



Commonwealth Bank  
of Australia

# Current Terms and Conditions for Business Finance

Issued 15 July 2021

**DO NOT USE - NOT CURRENT**

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## Please read

It is important that *you* take the time to read and understand the *Contract*, including these *Terms and Conditions*.

## We're here to help

If *you're* not completely sure *you* understand all the terms and conditions in this document, *we* recommend *you* get legal or financial advice. *You* can also talk to *your* relationship manager, business banker or broker, or call *us* on 13 1998.

If *you* are experiencing financial difficulty making payments under a loan, then *you*, or *your* representative, should contact *us* as soon as possible. *We* can then discuss *your* situation and the options available to help *you*. The sooner *you* contact *us*, the sooner *we* can try to help.

## Banking code of practice

The Code of Banking Practice or, from 1 July 2019, the Banking Code of Practice, applies where relevant to *your* Facility if *you* are a small business as defined in the Code of Banking Practice or the Banking Code of Practice (as the case may be) or an individual.

*You* can obtain a copy of the Code by contacting *us* or visiting <https://www.commbank.com.au/about-us/opportunity-initiatives/policies-and-practices/banking-code-of-practice.html>

# A. Conditions for all Facilities

## A.1 YOUR CONTRACT WITH US

### A1.1 The Contract

A1.1.1 When we offer to provide you with one or more *Facilities*, the contract between you and us is made up of:

- this document;
- the *Offer Document*; and
- any other documents specified in the *Offer Document*.

A1.1.2 Except to the extent stated in these documents, other services we provide, such as payment or other transaction accounts or services, or access to your *Facility* using one of our electronic banking platforms, are governed by separate terms, not this *Contract*.

### A1.2 Using this document

A1.2.1 This document is in two parts, which you should read together:

- Part A** covers the terms and conditions that, unless otherwise stated, apply to all *Facilities*. You should read all of **Part A**.
- Part B** has more details about different types of *Facilities*, including yours. You only need to read the sections of **Part B** which are relevant to your *Facilities*.

A1.2.2 If there are inconsistencies:

- Part B** prevails over **Part A**, and
- the *Offer Document* (including any other actual documents referred to within it) prevails over both **Part A** and **Part B** of this document.

### A1.3 Which sections of Part B do you need to read?

For the terms relating to:	Read this section:
Agribusiness Line of Credit	B.3
Bank Guarantee	B.5
Better Business Loan	B.1
Business Credit Card*	B.7
Business Line of Credit	B.3
Contingent Liability Facility	B.5
Corporate Charge Card	B.7
Corporate Credit Card	B.7
Foreign Bills Negotiated Facility	B.5
Export Documentary Collection	B.5
Export Documentary Credit	B.5
Import Documentary Credit	B.5
Import Documentary Collection	B.5
Insured Export Finance Facility	B.5
Market Rate Loan	B.4
Multi-Option Facility	B.6**

#### For the terms relating to:

#### Read this section:

Overdraft

B.3

Procurement Management Account Facility

B.8

Trade Advance Facility

B.5

Trade Finance Facility

B.6

\* No longer available for sale.

\*\* You should also read the sections covering Sub Facilities.

### A1.4 If you are a Large Business Customer

A1.4.1 You are a *Large Business Customer* if:

- for a *Facility* obtained before 1 July 2019, the total Limits of your *Facilities* and those of Group Members have not been \$3million or more or your *Offer Document* says you are; and
- for a *Facility* obtained on or after 1 July 2019, at the time that you obtain the *Facility*, the total Limits of all your *Facilities* and the business debts owed to us by Related Entities is \$3million or more (including the *Facility* applied for). In that case, when you obtain that *Facility* you will also become a *Large Business Customer* for the purposes of all *Facilities* that you hold (including any *Facility* previously obtained when you were not a *Large Business Customer*), and you will be told this in your *Offer Document*.

A1.4.2 If you take out a new *Facility* from 30 April 2018, your *Offer Document* will make it clear if you are a *Large Business Customer*.

A1.4.3 Some of these *Terms and Conditions* apply only to *Large Business Customers*. For example, you need to meet extra conditions to avoid being in *Default*.

### A1.5 Declarations you make

Each time you sign an *Offer Document* or use a *Facility*, you declare that:

A1.5.1 (General declarations):

- the name of each individual given to us is correct;
- a *Security Provider* who gives us *Security* is the sole owner of the *Security Property*, or you have told us of any joint owners;
- each *Security Provider* has advice from the Commonwealth Government allowing them to take an interest in the *Security Property* if required by foreign investment laws;
- the *Security Property* is not, and will not become, subject to any kind of competing *Security Interest* or obligation without our prior written consent;
- you are not in default on any other credit agreement and nothing has happened which may put you in default in the future;

- (f) you're not breaching any laws or obligations to anyone else by signing this *Contract*;
- (g) none of the information you have given us is incorrect, incomplete or misleading; and

**A1.5.2 (for each Borrower that is a company):**

- (a) the company is financially sound and not under threat of liquidation;
- (b) there are no current, pending or threatened proceedings against the company that could have a *Material Adverse Effect*, including legal actions, arbitration or administration proceedings;
- (c) the *Contract* and each transaction contemplated under it either:
  - (i) benefits the company, does not create any conflict of interest and, where a *Related Party* of a public company is involved, does not breach Chapter 2E of the *Corporations Act*; or
  - (ii) has been approved by a resolution, duly passed by the shareholders of the company; and
- (d) where a transaction contemplated under the *Contract* involves giving financial assistance to buy shares in the company, that assistance is permitted under section 260A(1) of the *Corporations Act*; and

**A1.5.3 (for each Borrower that is a trustee),** the additional declarations in **A8.1** are true.

**A1.6 Laws that apply to this Contract**

The *Contract* is governed by the laws in the State or Territory of your address in the *Offer Document*.

**A1.7 Counterparts**

An *Offer Document* and any other documents specified in an *Offer Document* may be executed in any number of counterparts, all of which are taken together to constitute one and the same instrument.

**A1.8 Our power of attorney**

**A1.8.1** You irrevocably appoint each of our employees separately as our attorney to:

- (a) change any complete or inaccurate *Offer Document* as long as the change is consistent with the information or instructions you have provided;
- (b) do anything required to make the *Contract* complete and enforceable; and
- (c) endorse any negotiable instrument.

**A1.8.2** You indemnify us against all costs and losses resulting from this power of attorney, except to the extent they are caused by our negligence, wilful misconduct or fraud.

**A.2 SETTING UP AND USING YOUR FACILITY**

**A2.1 Purpose**

You can only use your *Facility* for the purposes set out in your *Offer Document*.

**A2.2 Cancelling your Facility before it is funded**

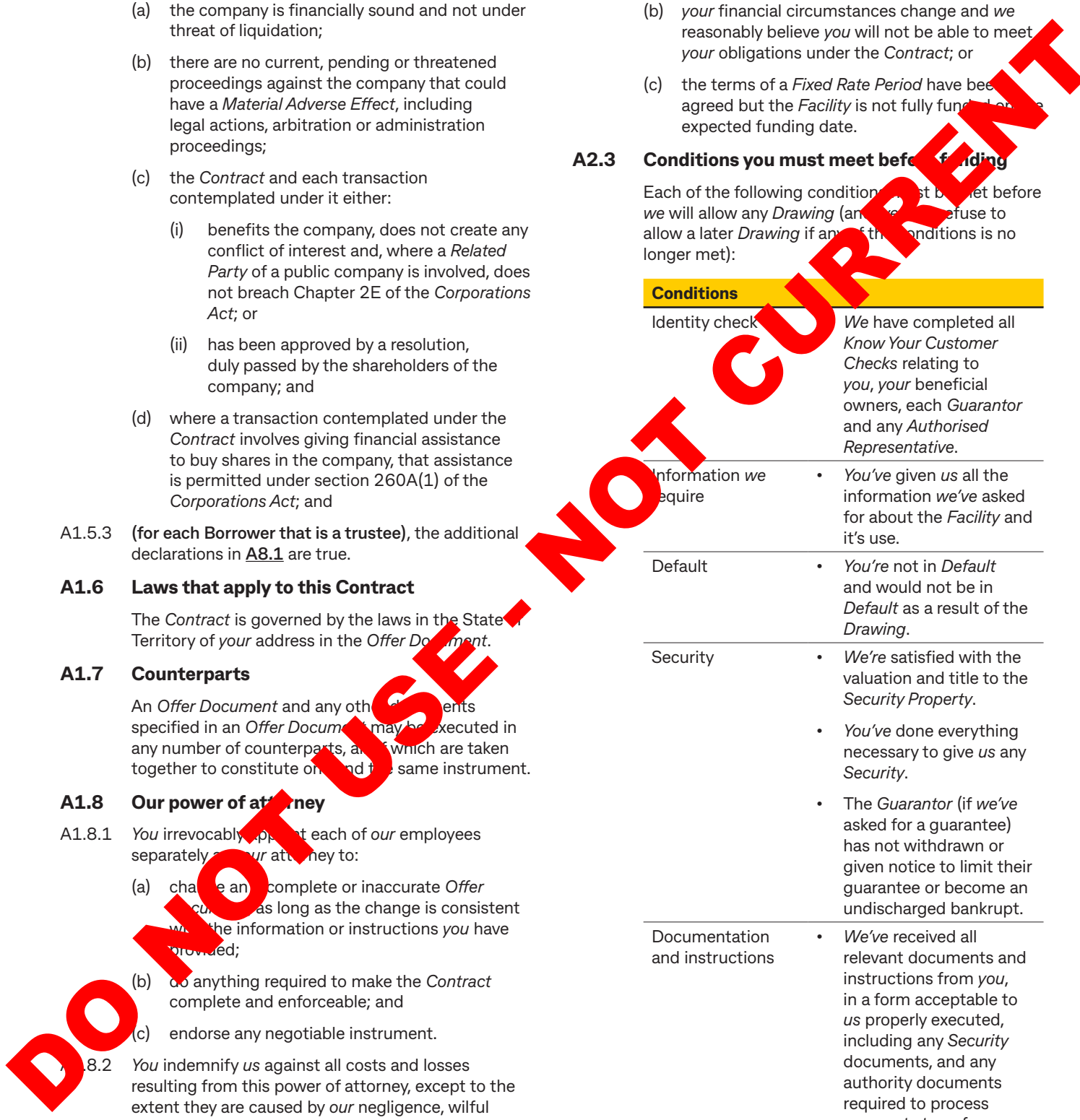
We can withdraw our offer or cancel a *Facility* at any time before you use it if:

- (a) you don't use it within 30 days of signing the *Offer Document*;
- (b) your financial circumstances change and we reasonably believe you will not be able to meet your obligations under the *Contract*; or
- (c) the terms of a *Fixed Rate Period* have been agreed but the *Facility* is not fully funded on the expected funding date.

