit of \$25,000.00 at an interest rate of 4.00% per annum with a 6 Monthly interest payment option.

On 30 July, after 59 days (approximately 2 months) you provide a 31 days' notice request to withdraw the entire \$25,000.00 with funds to be available in your Commonwealth Bank statement account on 31 August.

The percentage of the term elapsed is calculated as follows:

General Information

$$\begin{aligned} \text{Percentage of term elapsed} &= \frac{\text{number of days deposited}}{\text{number of days in term}} \times 100 \\ &= \frac{90 \text{ (i.e. } 59+31) \text{ days}}{183 \text{ days}} \times 100 \\ &= 49.18\% \end{aligned}$$

As 49.18% of the original term has elapsed, an adjustment of 60% will apply (refer Table 1).

$$\begin{aligned} \text{Interest rate adjustment} &= \text{adjustment} \times \text{your interest rate} \\ &= 60\% \times 4.00\% \text{ per annum} \\ &= 2.40\% \text{ per annum} \end{aligned}$$

Interest is calculated for the period of 90 days at your original interest rate of 4.00% per annum. This amounts to \$246.57. This amount is reduced by the prepayment adjustment amount of \$147.94, making an interest payment amount of \$98.63. A prepayment administration fee of \$30.00 is also payable. The amount paid to you on the date of withdrawal is \$25,068.63 (i.e. the original lodgement amount of \$25,000.00 plus the adjusted interest payment of \$98.63 less the prepayment administration fee of \$30.00).

Note: When calculating interest adjustments, the Bank takes into consideration any interest already paid to you during the term as well as the interest that would have been paid. Rather than asking you to repay some of the interest already paid to you by the Bank, we simply deduct the overall prepayment adjustment amount from the amount being repaid to you on the date of withdrawal.

Despite this, the total amount paid to you on the withdrawal date, plus all previous interest payments will always be equal to or more than your original investment amount (excluding the prepayment administration fee).

Example 3: Partial prepayment (illustrative only)

Instead of withdrawing the full amount of the Term Deposit as in Example 2, you may wish to withdraw a partial amount. When you request a partial prepayment, you can choose to specify the prepayment amount, where prepayment costs are deducted from the

General Information

remaining Term Deposit balance, or specify the balance to remain in the Term Deposit, where the prepayment costs are deducted from the prepayment amount.

Where no preference is stated, prepayment costs are deducted from the remaining balance after prepayment.

a) **Specific prepayment amount of \$10,000.00**
(prepayment costs deducted from balance)

After 59 days (approximately 2 months) you provide a 31 days' notice request to withdraw \$10,000.00 from your Term Deposit, that is a partial prepayment. Funds will be credited into your nominated Commonwealth Bank statement account on 31 August.

Percentage of term elapsed = 49.18% (as calculated in Example 2)

Interest rate Adjustment = 2.40% per annum
(as calculated in Example 2)

Prepayment adjustment

$$= \frac{\text{amount to be prepaid} \times \text{number of days deposited}}{365} \times \text{interest rate adjustment}$$
$$= \$10,000 \times \frac{90 \text{ (i.e. 59+31) days}}{365} \times \frac{2.40\% \text{ per annum}}{100}$$
$$= \$59.17$$

The prepayment amount you will receive will be \$10,000.00 as you requested, and after the prepayment costs are deducted from the remaining Term Deposit balance, the remaining Term Deposit will be \$25,000.00 – \$10,000.00 – \$59.17 – \$30.00 = \$14,910.83.

The amount of \$14,910.83 will continue to earn interest at 4.00% per annum. The interest earned on the amount prepaid will be paid at the next interest payment date.

b) **Specific balance remaining of \$15,000.00**
(prepayment costs deducted from partial withdrawal amount)

General Information

After 59 days you provide a 31 days' notice request to withdraw a prepayment amount that leaves \$15,000.00 remaining as your Term Deposit balance. Funds will be credited into your nominated Commonwealth Bank statement account on 31 August.