**A2.3 Conditions you must meet before funding**

Each of the following conditions must be met before we will allow any *Drawing* (and we may refuse to allow a later *Drawing* if any of the conditions is no longer met):

Conditions	
Identity check	We have completed all <i>Know Your Customer Checks</i> relating to you, your beneficial owners, each <i>Guarantor</i> and any <i>Authorised Representative</i> .
Information we require	<ul style="list-style-type: none"> <li>• You've given us all the information we've asked for about the <i>Facility</i> and it's use.</li> </ul>
Default	<ul style="list-style-type: none"> <li>• You're not in <i>Default</i> and would not be in <i>Default</i> as a result of the <i>Drawing</i>.</li> </ul>
Security	<ul style="list-style-type: none"> <li>• We're satisfied with the valuation and title to the <i>Security Property</i>.</li> <li>• You've done everything necessary to give us any <i>Security</i>.</li> <li>• The <i>Guarantor</i> (if we've asked for a guarantee) has not withdrawn or given notice to limit their guarantee or become an undischarged bankrupt.</li> </ul>
Documentation and instructions	<ul style="list-style-type: none"> <li>• We've received all relevant documents and instructions from you, in a form acceptable to us properly executed, including any <i>Security</i> documents, and any authority documents required to process payments to or from your accounts.</li> </ul>



**Conditions**

Insurance	<ul style="list-style-type: none"> <li>You've given us evidence you have insurance which meets our requirements if we request it.</li> <li>We've obtained any lender's mortgage insurance we require.</li> </ul>
Sanctioned Jurisdiction	<ul style="list-style-type: none"> <li>(applicable to <i>Facilities</i> obtained or varied by agreement from 13 July 2021 and any <i>Facility</i> where you are a <i>Large Business Customer</i>) We are reasonably satisfied that you are not, and will not soon be, a resident of, or visitor to, a <i>Sanctioned Jurisdiction</i>.</li> </ul>
Additional conditions	<ul style="list-style-type: none"> <li>You've met any additional conditions set out in the <i>Offer Document</i>, including <i>Conditions Before Funding</i>, conditions prior to variation, or (in relation to a <i>Drawing</i> after the initial <i>Drawing</i>) <i>Conditions After Funding</i> (such as evidence of the value of building work completed).</li> </ul>
Nominated Account	<ul style="list-style-type: none"> <li>You've met the requirements in <b>A3.3.2</b> and <b>Part B</b> regarding any <i>Nominated Account</i>.</li> </ul>

**A.3 COSTS AND PAYMENTS****A3.1 What you must pay**

## A3.1.1 Principal

- (a) Your principal is the total amount we have advanced to you under your *Facility*, including (for *Facilities* under section **B.5**) under a *Payment Instrument*.
- (b) You must repay the principal advanced under your *Facility*:
- (i) as set out in **Part B** and your *Offer Document*, and
- (ii) in full by the final repayment date of the *Facility*, together with any other amounts still owing.
- (c) We will not require you to repay the *Residual Balance* until the end of the *Term* unless you are in *Default*. We are under no obligation to refinance your *Residual Balance*.

## A3.1.2 Interest

- (a) You must pay interest on the principal and any other outstanding amounts as set out in **Part B** and your *Offer Document* and *Account Confirmation Document*.

- (b) The *Interest Rates* that apply to a *Facility* are described in **Part B** and the *Offer Document* and *Account Confirmation Document*.
- (c) Unless otherwise specified:
- (i) We start calculating interest daily from the day we lend you money. We calculate the daily rate by dividing the *Interest Rate* by 365 (even in a leap year).
- (ii) We calculate your interest payments on the last calendar day of your agreed charging period (for example, each month) after processing all transactions on the *Loan Account*. Unless we have agreed to interest in advance payments, we charge interest and fees the next day.
- (iii) If we agree to allow you to pay interest in advance, we charge interest for the whole *Interest in Advance* period on the first day of that period. If you later pre-pay the *Facility* during that period, we will apply an *Interest in Advance Rebate*.

## A3.1.3 Default Interest

- (a) This clause does not apply to *Card Facilities*.
- (b) You must pay us *Default Interest* on any amount, including interest, which you fail to pay on the due date.
- (c) This does not affect your obligation to make all payments on time.
- (d) We charge *Default Interest*:
- (i) at our default interest rate: see [commbank.com.au/business/rates-fees.html](http://commbank.com.au/business/rates-fees.html); and
- (ii) daily on the overdue amount, including interest from the due date until the overdue amount is paid.
- (e) You must pay any outstanding *Default Interest* on the day you pay out the *Facility*.

## A3.1.3A Excess Drawing Interest

- (a) This clause does not apply to *Card Facilities*.
- (b) You must pay us *Excess Drawing Interest* on any amount which exceeds your *Limit*.
- (c) This does not affect your obligation to make all payments on time.
- (d) We charge *Excess Drawing Interest*:
- at our monthly excess drawing interest rate: see [commbank.com.au/business/rates-fees.html](http://commbank.com.au/business/rates-fees.html)
  - daily on the overdrawn amount from the date it became overdrawn until the overdrawn amount is paid.
- (e) You must pay any outstanding *Excess Drawing Interest* on the day you pay out the *Facility*.

## A3.1.4 Fees

- (a) You must pay fees as set out in **Part B** and your *Offer Document* as changed from time to time under **clause A.4**.

- (b) For a fee expressed as a per annum percentage, we calculate the daily rate by dividing the percentage by 365 (even in a leap year), unless otherwise specified.
- (c) We will provide you with a statement of the current standard fees, charges and interest rates applicable to your Facility, if you ask us.

#### A3.1.5 Establishment and management costs

- (a) You must reimburse us for costs we incur establishing or managing your Facility, including government duties, fees, taxes and legal costs.
- (b) If we can apply for a refund or credit for costs paid by you, we'll apply for it and pay you whatever part of it is owed to you.
- (c) We will provide you with a statement of the current standard fees, charges and interest rates applicable to your Facility, if you ask us.

### A3.2 When you must pay

- (a) Your Offer Document or Account Confirmation Document sets out your repayment details, including the times you must make repayments.
- (b) Your scheduled repayments will include a portion of your principal, unless your Facility has an interest-only period.
- (c) If any day that a payment is required to be made is not a business day that payment must be made on the first Business Day after that day.
- (d) If a repayment is due on the 29th, 30th or 31st day of the month, but a month does not have that date, it will be due on the last day of that month.

### A3.3 How you pay

#### A3.3.1 Authorisation

You authorise us to debit your Loan Account or your Nominated Account for all fees, interest, repayments, establishment and management costs, or other amounts owing under this Contract.

#### A3.3.2 Direct Debit – Nominated Account

- (a) This clause A3.3.2 applies if we require you to pay, or you request us to pay, by direct debit.
- (b) You must maintain an approved Nominated Account with sufficient funds and an up-to-date direct debit authority for each Facility.
- (c) Usually, the Nominated Account must be a transactional account with us that is in your name.
- (d) At our discretion, we may allow you to choose a Nominated Account in the name of a third party or with another financial institution.
- (e) You must make sure that any Nominated Account has enough money to meet your payment obligations from time to time.

- (f) We can help you by taking a request to cancel the Direct Debit Request and forwarding it to the Direct Debit User on your behalf. We can also stop payments to the Direct Debit User, which will prevent all debits for that Direct Debit User from being paid from your account.

#### A3.3.3 What happens if a payment is dishonoured

- (a) If a payment is dishonoured, it will be treated as if it has not been made. This may mean you are in default on your obligations, your Nominated Account may become overdrawn and you may incur associated fees.
- (b) We may try to collect the payment again on a later date by the same method.

#### A3.3.4 We can open a payment account

If a payment is not made, or is late, under the Contract, you authorise us to:

- (a) debit the credit balance of any other account you have with us, wholly or partly repay the outstanding amount; or
- (b) open a payment account in your name against which we may debit any outstanding amount you owe us under the Facility, including Default Interest on the outstanding amount.

### A3.4 How we apply your payments

If you have more than one Facility and pay more or less than the required amounts on any of them, we can decide how to apply any payment you make to your Facilities, unless you advise us how you want it applied.

### A3.5 If you cancel the Facility before funding

If you end the Contract before we provide the Facility, we can ask you to pay the accrued fees and charges under the Contract and keep fees and charges you have already paid.

### A3.6 Amounts in foreign currencies

- (a) We provide Facilities in Australian dollars and foreign currencies approved by us (these can change based on their availability).
- (b) When you make a foreign currency payment, we'll calculate the Australian dollar equivalent at our same day value selling rate, at 11:00 am on the day we make the calculation.

## A.4 CHANGES TO YOUR FACILITY

### A4.1 Changes you and we agree

- (a) Your Contract can only be changed in writing signed by you and us, except as set out in these Terms and Conditions.
- (b) If you ask for a change to the Facility and we agree, we'll send you a new Offer Document, an Account Confirmation Document or both. We may ask you to sign the documents to confirm the changes.



#### A4.2 Changes we can make without your agreement

- (a) The types of changes we can make to the *Contract* without *your* agreement are listed in the table below with the minimum notice period and the way we'll let *you* know of the changes.
- (b) Each of the type of changes below is a separate right and this **clause A4.2** is to be read as if each change was a separately expressed right.
- (c) If *you* don't like any of the changes, *you* can cancel the *Contract* by repaying the *Facility*. At that time, *you* may have to pay fees and charges, such as an *Early Repayment Adjustment* and an *Administrative Fee*.

- (d) No notice of change is required if a particular change has already been agreed in the *Contract* (for example, the expiry of special pricing on a certain date).
- (e) We can't change a *Fixed Rate* during the *Fixed Rate Period*. However, unless otherwise agreed, *Fixed Rates* described in an *Offer Document* are indicative only until the *Fixed Rate Period* and we do not have to notify *you* of the final *Fixed Rate* before the *Fixed Rate Period* begins.

#### Changes table

What we can change	How we can change it	Minimum notice period	How we will notify you about the change
(i) Variable <i>Interest Rates</i> or <i>Bill Rates</i> which are not <i>Market-Linked Rates</i> .  Includes reference rates, margins and premiums.  Note: CBA reference rates are also published on <a href="http://commbank.com.au">commbank.com.au</a> .	Increase them. <sup>1</sup>	If we haven't made the same change to other customers' <i>Interest Rates</i> , 30 days.  Otherwise, no later than the day on which the variation takes effect.	In writing <sup>2</sup> or by advertising in the national or local media.
(ii) Variable <i>Interest Rates</i> which are <i>Market-Linked Rates</i> .  Includes reference rates and margins and premiums.	Increase them. <sup>1</sup>	As soon as reasonably practicable (we are not able to notify <i>you</i> of these in advance).	In writing <sup>2</sup> or by advertising in national or local media.
(iii) Variable <i>Interest Rates</i>	<ul style="list-style-type: none"> <li>Change the basis on which interest is calculated.</li> <li>Change the frequency with which interest is debited or credited.</li> </ul>	30 days.	In writing. <sup>2</sup>
(iv) Fees (including any fee expressed as a percentage of your <i>Outstanding Balance</i> or <i>Limit</i> or other amount)	<ul style="list-style-type: none"> <li>Introduce a new bank fee.<sup>1</sup></li> <li>Increase an existing bank fee.<sup>1</sup></li> <li>Introduce a new or change an existing government fee which <i>you</i> pay under the <i>Contract</i>.</li> </ul>	30 days. 30 days.	In writing. <sup>2</sup> In writing <sup>2</sup> or by advertising in national or local media.
Repayments	<ul style="list-style-type: none"> <li>Increase the amount or frequency of scheduled repayments.</li> </ul>	30 days.	In writing. <sup>2</sup>
(vi) <i>Facility Limit</i>	Reduce or cancel the <i>Limit</i> .		As set out in <b>Part B</b> for the particular <i>Facility</i> .

What we can change	How we can change it	Minimum notice period	How we will notify you about the change
(vii) Any other term in the <i>Contract</i>	<p>Make any change which reduces <i>your</i> obligations or extend time for payment, including reducing interest rates, fees, or scheduled repayments.</p> <p>Make any <i>Regulatory change</i>, or make any change to:</p> <ul style="list-style-type: none"> <li>• Correct errors, inconsistencies or ambiguities.</li> <li>• Reflect changes in technology or <i>our</i> processes, including computer systems.</li> <li>• Include new product features or services, or changes to better meet customer needs.</li> <li>• Add, change or remove any concessions or benefits.</li> <li>• Bring <i>us</i> into line with <i>our</i> competitors, industry or market practice or best practice in Australia or overseas.</li> <li>• (<i>Card Facilities</i> only), manage risks including credit risk, fraud, operational or regulatory risk as we consider necessary.</li> </ul> <p>Make any other change which we reasonably consider is not adverse to <i>you</i> (except if <i>you</i> are a <i>Large Business Customer</i>, in which case, we can make a change whether adverse or not).</p>	<p>No later than when we give <i>you</i> the next statement of account.</p> <p>90 days if we reasonably consider the change will be adverse to <i>you</i>, except where urgent action is necessary to manage <i>our</i> risk.</p> <p>Otherwise no later than the day the change takes effect.</p>	<p>In writing<sup>2</sup> if the change is specific to <i>you</i> and not generally applicable to other customers.</p> <p>Otherwise, by advertising in the national or local media.</p>

1. For example, *Facility pricing* (e.g. margins, fees and rates) may be increased for the following reasons:

- Deterioration in credit worthiness;
- Increases in *our* costs;
- *Regulatory Change*; or
- Changes in market conditions.

2. If we can't reasonably contact *you*, we do not need to provide *you* with written notice and may instead rely on an advertisement in national or local media. Writing includes electronic notice under [clause A9.2](#).



## A.5 MANAGING YOUR ACCOUNT

### A5.1 Appointing Authorised Representatives

- (a) You can appoint one or more *Authorised Representatives* by signing *our* usual authority and providing evidence *we* request to complete *Know Your Customer Checks*. Different authorities may be required for different instruction methods.
- (b) Your *Authorised Representatives* can agree terms for any *Facility*. For example, an *Authorised Representative* may:
- (i) authorise or cancel any transaction;
  - (ii) agree to interest rates or repayment terms;
  - (iii) request rollovers;
  - (iv) agree on arrangements for ending this *Contract* or any related document or agreement; and
  - (v) obtain any information about the *Facility*.
- (c) Where there are multiple *Borrowers*, each *Authorised Representative* is authorised to act for all the *Borrowers*.
- (d) When you appoint an *Authorised Representative*:
- (i) you authorise us to rely on all instructions from anyone we reasonably believe to be an *Authorised Representative* (whether orally in person or by phone, in writing, fax, email or via one of *our* electronic banking platforms), without the need to make further enquiries; and
  - (ii) you release us from any liabilities and indemnify us for any losses resulting from their appointment, except those caused by *our* negligence, wilful misconduct or fraud.

The authority under this clause **A5.1** is in addition to any existing authority for your *Facility* and will not be revoked by any other authority unless we agree in writing.

### A5.2 Cancelling or changing Authorised Representatives

You may cancel or change your *Authorised Representatives* by notifying us in writing. We may notify you if we will no longer accept instructions from any *Authorised Representative*.

### A5.3 Protecting your privacy

#### A5.3.1 What information we collect

The information we may collect about you includes:

- information about your identity, such as your name and contact details;
- financial information you give us;
- information about your interactions with us, such as your transactions, payments and use of our websites; and
- information from public registers or third parties, such as service providers.

- You may give us information about others (such as a joint applicant or, if you are an organisation, its officers or owners).

If you do, you must have their permission and tell them what's in these privacy sections.

#### A5.3.2 Why we collect your information and what we use it for

We collect your information and use it to:

- Confirm your identity and manage our relationship with you;
- minimise risks;
- facilitate payment receipts and transactions;
- design, price, provide, manage and improve our products and services;
- let you know about products or services you may be interested in;
- comply with relevant laws, for example, the Anti-Money Laundering and Counter-Terrorism Financing Act 2006, the Autonomous Sanctions Act 2011, Taxation Administration Act 1953 and Income Tax Assessment Act 1936.

If you give us your contact details, you agree we may use these to communicate with you, including providing updates, reminders and marketing information. If you do not want to receive marketing information or want to change your contact preferences, call us on 13 2221.

#### A5.3.3 Who we may exchange your information with

You give us permission to share your information with other members of the *Commonwealth Bank Group*, who can use it for any of the purposes we can. We also share your information with others, such as:

- brokers, advisers and people who act on your behalf;
- service providers, such as product distributors;
- payment service operators, the *PayID* service and *PayID* participants;
- businesses who do some of *our* work for us;
- other financial institutions (such as banks), auditors, insurers and re-insurers;
- government and law enforcement agencies or regulators and relevant public registers; and

*Property Exchange Australia Limited (PEXA)*, if you have applied to transact through the *PEXA* System on your eligible Statutory Trust Account or other eligible trust account. Sometimes we might need to send your information overseas, for example:

- where we outsource particular functions;
- to overseas businesses in *our Group*;
- if we need to complete a transaction for you; and
- to comply with laws and assist government and law enforcement agencies or regulators.

See *our Privacy Policy* for information about which countries information may be sent to.

#### A5.3.4 Our Group Privacy Policy

Our Group Privacy Policy is available on our website at [commbank.com.au/privacy](http://commbank.com.au/privacy) or on request from any CommBank branch and should be read in conjunction with these terms and conditions. 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;
- how we process any personal data you provide us that is covered by the General Data Protection Regulation ("GDPR") and your rights under the GDPR; 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.

## A.6 YOUR ONGOING OBLIGATIONS

### A6.1 Financial information

#### A6.1.1 Keeping us informed

- (a) You must tell us if:
- (i) you change your address or contact details (including email address);
  - (ii) anyone is appointed to investigate your affairs or those of a Guarantor;
  - (iii) any Security Property is materially contaminated or is the subject of an environmental clean-up notice; and
  - (iv) there is any material litigation, dispute or claim made against you or your business.
- (b) You must give us any information or documents that might affect any Security Property or Security if we reasonably request them.

#### A6.1.2 Keeping records and providing financial information

- (a) You must keep proper accounts and records, according to current laws and generally accepted practices, to give a true and fair view of your financial position.
- (b) At any time, we can ask for an audit of your Management Accounts or any information we reasonably require about you, your business or related matters, including transactions conducted using a Facility. This includes information to comply with, or manage our risk in relation to, any laws (for example, anti-money-laundering laws).
- (c) You must give us copies of:
- (i) your Management Accounts and those of all Related Parties whenever we reasonably require them;
  - (ii) a certified copy of your constitution if we ask for it; and

(iii) un-audited Management Accounts within 35 days of the end of each month if we ask for them.

(d) You must also give us this company information within 30 days if we ask (but you don't have to give us the information until 120 days after the end of the relevant financial year):

- (i) copies of your annual Management Accounts;
- (ii) balance sheets and income statements for your directors, shareholders, promoters and Security Providers;
- (iii) monthly cash flow projections for the following financial year;
- (iv) a list of all outstanding debts payable and receivable, including how long they have been outstanding;
- (v) a list of stock you hold.

### A6.2 Tax reporting information

(a) As part of Australia's international obligations to combat tax evasion, we may ask you to provide additional information about yourself, a trust settlor or beneficiaries. Until you provide this information, we may stop you withdrawing any credit funds.

You must notify us promptly if the information you provide is out of date, by calling:

- (i) From Australia: 1300 077 141 (9am – 5pm in your state, Monday – Friday),
- (ii) From overseas: +61 2 9283 6096 (9am – 8pm, Sydney time, Monday – Friday). Call charges may apply.

### A6.3 Financial covenants

- (a) You must comply with any Financial Covenants set out in any current or previous Offer Document.
- (b) Usually, your Offer Document will not contain a Financial Covenant unless you are a Large Business Customer or your Facility involves specialised lending, such as margin lending, foreign currency lending, or lending for property development.

### A6.4 Other obligations

#### A6.4.1 Helping us

- (a) You agree to provide us with the assistance we reasonably require to:
- (i) ensure your Contract and any Guarantees are effective and binding;
  - (ii) ensure any Security is enforceable, perfected and effective, with the priority we require;
  - (iii) exercise rights over the Security or the Security Property;
  - (iv) show you have complied with your obligations under the Contract or any Security;
  - (v) help us get:

- (A) possession or control of, all negotiable instruments, marketable securities and similar instruments that are part of the Security Property, and
- (B) all documents of title or certificates (for example, share certificates) for the Security Property.

- (b) You also agree to help ensure Security Providers do anything we reasonably require for these purposes.

#### A6.4.2 Valuation

We may, not more than once every 2 years, request that the Security Property be revalued at your cost. If we do an inspection or valuation of the Security Property and we require you to pay for the inspection or valuation, a copy of the associated report can be made available to you upon request unless you are in Default.

#### A6.4.3 Maintaining insurance

If we've told you we require any insurance, you must maintain it with a reputable insurer to the level and against the risk we reasonably require, and give us evidence that you have it.

#### A6.4.4 Getting our consent for changes to a company

- (a) If you're a company, you must ask for our consent before:
  - (i) changing your form, nature, beneficial ownership, management or Control;
  - (ii) entering, revoking, cancelling, waiving or changing a Cross Guarantee; or
  - (iii) borrowing more than \$100,000 if it could have a Material Adverse Effect.
- (b) You must notify us in writing within 15 days of becoming aware that:
  - (i) any of these things have happened, or
  - (ii) there is a proposal for any of them to happen.
- (c) We won't reasonably withhold our consent.

#### A6.4.5 Complying with our consents

You must comply with all the conditions in any consent we give under this Contract. We'll only request consent or impose conditions if it's reasonable to do so.

#### B6.1.1 No assignment

You may not assign your rights under this Contract without our prior written consent.

## A.7 DEFAULTING ON YOUR CONTRACT

### A7.1 General obligations

- (a) You must make sure you are not in Default.
- (b) Each of the following situations listed in this clause A.7 is a separate event and this clause is to be read as if such situation was a separately expressed event constituting a Default under the Contract.