Percentage of term elapsed = 49.18% (as calculated in Example 2)

Interest rate Adjustment = 2.40% per annum
(as calculated in Example 2)

Prepayment adjustment = amount to be prepaid \times $\frac{\text{number of days deposited}}{365}$ \times interest rate adjustment

$$= \$9,911.35 \times \frac{90 \text{ (i.e. 59+ 31) days}}{365} \times 2.40\% \text{ per annum}$$
$$= \$58.65$$

To leave a balance of \$15,000.00, the prepayment amount you will receive will be \$9,911.35 (calculated as \$25,000.00 – \$15,000.00 – \$58.65 – \$30.00 = \$9,911.35) on the prepayment date. This will leave the remaining balance of \$15,000.00 to continue to earn interest at 4.00% per annum. The interest earned on the amount prepaid will be paid at the next interest payment date.

Note: The prepayment adjustment in (b) is slightly less since the prepayment adjustment is calculated on a lesser amount than that of (a) in order to provide the specific amount as the remaining balance.

What are the tax implications?

If you do not provide us with a Tax File Number (TFN), TFN exemption, an Australian Business Number or you are a non-resident, we are obliged by law to withhold tax from the interest we pay to you. Interest you have

General Information

earned on this account may be subject to income tax. You should discuss any taxation issues with an independent taxation adviser.

What if I have a complaint?

We aim to provide good customer service. If you think we have failed, you should let us know so that we can try and put things right.

How to make a complaint:

- (i) Contact your branch staff, relationship manager/ adviser or the manager of the department that handled the matter.
- (ii) If you feel the matter still has not been resolved, please contact our Customer Relations team on **1800 805 605**.

Dispute resolution

If, despite our best efforts, you believe your complaint has not been satisfactorily dealt with, you may wish to contact an alternative dispute resolution scheme.

The Financial Ombudsman Service (FOS) is an impartial, independent and free alternative dispute resolution scheme for customers of financial institutions.

Visit **fos.org.au** for more details, or you can contact the FOS on **1300 78 08 08**, email **info@fos.org.au** or in writing to the address below:

Financial Ombudsman Service
GPO Box 3
Melbourne Victoria 3001

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.

General Information

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**. 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

General Information

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. 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 we comply with laws

The Bank may be subject to laws or regulations in Australia or another country that affect your relationship with the Bank (eg. Laws that address taxation). So that we may comply with our obligations under these laws or regulations, we may:

- require you to provide information about you or your product;
- disclose any information we are required to concerning you (including sending your information overseas);
- withhold an amount from a payment to you if required to do so, and if we do, we will not reimburse you for the amount withheld; and/or
- take such other action as is reasonably required, including, for example, closing your account.

General Information

How to contact us

For privacy-related enquiries, please contact us by:

- telephone **1800 805 605**, or
- writing to the address in our Group Privacy Policy.

Financial Claims Scheme

The Financial Claims Scheme, under the Banking Act, covers deposit amounts subject to a limit per depositor. You may be entitled to a payment in some circumstances. Information about the Financial Claims Scheme can be obtained from **www.fcs.gov.au**.

Terms and Conditions

1. About these Terms and Conditions

These Terms and Conditions govern our Term Deposit accounts and set out the terms of your contract with us. Other terms and conditions that apply include:

- **Code of Banking Practice** - for Term Deposits held by an individual (alone or jointly) or small business customer.
- **The “Better Banking Book”** - for general information about our banking services and topics like opening an account, confidentiality of your information, bank cheques, what to do if you get into financial difficulty and why you should read these terms and conditions.
- **Electronic Banking Terms and Conditions and CommBiz Terms and Conditions** - for use of NetBank, CommBiz and/or any electronic notices you have agreed to receive.
- **CommBank app Terms and Conditions** - for use of the CommBank app for mobile banking.

Copies of the above can be obtained through your local branch, relationship manager or adviser, or by visiting **commbank.com.au** or calling **13 2221**.

These Terms and Conditions do not include terms and conditions that may apply by operation of law under, for example, the Corporations Act 2001.