### A7.2 Default – All Borrowers

You will be in Default if:

- (a) you miss a scheduled repayment or don't pay us an amount by the due date;
- (b) you exceed your Limit (whether due to Drawings, currency fluctuations, interest or other charges being debited to the Loan Account, or otherwise) and you fail to repay such amount as is necessary to reduce the Outstanding Balance to an amount not exceeding the Limit:
  - (i) by the time required by the Terms and Conditions; or
  - (ii) if otherwise agreed with you in writing, by the agreed time; or
  - (iii) if neither (i) or (ii) apply, before the expiry of 90 days (whether or not (i), (ii) or (iii) above applies) from the relevant time or date is the "due date" for the purposes of clause A3.1.3 and the definition of Default (interest).
- (c) you or a Guarantor is Insolvent, goes into bankruptcy, voluntary administration, other insolvency process or arrangement, or no longer has legal capacity;
- (d) a material creditor enforcement action is taken against you or a Guarantor or their assets;
- (e) we believe on reasonable grounds that:
  - (i) it becomes unlawful for you or us to continue with the loan; or
  - (ii) you or anyone else associated with the Facility is a Proscribed Person;
- (f) you or a Guarantor gives us information or makes a representation or warranty to us which is materially incorrect or misleading (including by omission) and which materially increases our risk in relation to a Facility;
- (g) you use the Facility for a non-approved purpose which materially increases our risk in relation to a Facility;
- (h) a Security Provider's assets are dealt with, or attempted to be dealt with in breach of the loan, or any Security or other agreement with us without our consent and such dealing materially increases our risk in relation to a Facility;
- (i) you or a Guarantor do not provide us financial information as required;
- (j) you or a Guarantor do not maintain a material licence or permit required to conduct business;
- (k) you or a Guarantor do not maintain required insurance for the Security;
- (l) we decide there has been an unacceptable material change in the legal or beneficial ownership, or management or Control of you or a Guarantor or your or their business changes without our consent; or

- (m) in relation to a *Facility* which is a property development loan, foreign currency loan or margin loan, *you* breach a *Financial Covenant*.

### A7.3 Large Business Customers

If *you* are a *Large Business Customer*, *you* will also be in *Default* if:

- (a) early repayment is required under a separate financing arrangement *you* or a *Guarantor* has with *us*, due to an event of default (however described) arising from failure to meet a payment obligation;
- (b) *you* have to repay debts of more than \$100,000 to a third party earlier than expected because of default, or *you* don't pay debts of more than \$100,000 to a third party when they are due;
- (c) *you* or a *Guarantor* stop paying creditors, admit that *you* or they can't pay bills, or stop carrying on business (or threaten to);
- (d) *you* or a *Guarantor* propose, or enter into, any arrangement with *your* creditors because of liquidity problems;
- (e) a court or any other authority issues an order or attachment notice over money *we* owe *you* or a *Guarantor* which is not set aside;
- (f) *you* breach a *Financial Covenant*;
- (g) *you* are a company and any action is taken to start the winding up or deregistration of the company;
- (h) part or all of the *Security Property* is lost, stolen, seized, damaged beyond repair or subject to a court order which could have a *Material Adverse Effect*;
- (i) *you* don't keep to the other terms or conditions of *your Contract*;
- (j) *you* or a *Guarantor* don't keep to the terms or conditions of any *Security*;
- (k) anything happens that in *our* reasonable opinion could have a *Material Adverse Effect*.

### A7.4 What happens when you are in Default

- A7.4.1 (a) If *you* are in *Default*, and it can be fixed, we'll give *you* notice of the *Default* and 30 days to fix it before exercising our rights under the *Contract*. We may give *you* a shorter notice period, or no notice period is reasonable to manage a material and immediate risk relating to the nature of the relevant *default*, *your* particular circumstances, or the value of the security).
- (b) Despite paragraph (a), *we* may charge *Default Interest* under [clause A3.1.3](#) immediately).
- (c) If *you're* in *Default*, and it can't be fixed, *we'll* give *you* notice of the *Default* if *we* exercise our rights under the *Contract* (this may occur after *we* have exercised *our* rights).

A7.4.2 *We* may exercise our rights under the *Contract* if *you* are in *Default* and:

- (a) it can't be fixed;

- (b) it can be fixed and *you* haven't fixed it by the time *we* have asked;
- (c) *we* have made reasonable attempts to contact *you* without success; or
- (d) it can be fixed but *we* have not given *you* time to fix it and it is reasonable for *us* to do so to manage a material and immediate risk relating to the nature of the relevant *default*, *your* particular circumstances, or the value of the security .

A7.4.3 Subject to the above, actions *we* may take in *Default* include:

- (a) cancelling or suspending access to the *Facility* or *Limit*;
- (b) stopping payments under the *Contract*;
- (c) terminating the *Contract* and any other contract *you* have entered into;
- (d) requiring immediate payment of the *Outstanding Balance* and any other amounts payable by *you* under the *Contract*;
- (e) seizing and selling any *Security Property* or appointing a receiver in relation to any *Security Property*;
- (f) suing *you*; and

(g) if clause [A.7.2\(e\)\(ii\)](#) applies:

- refusing to process any of *your* transactions;
- stopping providing a product or service to *you*; or
- refusing to use, deal with or facilitate any assets of *yours* held by *us* (such as refusing to accept or credit a payment to a *Facility*), and *we're* under no liability to *you* if *we* do any, or all, of these things in good faith.

A7.4.4 Unless *you* are a *Large Business Customer*, *we* will only act on a specific event of non-monetary default identified, if the event by its nature is material, or *we* reasonably consider the event has had, or is likely to have, a material impact on

- (a) *You* and *your* guarantor's ability to meet *your* or their financial obligations to *us*;
- (b) *Our* credit or security risk (or *our* ability to assess these);
- (c) *Our* legal or reputation risk where:
  - (i) *we* believe on reasonable grounds that *you*, *your* agent or a guarantor has not complied with the law or any requirement of a statutory authority, or it becomes unlawful for *you* or *us* to continue with the loan;
  - (ii) *you* or a guarantor gives *us* information or makes a representation or warranty to *us* which is materially incorrect or misleading (including by omission);
  - (iii) *you* use the *Facility* for a non-approved purpose.



A7.4.5 If we get a court order for *you* to pay *us* an amount, we will charge interest on that amount using the highest of these rates:

- (a) the rate in the court order;
- (b) the applicable statutory interest rate; or
- (c) the rate in the *Contract*.

A7.4.6 *You* must pay *us* any reasonable expenses we incur in enforcing the *Contract*, including any *Break Cost*. We can set off any amount we owe *you* now or in the future against any amount *you* owe *us*.

## A7.5 Evidence of your current balance

A written statement signed by one of *our* *Authorised Officers* can be used as evidence of the current balance of *your Facility*, unless *you* decide to contest the statement in court.

## A.8 TRUSTEES

### A8.1 Declarations

If *you* are a trustee of a trust, *you* confirm:

- (a) any other trustees of the trust are *Borrowers* under this *Contract*;
- (b) *you're* also entering the *Contract* in *your* personal capacity;
- (c) *you* have the power under the trust deed and all the necessary authorisations to enter into the *Contract* and observe *your* obligations under it;
- (d) *you* have a right to be fully indemnified for all *your* obligations under the *Contract* out of the property *you* hold on trust;
- (e) the trust is validly constituted and has not been terminated;
- (f) either:
  - (i) there is no conflict of interest affecting *you* as trustee, *your Related Parties* or directors preventing *you* entering into or performing *your* obligations under the *Contract*; or
  - (ii) the trust deed permits *you* to enter into and perform *your* obligations under the *Contract* despite any conflict of interest that may affect *you*, *your Related Parties* or directors;
- (g) the trust fund is sufficient to satisfy *your* right of indemnity;
- (h) *you* are not in default under the trust deed and no action has been taken or proposed to terminate the trust;
- (i) *you* have complied with *your* trustee obligations, and *your* directors and officers have complied with their obligations, if the trustee is a company;
- (j) *you* have taken every necessary action to be authorised to execute the *Facility* and perform *your* obligations under the *Contract*;
- (k) executing the *Contract* is not a breach of trust on *your* part; and

- (l) *our* rights under the *Contract* have priority over the interest of the beneficiaries of the trust.

### A8.2 What you agree to do

*You* agree to:

- (a) give *us* a copy of the trust deed and any other documents setting out the terms of the trust when we ask or when they change;
- (b) exercise or hold for *us* *your* right of indemnity from the trust fund and the beneficiaries when we ask *you* to do so, so *you* can pay *us* the money owed under the *Contract*;
- (c) observe and perform *your* obligations as trustee of the trust; and
- (d) ensure any successor trustee complies with these *Terms and Conditions*.

### A8.3 What you agree not to do

Without *our* consent, *you* will not do anything to:

- (a) retire or be removed as trustee;
- (b) allow additional trustees to be appointed;
- (c) terminate the trust or vary the trust deed in a way that affects *your* ability to fulfil *your* obligations under the *Contract*;
- (d) re-settle the trust fund or determine a vesting date; or
- (e) limit *your* right of indemnity from the trust fund for actions *you* take to fulfil *your* obligations under the *Contract*.

## A.9 NOTICES

### A9.1 How to send us notices

All notices *you* send *us* must be in writing. *You* can send *us* notices by:

- (a) delivering them to the branch; or
- (b) post, fax or email,

using the contact details in *your Contract*.

### A9.2 How we will contact you

#### A9.2.1 Notice methods

We can give *you* a notice:

- (a) in person at a branch;
- (b) by delivering or posting it to *your* last known address;
- (c) by faxing it to *your* last known fax number;
- (d) if we are permitted by law and the Code of Banking Practice or the Banking Code of Practice (as the case may be):
  - (i) by emailing it directly *your* last known address;
  - (ii) by notifying *you* that *you* can view it on *our* website or online banking platform; or
  - (iii) by advertising in the national or local media if this is permitted under clause A4.2; or
- (e) in any other way permitted by law.

### A9.2.2 When a notice takes effect

Unless a later date is set out in the notice, *our* notices to *you* take effect as follows:

Notices sent by	Take effect
Post	On the day they would normally be received.
Fax	At the time shown on a transmission report showing the fax was sent in full.
Email	On the day the email is received by <i>your</i> email host or internet service provider.
Making it available online	On the day the notice advising <i>you</i> it is online takes effect.
Advertising in media	On the day the advertisement appears in the media.

Notices are considered fully effective even if, at the date of the service, *you* are:

- lacking in mental capacity;
- deceased;
- bankrupt;
- Insolvent*;
- absent from *your* usual residence;
- a corporation in liquidation or which has had an administrator or receiver appointed; or
- are incapable of accessing *your* email, or the online information, as relevant; or
- are unable to receive or view the advertisement in the media.

## A.10 OUR RIGHTS, REVERSE PAYMENTS AND REFUSAL OF SERVICE

### A10.1 Exercising our rights

A10.1.1 We can enforce this *Contract* before or after we enforce *our* rights under any *Security*. If we don't exercise a right fully at a given time, we can still exercise it later unless we have expressly agreed not to or it would be unconscionable.

A10.1.2 *Our* rights and obligations under this *Contract*:

- can be exercised by any of *our* *Authorised Officers*, lawyers or agents;
- are in addition to other rights provided by law independently of the *Contract*; and
- can be assigned or otherwise dealt with at any time and in any way we consider appropriate.

A10.1.3 If we notify *you* that we have assigned *our* rights under this *Contract* to an assignee, *you* can exercise the same rights against the assignee trying to exercise, failing to exercise, or delaying exercising a right under this *Contract*, unless the loss is caused by *our* or *our* receiver's negligence, fraud or willful misconduct.

### A10.2 Liability for loss

We're not liable for loss caused by exercising, as if it had not been made for the purpose of this *Contract*, any *Security* or any *Guarantee*. We may also stop *you* withdrawing the relevant amount.

### A10.3 Exclusions

- Unless the law doesn't allow it, any law that limits *our* rights under this *Contract* is excluded.
- The rights we have under this *Contract* are independent of the rights we have under any *Security*, or *our* rights under the law. We can exercise them even if we get an order or judgment against *you*.

### A10.4 Returns and mistaken payments

We may be obliged or may voluntarily agree to refund a payment if ordered by a court or if a trustee in bankruptcy, a liquidator or someone else asks us to do so (for example, as a result of a mistaken payment). If that happens, we may return the funds to the relevant party without giving *you* notice and treat the original payment as against us.

### A10.5 When we refuse to serve you

A10.5.1 We may:

- refuse to process any of *your* transactions;
- stop providing a product or service to *you*; or
- refuse to use, deal with or facilitate any assets of *yours* held by us, when
- we are permitted to under clause A7 (*Default*), or,
- subject to our obligations under the Banking Code of Practice, immediately and without giving *you* a reason, if:
  - we reasonably consider necessary to comply with *our* financial crimes policies or any laws (eg Sanctions) in Australia or overseas, including if we believe on reasonable grounds that *you* or *your* *Authorised Representative*, or another person involved in a *Facility* transaction is a *Proscribed Person*, or
  - (applicable to *Facilities* obtained or varied by agreement from 13 July 2021 and any *Facility* where *you* are a *Large Business Customer*) we believe on reasonable grounds that *you* are or will soon be a resident or visitor of a *Sanctioned Jurisdiction*.

A10.5.2 We're under no liability to *you* if we do any, or all, of these things in good faith.

A10.5.3 Nothing in these *Terms and Conditions* restricts rights we may have under other terms or conditions to refuse service.

## A.11 MEANINGS OF WORDS

### A11.1 Interpretation

- A reference in this document to:
  - the singular – includes the plural and vice versa;



- (ii) a document – includes any variation or replacement of it;
  - (iii) law – means common law, principles of equity, and laws made by parliament (including regulations and other instruments under laws made by parliament and consolidations, amendments, re-enactments or replacements of any of them);
  - (iv) a thing – includes the whole and each part of it; and
  - (v) 'includes', 'including' or an 'example' is without limitation.
- (b) If a *Contract* references a defined term which is not listed in these *Terms and Conditions*, its meaning is as it was defined in the last version of the *Terms and Conditions* which included that definition.

### A11.2 Understanding Financial Covenants

Following is an explanation of some terms used in common *Financial Covenants*.

#### Aggregate Facility Limit or AFL

- (a) *Your Offer Document* may set out an *Aggregate Facility Limit*, which is the maximum amount we are willing to lend you across all of your *Facilities*.
- (b) Over time, your *Aggregate Facility Limit* decreases by the amount of the loan principal you have paid off. If the total amount owing under your *Facilities* exceeds your *Aggregate Facility Limit* at any time, you must immediately repay the amount over that limit.

#### Business Asset Ratio

The ratio of:

- (a) the sum of each *Group Member's* *Qualifying Current Assets*, cash and short-term deposits and investments, to
- (b) the sum of each *Group Member's* *Creditors*.

#### Credit Exposure Limit or CE

- (a) The *Offer Document* may include a *Credit Exposure Limit*, which is the maximum amount we are willing to lend you across all of your *Facilities*, depending on the *Value of Qualifying Current Assets*.
- (b) This is calculated as a percentage of the *Value of Qualifying Current Assets* set out in your *Offer Document*.
- (c) If the value of your *qualifying Current Assets* falls below the *VQCA* at any time, your *Credit Exposure Limit* will also fall. If this happens, you must immediately repay any amount over the *Credit Exposure Limit*.

#### Creditors

The total value of money owed by you to others, including trade creditors and *Sundry Creditors/Accruals*.

#### Current Assets

The sum of each *Group Member's* total current assets, less the amount of any loans receivable within 12 months from beneficiaries, shareholders, directors or *Related Parties*.

#### Current Liabilities

The sum of each *Group Member's* total current liabilities, less the total amount of any loans payable within 12 months to any beneficiaries, shareholders, directors or *Related Parties*.

#### Current Ratio

The ratio of:

- (a) *Current Assets*, to
- (b) *Current Liabilities*.

#### Debt Service Coverage Ratio

The ratio of:

- (a) *Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA)* PLUS non-recurring expenses MINUS non-recurring income, to
- (b) *principal and Interest Expense*.

#### Earnings Before Interest

The sum of each *Group Member's* *Net Profit* plus *Interest Expenses*, for the *Reporting Period*.

#### Earnings Before Interest and Tax

The sum of each *Group Member's* *Net Profit Before Tax* plus *Interest Expenses*, for the *Reporting Period*.

#### Earnings Before Interest, Tax, Depreciation And Amortisation (EBITDA)

For the *Reporting Period*, the sum of each *Group Member's*:

- (a) *Net Profit Before Tax* from their business operations, plus
- (b) *Interest Expenses*, *Depreciation Expense* and *Amortisation*.

#### Environmental Law

A law regulating or otherwise relating to the environment, including but not limited to:

- (a) any law relating to land use or planning, pollution of air or water, soil or ground water contamination, chemicals, waste, use of dangerous goods, or to any other aspect of protection of the environment or persons or properties; and
- (b) any statute now or in the future in force relating to heritage places, clearing land within the boundaries of catchment areas and water reserves and the protection and management of natural vegetation.

#### Interest Coverage Ratio

The ratio for the *Reporting Period* of:

- (a) the sum of *Net Profit Before Tax* and *Interest Expense*, to
- (b) *Interest Expense*.

**Interest Expense**

The total interest paid or accrued for any finance or other financial accommodation granted to any *Group Member*.

This includes any:

- (a) fees and charges (including commitment, utilisation and non-utilisation fees of a regular and recurring nature calculated as a percentage fee of the limit or balance) for any finance or other financial accommodation including any guarantee, indemnity or *Letter of Credit* under any bill of exchange, promissory note or discounting arrangement, and
- (b) finance charges under any hire purchase or lease agreements for which a *Group Member* is actually or contingently liable.

**Liquidity Ratio**

The ratio of:

- (a) the sum of *Current Assets* and the amount of the financial accommodation we've made available to *you*, less the actual or contingent amount outstanding, to
- (b) *Current Liabilities*.

**Net Profit Before Tax**

Each *Group Member's* gross sales/revenue from normal operating activities, less any allowable discounts and total expenditure (brought to account on an accrual basis).

**Net Worth**

The sum of each *Group Member's Total Tangible Assets* less their *Total External Liabilities*.

**Non-Tangible Assets**

Intangible assets including, but not limited to, goodwill, copyright, patents and trade marks.

**Property Development Budget**

A document that details the total development costs, sales income and the cash flow timing of the development costs and sales income to determine the feasibility of and funding requirement for the project.

Total development costs are on a GST-exclusive basis and include acquisition costs, design/ council costs, holding/construction costs, holding costs, fixing/selling costs, interest capitalisation and construction/project contingency. Sales income includes the gross realisations of the project less allowance for GST and sales commission.

**Qualifying Current Assets**

The total of:

- (a) accounts receivable of less than 91 days standing
- (b) finished goods, work in progress and raw materials, excluding goods:
- (c) declared in writing by *us*, or by the *Group Member* who owns the goods, to be obsolete, and

- (d) which are subject to any claim by a *Group Member's* supplier.

**Quick Asset Ratio**

The ratio of:

- (a) *Current Assets* less *Total Inventory*, to
- (b) *Current Liabilities*.

**Reporting Period**

- (a) Any period we define as the reporting period which we notify *you* of in writing.

**Sundry Creditors/Accruals**

- (a) Amounts due and payable within the next 12 months by a *Group Member* or any third party. This does not include trade creditors or loans to two or more shareholders, directors or related parties.

**Total Inventory**

The sum of each *Group Member's* finished goods, work in progress, and raw materials.

**Total Assets**

A *Group Member's* total *Current Assets* and non-*Current Assets*.

**Total External Liabilities**

- (a) *Total Liabilities* (*Current* and non-*Current Liabilities*), less any loans to a *Group Member* from beneficiaries or from its shareholders, directors or related parties.
- (b) This doesn't include loans to a *Group Member* from beneficiaries or its shareholders, directors or *Related Parties* who are subordinated under a deed of subordination in favour of *us*, in respect of the *Facility*.

**Total Interest Bearing Debt**

- (a) The aggregate amount of money borrowed or raised by each of the *Group Members* or financial accommodation made available to any *Group Member* which incurs *Interest Expense*.
- (b) This excludes any loans to a *Group Member* from beneficiaries or from shareholders, directors or related parties.

**Total Liabilities**

The sum of each *Group Member's* total current and non-*Current Liabilities*.

**Total Revenue**

- (a) The total of Gaming Machine Commissions or gaming machine net takings, plus all other revenue.
- (b) This includes bar takings and catering, commissions, interest and rent received and sundry income, but excludes abnormal and extraordinary items.

**Total Tangible Assets**

*Total Assets* less:

- (a) the sum of each *Group Member's Non-Tangible Assets*, and
- (b) any loans by a *Group Member* to beneficiaries or to its shareholders, directors or *Related Parties*.

**Total Wages to Total Revenue**

Total wages as a percentage of *Total Revenue*.

**Value of Qualifying Current Assets (VQCA)**

The sum of each *Group Member's Qualifying Current Assets* at a point in time.

**A11.3 Definitions**

In this *Contract*, the following words have the meanings given below:

**Account Confirmation Document**

A document we prepare to supplement an *Offer Document* which is issued after the *Facility* is funded, or after a change to *your Facility* which sets out applicable details of the *Facility* or *Loan Account*, including of the:

- (a) date of the first and subsequent *Drawdown* or funding;
- (b) *Interest Rate*;
- (c) repayment details;
- (d) interest charging frequency; and
- (e) *Fixed Rate Period*,

which are not known at the time we issue the *Offer Document*.

Later *Account Confirmation Documents* prevail over earlier *Account Confirmation Documents* at the *Offer Document* to the extent of any inconsistency.

**Administration Fee**

The fee you pay us to cover administrative costs relating to the *Pre-payment* of a fixed rate BetterBusiness Loan.

The fee amount is set out in the *Offer Document*.

**Authorised Officer**

Our officers who meet the definition of 'officer' in the *Companies Act*.

For example, those with 'manager' or 'executive' in their position title.

**Authorised Representatives**

Any of *your* representatives or any *Person* other than *you* who have been identified in an authority to *us* including any *Person* referred to as an:

- (a) 'Authorised Signatory' on one of *our* standard forms of authority for business accounts; or
- (b) 'Authoriser' in one of *our* standard forms of authority for operation on Facilities using CommBiz.

**Available Redraw Balance**

*Available Redraw Balance* means the difference between the balance owing on the *Facility* and the estimated contracted balance at that point in time as calculated by *us*. This amount may be less than the total of any *Special Repayments* you have made.

**BBSY**

See Bank Bill Swap Bid Rate (BBSY).

**Bank Bill Swap Bid Rate (BBSY)** means:

- (a) the 'Screen Rate'; or, if such rate is not available for any reason,
- (b) the arithmetic mean, (rounded upwards, if necessary, to four decimal places) of the rates quoted to *us* by the 'Reference Banks' at or about 10.30 a.m. (Sydney time) on the first day of the 'Relevant Period' (regarding the highest and lowest rates quoted) for the purchase of a bill accepted by *us* or 'Reference Banks' having a face amount equal to the amount of the advance and a period equal or approximately equal to the 'Relevant Period' (or, if the 'Relevant Period' is subject to adjustment, for a term equal or approximately equal to the duration of the 'Relevant Period' prior to such adjustment); or, if the 'Screen Rate' is not available and fewer than two 'Reference Banks' are willing to provide quotes,
- (c) the rate reasonably determined by *us* to be *our* cost of funds having regard to prevailing market conditions.