2. Definitions

the “Bank”; “our” ; “us” ; “we”

means the Commonwealth Bank of Australia
ABN 48 123 123 124.

“account”

means a Term Deposit

“adviser”

means an adviser, accountant, broker, or other intermediary who has entered into an intermediary agreement with the Commonwealth Bank of Australia or its subsidiaries regarding Term Deposits.

Terms and Conditions

“BPAY®”

means an electronic payment system registered to BPAY Pty Limited ABN 69 079 137 518 through which a deposit can be made to your Term Deposit opened via the internet.

“business day”

means a day that is not a Saturday or Sunday or a public holiday, special holiday or bank holiday in the place in which any relevant act is to be done or may be done.

“Grace period”

means a period of seven calendar days commencing on the maturity date and ending six calendar days after that, during which you can withdraw your Term Deposit funds or provide alternative reinvestment instructions without penalty.

“holding facility”

means a feature of your account where, your Term Deposit funds are renewed at a fixed interest rate every 7 days until we receive your instructions for withdrawal or reinvestment for an agreed fixed term of one month or longer (no interest is paid on funds in the holding facility for the current 7 day interest period if funds are reinvested or withdrawn before the next interest payment date).

“prepayment”

means taking money out from your Term Deposit before it reaches the end of the agreed fixed term. In this brochure, it is also referred to as withdrawals in advance of maturity or early withdrawals.

“you”; “your”

means the customer who is the person or persons or entity in whose name the Term Deposit is held.

3. Changes to Terms and Conditions

We may change some of the terms and conditions of your Term Deposit. This table shows you how and when we will tell you about any changes:

Change	Minimum days' notice we give you	How we tell you
<p>Any change to term or condition which is not a change to:</p> <ul style="list-style-type: none"> existing or new fees or charges (other than a government charge) interest rates, or the basis on which or frequency with which interest is calculated during the fixed term of your Term Deposit 	No later than the day of change	<p>In writing, or by electronic means where you agree, or by advertising in the national or local media</p> <p>Note: no notice is given by us if the change has already been publicised by a government, government agency or representative body.</p>
Introduce or change any Government tax or charge	No later than the day of change	Note: no notice is given by us if the change has already been publicised by a government, government agency or representative body.

4. Opening a Term Deposit

- Opening a Term Deposit is conditional upon you providing the Bank with the necessary identification information it requires and the Bank carrying out any necessary verification check(s). Until you provide acceptable forms of identification, interest will be credited to your Term Deposit account.
- When you lodge funds in a Term Deposit, you agree to these terms and conditions.
- A minimum opening balance of \$5,000.00 is required unless you open the Term Deposit via the internet

Terms and Conditions

in which case the minimum and maximum balance applicable will be advised by the Bank online via **commbank.com.au** or NetBank.

- Any cheques deposited into a Term Deposit are subject to clearance. No interest is paid on any cheques that are dishonoured.
- Any cheques deposited to your account, or bank cheque or other document deposited to your account or delivered to us in connection with a transaction on your account, becomes our property when we have presented the cheque for payment (even if it is dishonoured) or when the transaction is otherwise complete.
- You may obtain details of interest rates being offered for new Term Deposits by contacting your local branch, relationship manager/adviser, visiting **commbank.com.au** or calling **13 2221**.

5. If you conduct a Term Deposit account jointly with another person

- Unless otherwise agreed with the Bank when the account is opened:
 - each of you may operate the account independently of the other;
 - the Bank may accept for the credit of the account any cheque or other negotiable instrument payable to any one or more of you; and
 - if one of you dies, the balance of the account is transferred by the Bank to the survivor(s).
- If you instruct us the account is to be operated in a certain way (for example, you instruct us that any of the joint account owners may operate alone), then we will not be liable for acting in good faith with due care and skill in accordance with your instructions. 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 we

Terms and Conditions

breach 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.