If that rate is less than zero, the BBSY shall be deemed to be zero.

In this definition:

'Reference Banks' means National Australia Bank Limited, Westpac Banking Corporation and Australia and New Zealand Banking Group Limited or such other banks or financial institutions as *you* and *we* may agree.

'Relevant Period' means the period to which BBSY or the BBSY-derived rate will apply under *your Contract* with *us*, which may mean, for example, the *Reset Period* for a Market Rate Loan.

'Screen Rate' means the Australian Bank Bill Swap Reference Rate (Bid) administered by ASX Benchmarks Pty Limited (ACN 616 075 417) (or any other person which takes over the administration of that rate) for the *Relevant Period* and displayed (before any correction, recalculation or republication by the administrator) on page BBSY of the Thomson Reuters Screen (or any replacement Thomson Reuters page which displays that rate). If such page or service ceases to be available, *we* may, acting reasonably, specify another substantially equivalent page or service.

**Bill**

A bill of exchange (other than a cheque) for the purposes set out in the *Bills of Exchange Act 1909*.

For **Part B.5**, this includes a draft or a foreign *Bill*.

**Borrower**

Each *Person* named as the 'Borrower' in the *Offer Document*.

If there is more than one borrower, the singular term is still used but refers to any combination of one or more borrowers.

**IRRM Break Cost**

For a *Contract*, this is any costs or losses calculated in accordance with any requirements in **Part B** associated with:

- (a) liquidating or redeploying deposits or other amounts from third parties that were arranged or acquired for funding the *Contract*;
- (b) pre-paying or ending any *Facilities* that were entered into to fund the *Contract*. This may include the difference between:
  - (i) the return we would have received under the *Contract* if it hadn't ended early; and
  - (ii) the return we receive by re-investing the principal we recover on early termination.

**Business Day**

Any day which is not a Saturday, Sunday, or public holiday, special holiday or bank holiday in the relevant location.

For the payment or purchase of a currency other than AUD, the location is the principal financial centre of the country of that currency. Otherwise, the location is Australia.

**Card Facility**

A *Facility* to which **section B.7** applies.

**Common Maturity Pool Date**

A date we set when the pool constituted by aggregating *Fixed Rate Facilities* is set for repayment in full. This is a date within one calendar month on either side of the maturity date set out in the *Offer Document*.

**Conditions After Funding**

Any conditions, covenants or undertakings that you must observe after the *Facility* is funded. These are set out in the 'Conditions After Funding' section of the current and any previous *Offer Document*.

**Conditions Before Funding**

Any conditions that you must observe before the *Facility* is funded. These are set out in the 'Conditions Before Funding' section or 'Conditions Prior to Funding' of any *Offer Document*.

**Contingent Liability Instrument**

- bank guarantee;
- *Shipping Guarantee and/or Missing Bill of Lading*;
- *Standby Letters of Credit*;
- *Documentary Credit*; or

any other *Contingent Liability Instrument* to which **clause B.5.2** applies.

**Contract**

The contract between you and us. It consists of:

- (a) these *Terms and Conditions*;
- (b) the *Offer Document* you sign; and
- (c) any other documents referred to in an *Offer Document* as comprising part of the *Contract* for a *Facility*.

If your *Facility* was entered into before 30 April 2018, it includes any documents that formed part of your *Contract* before that date.

**Control**

The power to directly or indirectly govern an *Entity's* financial and operating policies in order to obtain benefits from its activities, as defined in Accounting Standard AASB 1024: Consolidated Accounts (or, if applicable, Australian Accounting Standard AAS 24: Consolidated Financial Reports).

**Corporations Act**

Corporations Act 2001 (Cth).

**Cross Guarantee**

A guarantee or other instrument in connection with the granting by ASIC of an order under the *Corporations Act* giving relief to a corporation's directors from the law's requirements as to accounts and reports.

**Default**

Circumstance of default as described in the *Contract*.

**Default Interest**

The interest you pay us on any amount, including interest, which you fail to pay on the due date.

**Drawdown or Drawing**

The action taken when you use money under, access credit under, draw a *Bill* under, or we issue a *Contingent Liability Instrument* under, a *Facility*.

**Early Repayment Adjustment**

The adjustment we may make when:

- (a) in relation to a *Loan* with a *Fixed Rate*:
  - (i) you make a full or partial *Pre-payment*;
  - (ii) we require you are required to make a partial or full repayment due to a reduction or cancellation of the *Limit*;
  - (iii) you fail to draw a *Loan* with a fixed *Interest Rate*; or
  - (iv) you change the *Fixed Rate Period*, repayment amounts, repayment frequency, interest rate or repayment type.
- (b) in relation to a Market Rate Loan Account, you make a payment or we require you to make a payment other than on a *Reset Date*.

This is our reasonable estimate of our loss as set out in the relevant section of **Part B** for your *Facility*.

**Entity**

Any legal, administrative or fiduciary arrangement, organisational structure or other party (including a *Person*).

**Excess Drawing Interest**

The interest you pay us on any amount which exceeds *your* Limit.

**Facility**

The finance and other forms of financial accommodation we make available to you under the *Contract*, as set out in the *Offer Document* and (if applicable) an *Account Confirmation Document*. Includes any *Master Facility* and any *Sub Facility*.

**Financial Covenant**

Any condition set out in an *Offer Document* that:

- (a) is identified as a *Financial Covenant*; or
- (b) requires compliance with a financial indicator or financial benchmark, such as any described in **A6.3**.

**Fixed Rate Facility**

A *Facility* conducted at a *Fixed Interest Rate*.

**Fixed Rate Period**

The period for which an *Interest Rate* is fixed, described in the *Offer Document* or *Account Confirmation Document*.

**Group Member**

In relation to you means you and each other entity for which we administer a customer service relationship as a group as determined by us and includes co-account holders, related entities, associates, guarantors and *Security Providers*.

**GST**

Any Goods and Services Tax (or similar tax). It includes any related additional tax, interest, penalty, fine or other charge.

**Guarantee**

A guarantee provided in relation to obligations under the *Contract*.

**Guarantor**

Each *Person*, other than any *Borrower* nominated to provide *Security*, or who is nominated to provide a guarantee or named as 'Guarantor' in an *Offer Document*. This includes the *Guarantor's* executors, administrators and assigns.

**Insolvent**

In respect of a *Person*, means the happening of any of these events:

- (a) the *Person* is, or makes a statement which leads us to reasonably conclude they are, insolvent under administration or insolvent (each as defined in the *Corporations Act*);
- (b) the *Person* has had a controller appointed over any of its property, is in any form of liquidation, is under administration or is wound up;

- (c) the *Person* is subject to any arrangement, assignment, moratorium or composition, is protected from creditors under any statute, or is dissolved, (other than to carry out a reconstruction on terms approved by us);
- (d) an application or order has been made (and, in the case of an application, it is not stayed, withdrawn or dismissed within 30 days), resolution passed, proposal put forward, or any other action taken, in connection with the person, which is preparatory to or could result in any of the things referred to above;
- (e) the *Person* is taken under the *Corporation Act* to have failed to comply with a statutory demand;
- (f) a court would presume the *Person* to be insolvent or unable to pay the person's debts or the *Person* is otherwise unable to pay the person's debts when they fall due; or
- (g) something having a substantially similar effect to any of the things referred to above happens to the *Person*.

**Interest in Advance Period**

The period when interest is payable in advance.

**Interest in Advance Rebate**

If you pre-pay a *Facility*, we may give you a rebate on any interest you paid in advance. We calculate this by:

- (a) taking the amount you have pre-paid;
- (b) multiplying it by the *Facility Interest Rate* and the number of days left in the *Interest in Advance Period*; and
- (c) dividing the result by 365.

**Interest Rate**

An annual rate of interest, including any margin or premium, charged under the *Contract*.

**Know Your Customer Checks**

The customer identification procedures and customer due diligence we are obliged to undertake under the law in relation to customers and account signatories and mortgagors.

**Large Business Customer**

A *Borrower* who meets the criteria in **clause A1.4**.

**Letter of Confirmation**

An *Account Confirmation Document* so entitled.

**Letter of Credit**

A letter issued from one bank to another that guarantees payments to a particular *Person* under specified conditions.

**Letter of Offer**

An *Offer Document*.

**Letter of Variation**

An *Offer Document* so entitled which varies the *Contract*.



**Limit**

The largest amount made available through the *Facility*, as set out in the *Offer Document*.

**Loan**

A *Facility* under which we lend *you* money.

**Loan Account**

An account we set up in *your* name to record transactions for *your Facility*.

**Management Accounts**

The profit and loss accounts and balance sheets on an individual and consolidated basis, for *you* and *your Related Parties*, for a specific period. This also includes:

- (a) any statements, reports and notes that are attached to, or intended to be read with, the profit and loss accounts or the balance sheets or both;
- (b) any directors' statements and reports and auditor's reports, without limitation; and
- (c) any other associated records we reasonably require.

**Market-Linked Rate**

An *Interest Rate* which is linked to money market rates or external reference rates, such as:

- (a) *BBSY*; and
- (b) *Variable Market Rate* (referred to in [section B.4](#) Market Rate Loans) *CBA Market Rate* (referred to in [section B.4](#) Market Rate Loans).

**Material Adverse Effect**

Something that, in *our* reasonable opinion, adversely changes:

- (a) *your* ability to perform *your* obligations under the *Contract* or a *Security*;
- (b) the value of, or the amount that may be recovered on the sale of, *Security Property*; or
- (c) *our* rights and remedies in relation to any *Security*.

**Nominated Account**

A transaction bank account that we approve under [clause 3.3](#) and from which we are authorised to debit repayments or other amounts payable by *you* under the *Contract*.

**Offer Document**

The document we prepare that sets out the details of a *Facility* which:

- (a) references these *Terms and Conditions*, or a variation of them, and
- (b) records the details of the *Contract* or variation. *Offer Documents* are to be read cumulatively, with later *Offer Documents* having precedence over earlier *Offer Documents* to the extent of any inconsistency.

**Outstanding Balance**

The balance of all unpaid amounts which have been charged to the *Facility*, including principal, accrued interest and accrued fees.

**Payment Instrument** has the meaning given to it in clause [B5.10](#).

**Person**

Includes:

- (a) an individual;
- (b) an individual acting on behalf of a firm;
- (c) a body corporate;
- (d) an unincorporated association; and
- (e) an authority.

**Pre-payment**

A payment that *you* make before it is due.

**Proscribed Person**

A *Person* who appears to us:

- (a) to be a proscribed person or Entity under the Charter of the United Nations Act 1945 (Cth) or the Autonomous Sanctions Act 2011 (Cth) and associated regulations;
- (b) to be acting on behalf of, or for the benefit of, or illegally conducting business with, a *Person* who is or appears to be one of the following:
  - (i) a proscribed person or Entity under the Charter of the United Nations Act 1945 (Cth) or the Autonomous Sanctions Act 2011 (Cth) and associated regulations;
- (d) in breach of the laws of any jurisdiction relating to money-laundering or counter- terrorism; or
- (e) with whom dealings are proscribed by the government or a regulatory authority of any jurisdiction.

**Regulatory Change**

A change required by law, or the Banking Code of Practice or to implement or adopt a decision, recommendation, regulatory guidance of any court, tribunal, Australian Financial Complaints Authority service or an industry regulator.

**Related Entity**

'Related Entity' as defined in section 9 of the Corporations Act 2001 (Cth).

**Related Party**

Any *Entity* that:

- (a) has *Control* or significant influence over *you*;
- (b) is subject to *Control* or significant influence by *you*; or
- (c) is subject to the *Control* of any *Entity* which has *Control* over *you*.

In this definition:

- (a) a trust may be a *Related Party*, and
- (b) 'significant influence' means the capacity of an *Entity* to substantially affect the financial and/ or operating policies of another *Entity*.



**Repayment Schedule**

For a *Loan Account* or a *Facility*, the schedule we issue that sets out *your* scheduled repayments.

**Residual Balance**

The principal amount specified as the *Residual Balance* in the *Offer Document* for a *Facility*.

**Sanctioned Jurisdiction**

Certain jurisdictions, which are the subject of Australian or international sanctions, and which may be found at [commbank.com.au/sanctionedcountries](http://commbank.com.au/sanctionedcountries) (this list may change from time to time without notice to *you*).

**Sanctions**

Any sanctions, trade embargoes or similar measures imposed from time to time by Australia, the United States of America, the European Union, the United Kingdom and any other applicable jurisdiction, and their respective governmental and official institutions including the United Nations Security Council.

**Security**

Any *Security Interest* for *your* obligations, or those of a *Guarantor*, under a *Contract* or associated guarantee. This includes any proposed *Security* to which we have agreed. In an *Offer Document*, 'Security' also includes *Guarantee*.

**Security Interest**

A mortgage, charge or other encumbrance in relation to real property or an interest in relation to goods or other personal property, a charge, consignment, pledge, transfer of title or assignment that in substance secures payment or performance of an obligation under a contract or a guarantee.

**Security Property**

Property provided as collateral under a *Security*.

**Security Provider**

A *Person* who provides:

- (a) a *Guarantee* for the *Contract*, or
- (b) *Security* for the *Contract* or *Guarantee*. This includes a proposed *Security Provider* to which we have agreed.

**Special repayments**

Has the meaning given in [B1.1.2\(a\)](#).

**Term**

The duration over which *Facility* or *Loan* repayments are to be made, as described in the *Offer Document* and the *Account Confirmation Document*.

For a fixed term *Facility*, it starts on the date the *Loan* is funded. For a revolving *Facility* with an indefinite term, it starts on the date the *Limit* is implemented.

**Terms and Conditions**

The terms and conditions set out in this document (the 'Current Terms and Conditions for Business Finance').

**Trade Advance**

An advance which provides short-term finance for domestic and overseas import and export transactions. It's an advance of money for a fixed term at a fixed *Interest Rate* set at start of the *Loan*.

**Transaction Tenor**

The period of time before a payment obligation falls due or otherwise matures.

**we or us and our**

Commonwealth Bank of Australia (ABN 48 123 124 Australian Credit Licence 230 745) and its respective successors and assigns.

**you and your**

Any *Person* who agrees to be bound by the *Contract*. If there are more than one *you*, 'you' means each of *you* separately and two or more of *you* jointly. 'your' also includes *your* executors, administrators and assigns.

# B. Conditions for Specific Facilities

## B.1 BETTERBUSINESS LOANS

### B1.1 Setting up and using your loan

#### B1.1.1 Drawing down on your Loan

- (a) You can borrow up to the *Facility Limit*.
- (b) Unless we agree otherwise, you must draw down the entire *Loan* amount in a single lump sum within three months of the date of the *Offer Document*. After that, your *Limit* is reduced to the current *Loan* amount.
- (c) If we agree that you can progressively draw down more than one amount and two years have passed since the offer, we may reduce your *Limit* to the current *Loan* amount.
- (d) If you don't draw funds within agreed timeframes, or you don't comply with conditions for extending your time to draw the *Loan*, we may cancel the undrawn *Facility*.
- (e) If we reasonably consider your financial circumstances have changed and you will not be able to meet your obligations under the Contract; we may suspend or cancel the undrawn *Facility*.

#### B1.1.2 Redrawing Special Repayments

- (a) *Special Repayments* are repayments you make on a *Variable Rate Loan* in addition to your scheduled repayments.
- (b) We may:
  - (i) allow you to redraw *Special Repayments* up to the *Available Redraw Balance*.
  - (ii) require you to make a request to redraw in a particular way and
  - (iii) set minimum redraw amounts.
- (c) Your full *Available Redraw Balance* is available at our discretion.
- (d) We may cancel your *Available Redraw Balance* at any time and notify you after the event.
- (e) Redraw is not available on *Fixed Rate Loans*.
- (f) Without limiting our discretion under clauses B1.1.2(c) and (d), we may refuse to allow you to redraw special repayments at any time if:
  - (a) the *Facility* has not yet been fully advanced;
  - (b) the *Facility* has been fully repaid;
  - (c) the requested redraw is lower than a minimum redraw threshold we may set from time to time; or
  - (d) any of the conditions set out in clause A2.3 is not met in relation to the redraw as if it were a *Drawing*.

### B1.2 Costs and payments

#### B1.2.1 Interest

- (a) Interest

- (i) For each day there is an *Outstanding Balance*, you're liable for interest on it. The day's interest rate will be the *Interest Rate* divided by 365 (even in a leap year), and it will be applied to the *Outstanding Balance* at the end of the day.
- (ii) After we have processed transactions to the *Loan Account*, we will calculate the interest on the last calendar day of each month (or on any other agreed interest charging cycle). We will then charge interest the next day by debiting it against your *Loan Account* (as part of the *Outstanding Balance*).

#### (b) Your Interest Rate

- (i) Your *Interest Rates* are set out in your *Offer Document* or *Account Confirmation Document*.
- (ii) If your interest charging cycle is not monthly, your *Interest Rate* may also include a premium, set out in your *Offer Document* or *Account Confirmation Document*.
- (iii) If we determine your *Interest Rate* by starting with a base rate (the reference rate) and adding or subtracting any premium or discount (the margin), and the result is less than zero, then your *Interest Rate* will be deemed to be zero.

#### B1.2.2 Fixed rate loans

Your *Offer Document* may set out an indicative fixed *Interest Rate*. The actual fixed *Interest Rate* will be set on the day your loan is funded and set out in an *Account Confirmation Document*, together with the first repayment due date, repayment frequency and the *Fixed Rate Period*.

#### (a) When a *Fixed Rate Period* ends

When a *Fixed Rate Period* ends, the *Interest Rate* will revert to the relevant variable CBA reference rate applicable to the BetterBusiness Loan at the time, unless you and we have agreed the terms of a new *Fixed Rate Period* or variable rate in a new *Offer Document*.

#### (b) Interest in Advance

- (i) If you have a fixed rate loan, we may agree to let you pay interest in advance for a maximum of 12 months at a time.
- (ii) If your *Offer Document* shows interest is payable in advance, we will debit interest for the whole advance period on the first day of that period.
- (iii) You must still pay other interest or *Default Interest* accrued during the *Interest in Advance Period*.

#### (c) Pre-paying or changing fixed rate Loans

- (i) If you have a fixed rate *Loan*, we may allow you to:
- (A) repay all or part of the *Loan* during the *Fixed Rate Period*;
  - (B) change the *Fixed Rate Period*, repayment amounts, repayment frequency, *interest rate* or repayment type; or
  - (C) switch to a variable *Interest Rate*.
- (ii) We treat each such change as a *Pre-payment* in respect of the *Outstanding Balance* which is the subject of the change.
- (iii) Usually, we do not allow any *Pre-payment* less than \$25,000.
- (d) *Early Repayment Adjustment*
- (i) You must pay an *Early Repayment Adjustment* and the *Administration Fee* on the *Pre-payment Date*.
  - (ii) This is because fixed interest rate loans are provided on the understanding that only the scheduled repayments will be made over the *Fixed Rate Period*. While we may let you make a *Pre-payment* for all or part of the *Outstanding Balance*, you will be liable to pay the *Early Repayment Adjustment*.
- Warning:** If the wholesale market swap rate falls, the *Early Repayment Adjustment* can be high. You can ask us for an estimate of an *Early Repayment Adjustment* at any time.
- (iii) The *Early Repayment Adjustment* is our estimate of our loss based on the difference between our wholesale market swap rate on:
- (A) the date the *Interest Rate* was fixed for the *Fixed Rate Period*; and
  - (B) the date of the *Pre-payment* for the *Outstanding Balance* of the *Fixed Rate Period*.
- (iv) We do not take into account any scheduled repayments of principal and the current value of the *Early Repayment Adjustment* in the calculation.
- (v) Our estimate may not reflect the actual transactions we entered into when you fixed the *Interest Rate*, or as a result of a *Pre-payment*. That's because we estimate our loss from a *Pre-payment* on a portfolio basis – in the same way we manage our interest rates and *Facility* funding.
  - (vi) If you ask us, we'll give you a statement setting out how we estimated the *Early Repayment Adjustment* as a result of the *Pre-payment*, including the formula.
  - (vii) We may also charge you an *Early Repayment Adjustment* and *Administration Fee* if a fixed rate *Loan* becomes repayable early because of your *Default*.

- (e) Pre-paying your *Loan* during an *Interest in Advance Period*
- (i) You can pre-pay all or part of your *Loan* during an *Interest in Advance Period*. If you do, we'll pay you an *Interest in Advance Rebate*.
  - (ii) You authorise us to apply the *Interest in Advance Rebate* to satisfy any obligation you have to pay any amount you owe under the *Contract*.

#### B1.2.3 Variable rate Loans

You can fully or partially repay a variable rate *Loan* at any time by giving us two days' notice.

#### B1.2.4 When you must pay the *Outstanding Balance*

- (a) You must pay the *Outstanding Balance* and any other amounts payable by you under this *Contract* by the end of the *Term*, unless we have given you written notice stating otherwise.
- (b) Until the *Outstanding Balance* is paid, interest will continue to accrue on it (although the rate may change in accordance with these *Terms and Conditions*), and you must continue to make interest and fees payments at the same frequency.
- (c) We may, but are not required to, change scheduled repayments in line with interest rate changes. If we don't change the scheduled repayments, this may result in a larger than expected *Outstanding Balance* which has to be repaid when the *Facility* ends.

#### B1.2.5 Nominated Account

You must make payments under a BetterBusiness Loan *Facility* by direct debit against a *Nominated Account* unless otherwise agreed.

### B1.3 Changes to your Facility

#### B1.3.1 Limit subject to annual review (*Large Business Customers* only)

If you are a *Large Business Customer*:

- (a) We may review your *Limit* each year. We may cancel or reduce it by giving you 90 days' written notice if we reasonably consider that you won't be able to meet your obligations under the *Contract* because of a change in your financial circumstances.
- (b) If we reduce or cancel your *Limit*, you must repay such amount as is necessary to reduce the *Outstanding Balance* to an amount not exceeding the *Limit* by the end of the notice period and the *Early Repayment Adjustment* (calculated as if you had prepaid the *Loan* on the date it was cancelled if applicable).