6. Information we may send you

- The Bank issues a confirmation following the opening of your Term Deposit account, once funds are received. The confirmation is valueless for the purpose of transfer or negotiation and the Bank may require you to surrender the confirmation at maturity or in the event of early withdrawal.
- **Statement of Account:** The Bank does not issue you with a Statement of Account.
- **Renewal Notice:** The Bank issues a Renewal Notice approximately one week prior to your Term Deposit maturing. This notice lets you know what options are available and how your funds will be treated if we don't hear from you. You will not be issued a Renewal Notice if your account has a term of less than 14 days or your Term Deposit funds are in the holding facility.
- **Reinvestment Notice:** The Bank issues you a Reinvestment Notice confirming the details of your Term Deposit should your funds be reinvested at maturity to another fixed term of more than 14 days.
- **Confirmation of Transfer to Your Holding Facility:** The Bank will issue you a confirmation should your Term Deposit funds be transferred to the holding facility. However, no subsequent Confirmation of Transfer to Your Holding Facility or Reinvestment Notice will be issued to you until your funds are reinvested for a fixed term of one month or longer.
- **Closed Account Notice:** If you choose to fully close your Term Deposit, the Bank will issue a Closed

Terms and Conditions

Account Notice detailing the closure, including interest earned.

- **End of Financial Year Notice:** The Bank will issue a notice shortly after the end of a financial year detailing the amount of interest paid on your Term Deposit in the previous financial year. You may need these details for tax purposes.
- If you agree, the Bank may use electronic means to send Term Deposit information and notices to you.

7. Minimum and maximum terms

- The minimum term in months is 1 month, or 30 days for a term in days unless you open the Term Deposit via the internet or 7 days if your funds are in the holding facility.
- Terms from less than 30 days may be available at the Bank's discretion. Interest is only paid at maturity for Term Deposits of less than 30 days.
- You cannot make a request for withdrawal prior to maturity for terms of 1 month, 30 days or less.
- You may not choose a term that is a combination of both days and months. If you nominate a specific maturity date, the investment term will be set at the number of days in the period from the start date to the maturity date of your Term Deposit.
- Subject to the preceding conditions, you may nominate a term in months up to 60 months or a term in days up to 990 days unless you open the Term Deposit via the internet in which case the terms available will be advised by the Bank on **commbank.com.au** or via NetBank (registered users only).

8. Payment of interest

8.1 Payment of interest on funds in a fixed term

- The Bank may vary the interest rates on offer for new Term Deposits at any time without notice.
- The interest rate applying to your Term Deposit is fixed at the time of lodgement for the whole of the agreed fixed term.

Terms and Conditions

- Interest is calculated daily on the balance of the Term Deposit, commencing on the first day of the lodgement term and excluding the date of maturity.
- Interest is paid according to the interest payment frequency and payment method that you nominated. Unless otherwise stated, you may choose one of the following interest payment options:
 - (i) interest credited to a nominated bank account every 28 days and/or at maturity.
 - (ii) interest credited to a nominated bank account every 6 months and/or at maturity.
 - (iii) interest credited to a nominated bank account every 12 months and/or at maturity.
 - (iv) interest credited to your Term Deposit every 28 days and/or at maturity.
 - (v) interest credited to your Term Deposit every 6 months and/or at maturity.
 - (vi) interest credited to your Term Deposit every 12 months and/or at maturity.

For Term Deposit fixed terms greater than 12 months, interest is paid every 12 months and at maturity.

- Term Deposits opened via the internet may offer selected fixed terms and interest payment options that vary from the standard Term Deposit applications, as advised online via **commbank.com.au** or NetBank (registered users only).
- If interest is due on a day that is not a business day and is being credited to a Commonwealth Bank statement account, it will be available for withdrawal from that account on the due date but may not appear on your statement or in a transaction listing until the next business day.
- Should an interest payment to your nominated account be returned to the Bank due to that account been invalid or closed, the Bank will either add this interest amount to your Term Deposit balance or pay it by issuing a bank cheque posted to your address held on our records. Where a bank cheque is issued, we will not pay you interest on this amount.

Terms and Conditions

8.2 Payment of interest on funds in the holding facility

- While your funds are in the holding facility, the interest rate is fixed for each 7 day period but may be varied at the end of each 7 day period without notice. Interest will be paid every 7 days, until the balance is reinvested into a new fixed term of 1 month or more or withdrawn in full.
- No interest is paid on funds in the holding facility for the current 7 day interest period if funds are reinvested or withdrawn before the next interest payment date.
- Interest is either credited to your nominated account or compounded to your Term Deposit holding facility in accordance with your existing instructions. Your interest payment instructions cannot be changed while your funds are in the holding facility.

8.3 Payment of interest during the grace period

- Interest does not accrue on your Term Deposit during the grace period, unless we receive instructions from you to reinvest your Term Deposit, in which case, interest will accrue from the most recent maturity date as the date of reinvestment.
- If you choose to withdraw funds during the grace period (or if the maturity date falls on a non business day), no interest is paid on the funds withdrawn for the period from the maturity date to the date of withdrawal.

9. At maturity

- You can give us instructions at any time before your Term Deposit matures to transfer your funds to the holding facility of your account, renew your funds, add additional funds or withdraw part or all of your funds at maturity. These instructions will not apply to any subsequent renewals of that Term Deposit or to new Term Deposits that you subsequently open.
- If your instructions are not received prior to the date of maturity, you agree that the Bank may either:
 - (i) **transfer the funds to the holding facility.** For funds in the holding facility, the interest rate is

Terms and Conditions

fixed for each 7 day period but may be varied at the end of each 7 day period without notice.

or

(ii) **renew the Term Deposit for the same investment term as before** at the applicable interest rate on the date of maturity and based on the latest Terms and Conditions. The interest rate applicable to the new Term Deposit may be significantly different, higher or lower, to the interest rate applied in the previous term as a consequence of market rate movements and because the Bank changes the terms of its best rates from time to time.

- If you have chosen to renew your Term Deposit, you can provide alternative instructions on the maturity date or during the grace period. This includes changing the amount, term or interest payment option applying to your Term Deposit. You can provide alternative instructions by:
 - contacting one of our branches or your relationship manager/adviser during business hours. If the last day of the grace period falls on a non-business day, alternative instructions must be provided by calling **13 2221** before 5pm (Sydney time).

or

- calling **13 2221** before 5pm (Sydney time). If you call after 5pm and request for a withdrawal, funds may not be available in your nominated Commonwealth Bank statement account until the next business day. Funds paid on a non-business day may also not appear on your statement or in a transaction listing until the next business day.
- You may only make one change to your instructions during the grace period. However, if you have previously given us instructions that all or part of your Term Deposit is to be withdrawn or paid to a nominated account at the Bank on maturity, you cannot change or cancel those instructions on or after the maturity date as funds may have already been processed.

Terms and Conditions

- Instructions given via NetBank/CommBiz on the day of maturity and during the grace period may not be processed until seven calendar days after maturity for funds invested for a fixed term. Please visit any branch or call us on **13 2221** if you wish to make a withdrawal from your Term Deposit and need access to your funds on the same day.
- Payments to accounts at other financial institutions may not be credited to your account until the other financial institution processes the transaction.

10. Withdrawals in advance of maturity

- For Term Deposits opened or renewed on and after 8 December 2014, you may request withdrawal of all or part of your funds prior to the maturity date provided that you give the Bank 31 days' notice. If your Term Deposit has less than 31 days to maturity, you will only be able to access funds on the maturity date. The notice period starts on the day you request withdrawal.
- A request for withdrawal in advance of maturity may be made at any branch, by contacting your relationship manager/adviser or calling **13 2221** before 5pm (Sydney time).
- A prepayment adjustment and \$30.00 prepayment administration fee will apply.
- Prepayment costs do not apply to funds in the holding facility or to Term Deposits held in the name of a deceased account holder or in the name of a deceased account holder's legal personal representative.
- The amount of the prepayment adjustment is calculated by the Bank taking into account the amount withdrawn, the length of time since the deposit was lodged as a percentage of the original term, and the application of an adjusted rate of interest. The Bank reserves the right to vary the adjustment percentages applied to the reduction of your original interest rate in the calculation of the amount of prepayment adjustment.

Terms and Conditions

- If you request to withdraw funds prior to maturity, payment is effected 32 days after receipt of your request for withdrawal ('the payment date'). If the payment date falls on a non-business day, or on the date interest is due to be paid on your Term Deposit, your payment may be effected the next business day. Funds paid on a non-business day may not appear on your statement or in a transaction listing until the next business day.
- Payment will be made to your nominated account held at an Australian financial institution. If funds are to be credited to a Commonwealth Bank statement account, this will be available on the payment date. Payments to accounts at other financial institutions, whilst effected on the payment date, may not be credited to your account until the other financial institution processes this transaction.
- A request for withdrawal prior to maturity may be cancelled no later than one business day before the payment date. Requests for withdrawal prior to maturity can only be made one at a time.
- If you are making a partial withdrawal, a minimum balance of \$5,000.00 must be maintained at all times.

11. Bank Cheque fees

- Where you request your balance to be paid to you in the form of a Bank Cheque, a fee will apply. For the latest fee information, refer to our Common Banking Services Standard Fees and Charges brochure available at any Commonwealth Bank branch. A paper copy will be provided to you without charge on request.

12. Government charges

- Whilst you are not required to provide us with your Tax File Number (TFN) / TFN exemption or Australian Business Number (ABN) in relation to an account, the Bank is obliged by law to withhold tax from interest where a TFN, TFN exemption or ABN has not been quoted on a Term Deposit, and where interest is payable to a non-resident.

13. Change of personal details

- You are required to notify the Bank promptly of a change to your name, address or the bank account your Term Deposit interest is credited to.

14. Breach of law

- If it appears to us that you may:
 - (a) be a proscribed person or entity under the Charter of the United Nations Act 1945 (Cth);
 - (b) be in breach of the laws of any jurisdiction relating to money laundering or counter-terrorism; or
 - (c) appear in a list of persons with whom dealings are proscribed by the government or a regulatory authority of any jurisdiction;

we may immediately refuse to process any transaction of yours, suspend the provision of a product or service to you, freeze or close your account.

- 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.

15. Severance

If any part of any of the General Information provisions or Terms and Conditions is found to be void or unenforceable for unfairness or any other reason (for example, if a court or other tribunal or authority declares it so) the remaining parts of these Terms and Conditions will continue to apply to the extent possible as if the void or unenforceable part had never existed.

16. Special Terms and Conditions – Term Deposits opened via the internet

- You must be at least 18 years of age and an Australian resident with an Australian address.
- If you apply for a Term Deposit via **commbank.com.au**, funds must be lodged via BPAY®. If you apply via NetBank (registered users only), funds must be transferred electronically from an eligible account in your name or joint names linked to your Client Number.

Terms and Conditions

- The applicable interest rate and lodgement date will be determined upon receipt of funds by the Bank. If the interest rate quoted for Term Deposits opened via the internet is no longer available, the money may be returned to you by electronic funds transfer to the account from which it was sent at your request within 5 business days of receipt of funds. Interest is not paid on money returned in these circumstances. Payment may be deferred for up to 5 days while that account is identified by the Bank.
- If you have not previously been personally identified by the Bank, you will be required under Australian law to provide acceptable forms of identification before the Bank will accept your request to withdraw funds and/or process any subsequent change to the information you provided online when applying for a Term Deposit via the internet. Until you provide acceptable forms of identification interest will be credited to your Term Deposit account.
- If you withdraw all or part of your funds at maturity, the money must be returned to you by electronic funds transfer to an account nominated by you or to the account from which it was originally sent. If you applied via **commbank.com.au**, payment may be deferred for up to 5 days while that account is identified by the Bank.

13 2221

24 hours a day, 7 days a week

[commbank.com.au](https://www.commbank.com.au)

Commonwealth Bank of Australia

ABN 48 123 123 124