### B1.4 Managing your account

#### B1.4.1 Statements

We will send you a statement of your account every three months or any other agreed period by us that does not exceed three months.

**DO NOT USE - NOT CURRENT**

This section has been left blank intentionally

## B.3 LINES OF CREDIT AND OVERDRAFT FACILITIES

### B3.1 Setting up and using your Facility

#### Your Facility Limit

- (a) You can borrow up to the *Facility Limit* set out in your *Offer Document*. Your *Limit* may be a temporary limit, or include a temporary limit that will automatically expire or be reduced on a set date.
- (b) If we provide credit over your *Limit*, we can still refuse future drawings that would put (or keep) your balance over your *Limit*.

### B3.2 Costs and payments

#### B3.2.1 Interest

- (a) For each day there is an *Outstanding Balance*, you're liable for interest on it. The day's interest rate will be the *Interest Rate* divided by 365 (even in a leap year), and it will be applied to the *Outstanding Balance* at the end of the day.
- (b) After we have processed transactions to the *Loan Account*, we will calculate interest on the second-last calendar day of each month (or on any other agreed interest charging cycle). We will then charge interest the next day by debiting it against:
  - (i) your *Loan Account* (in which case it will become part of the *Outstanding Balance*); or
  - (ii) if you have chosen to pay by direct debit, your *Nominated Account*.

#### B3.2.2 Your Interest Rate

- (a) Your *Interest Rates* are set out in your *Offer Document* or *Account Confirmation Document*.
- (b) If you choose an interest-charging cycle other than monthly, your *Interest Rate* may also include a premium, set out in your *Offer Document* or *Account Confirmation Document*.
- (c) If we determine your *Interest Rate* by starting with a base rate (the reference rate) and adding or subtracting a premium or discount (the margin), and the result is less than zero, then your *Interest Rate* will be deemed to be zero.

#### B3.2.3 Paying Interest

- (a) Within 30 days of the end of each month or other agreed interest-charging period, you must deposit enough money in your *Loan Account* or (if you have chosen to pay by direct debit) the *Nominated Account* to cover interest, fees and charges debited from that account during the period.
- (b) If you have an AgriBusiness Line of Credit, we may allow you to wait up to two years from the date of the *Offer Document* before paying interest, as long as the account balance stays below your *Limit*.

### B3.3 Changes to your Facility

#### B3.3.1 Reducing or cancelling your Limit

- (a) You can reduce or cancel your *Limit* at any time. We can reduce or cancel your *Limit* by giving you 90 days' written notice.
- (b) If we reduce or cancel your *Limit*, you must repay such amount as is necessary to reduce the *Outstanding Balance* to an amount not exceeding the *Limit* by the end of the notice period.
- (c) We can require you to repay the *Outstanding Balance* at any time provided we give you 90 days' written notice.

### B3.4 Managing your account

#### B3.4.1 Statements

We will send you a statement every three months or any other agreed period that does not exceed three months.

### B3.5 How to use your cheque account (if applicable)

#### B3.5.1 Clearance

Cheques usually takes three business days to clear in Australia, although it may take longer to clear individual cheques or cheques sent from other countries. It is no longer possible to clear a cheque faster by requesting special clearance as special answers requests have been removed from service.

#### B3.5.2 Unpaid Cheques

- (a) A cheque can be dishonoured by a bank because of an irregularity or because there is not enough money in the drawer's account to cover it including the cheque is post dated or stale.
- (b) The drawer of a cheque may ask their bank to stop payment on it. The bank is required to act on these instructions provided the cheque has not already been paid.
- (c) If you wish to stop a payment on a cheque you should contact us on 13 1998 24 hours, 7 days a week and provide the cheque number. A stop payment fee may apply.

#### B3.5.3 Cross Cheques

- (a) A crossing is two parallel lines drawn vertically on a cheque. The crossing acts as an instruction to the bank to accept the cheque only into a bank account and not to cash it.
- (b) The inclusion of the words 'not negotiable' in the crossing helps protect the true owner of the cheque if it is lost or stolen.
- (a) The words 'account payee only' in the crossing serve as a warning to the bank not to accept deposit of the cheque except to the account of the named payee.

- (b) The deletion of the words 'or bearer' from a cheque; the drawer is directing the bank to pay the amount of the cheque only to the payee or in accordance with the written endorsement of the payee.

#### B3.5.4 Writing Cheques

- (a) To reduce the risk of a cheque being changed in an unauthorised way ensure *you*;
- (i) sufficient cleared funds in *your* cheque account to cover the amount of the cheque *you* are writing
  - (ii) write only on the forms provided by the bank in pen
  - (iii) never sign blank cheques and date each cheque *you* have signed
  - (iv) cross *your* cheques with two parallel lines, unless *you* want cash
  - (v) write legibly and ensure the amounts in words and figures agree
  - (vi) keep *your* cheques in a safe place at all times. If *your* cheques are stolen or lost, contact *us* immediately on 13 1998.

**DO NOT USE - NOT CURRENT**



## B.4 MARKET RATE LOANS

### B4.1 Setting up and using your Facility

#### B4.1.1 Your Facility Limit

- (a) You can borrow up to the *Facility Limit* set out in your *Offer Document*.
- (b) If your *Offer Document* or *Facility* confirmation letter states your *Facility* is in reduction, your *Facility Limit* will be reduced by the total of any principal repayments set out in *Repayment Schedules* for your *Loan Accounts*. For example, if you have two *Loan Accounts* (A and B), and your *Repayment Schedules* require you to make principal repayments of \$100 for *Loan Account* A and \$50 for *Loan Account* B on the same day, then your *Facility Limit* will be reduced by \$150 on that day. If the *Loan Accounts* A and B have different *Reset Dates*, the *Facility Limit* will reduce by \$50 on one day and by another \$100 on another.

#### B4.1.2 Conditions you must meet before funding

- (a) You can access funds from your *Facility* by withdrawing them from a *Loan Account*, after your *Facility* has been funded. Before we fund a *Loan Account*, you must:
  - (i) meet the conditions set out in [clause A2.3](#), and
  - (ii) agree to all the terms for the *Loan Account*, including the amount you will drawdown, any principal repayment arrangements and the next *Loan Account Reset Date*.

#### B4.1.3 Drawing funds from a Loan Account

- (a) You can *Drawdown* under a *Loan Account*:
  - (i) when your *Loan* is first funded,
  - (ii) on the *Loan Account Reset Date*, if we receive your drawdown instructions to increase the balance drawn under the *Loan Account* at least one day before the *Reset Date*.
- (b) Drawdown under a new *Loan Account* can be set up on any *Business Day* whether or not it is an existing *Reset Date*.
- (c) We will send you an *Account Confirmation Document* setting out each drawdown of a *Loan Account* made under the *Facility*.

### B4.2 Costs and payments

#### B4.2.1 Interest

- (a) For each day there is an *Outstanding Balance*, you're liable for interest on it. The day's interest rate will be the *Interest Rate* divided by 365 (even in a leap year), and it will be applied to the *Outstanding Balance* at the end of the day. After we have processed transactions to the *Loan Account*, we will calculate and charge interest to your *Nominated Account* on each *Reset Date* or each month, as agreed with you.

- (b) Each *Reset Period* lasts for three months, beginning on the date your loan is funded, unless we agree otherwise. If we agree to a period other than three months, we will charge you a *Reset Fee*, as set out in your *Offer Document* and *Account Confirmation Document*.

#### B4.2.2 Your Interest Rate

- (a) Variable Market Rate
  - (i) Your *Interest Rate* is the *Variable Market Rate* plus or minus a margin as set out in your *Offer Document*.
  - (ii) We set the *Interest Rate* based on the *Variable Market Rate* on the day the *Loan Account* is funded and on each *Reset Date*, subject to any *IRRM Agreement* with you. We will confirm the *Interest Rate* in your account statements on CommBiz or NetBank, if your *Loan Account* is linked to them.
- (b) What happens when an *IRRM Fixed Term* ends? The 'fixed Term' set out in an *IRRM Agreement* ends before your *Facility* expires, then the *variable Market Rate* will apply from its *Scheduled Maturity Date*, unless you enter into a new *IRRM Agreement*.

#### B4.2.3 Pre-paying Market Rate Loans

- (a) If you pre-pay your *Loan* and we make a loss due to your *Pre-payment*, we will charge you an *Early Repayment Adjustment*. We calculate the *Early Repayment Adjustment* as our reasonable estimate of the difference between:
  - (i) the amount we could earn if we re-lent the *Pre-payment* at the applicable *Variable Market Rate* from the *Pre-payment* date to the *Reset Date*, and
  - (ii) the amount we would have earned if the *Pre-payment* had not been made until the *Reset Date*.
- (b) If you pre-pay a *Loan Account* with an *IRRM Agreement*, you may also have to pay any *IRRM Break Cost* and a *Termination Fee*, as set out in the *IRRM Agreement*.
- (c) This [clause B4.2.3](#) also applies if we require you to make an early payment (for example, on default).

#### B4.2.4 Ending an IRRM Agreement before the Scheduled Maturity Date

- (a) If you end an *IRRM Agreement* before its *Scheduled Maturity Date*, you must immediately pay us:
  - (i) the *Termination Fee* set out in the *IRRM Agreement*; and
  - (ii) any *IRRM Break Cost*;
  - (iii) any expenses which we incur because of the termination, including any reasonable legal or out of pocket expenses;
  - (iv) any fees unpaid up to the date of termination; and

(v) the net present value of any fees under the *IRRM Agreement* otherwise payable from the *Termination Date* to the *Scheduled Maturity Date*, as calculated by *us* in good faith.

(b) We may debit these amounts from your *Nominated Account* or any other account you hold with *us*.

#### B4.2.5 How we calculate our *IRRM Break Cost*

- (a) We calculate our *IRRM Break Cost*:
- by calculating the mark-to-market value of the *IRRM Agreement* on the *Termination Date*;
  - in accordance with accepted practices in the Australian over-the-counter interest rate derivatives market;
  - using market rates (including any appropriate margin) chosen by *us* in good faith; and
  - based on the same variables as the *IRRM Agreement*, which may include the *Interest Rate*, 'Cap Rate', 'Floor Rate', *Reset Dates*, *Loan Account balance* and *Scheduled Maturity Date*.
- (b) If the calculation shows we have made a loss, that loss is our *Break Cost*.

#### B4.2.6 After an *IRRM Agreement* is ended

- (a) If you end an *IRRM Agreement* without repaying the *Loan Account*, the *Loan Account* will continue on the same terms as would have applied without the *IRRM Agreement*.
- (b) If you end the *IRRM Agreement* on a *Reset Date*, the interest rate from that date will be the day's applicable *Variable Market Rate*. Otherwise, the interest rate from the *Termination Date* will be the interest rate that would have applied on the previous *Reset Date* if the *IRRM Agreement* had not been in place.

#### B4.2.7 When you must pay the *Outstanding Balance*

- (a) You must pay the *Outstanding Balance* and any other amount payable by you under this Contract at the end of the *Term*, unless we have given you written notice stating otherwise.
- (b) Until the *Outstanding Balance* is paid, interest will continue to accrue on it (although the rate may change in accordance with these *Terms and Conditions*), and you must continue to make interest and fees payments at the same frequency.

#### B4.2.8 Nominated Account

You must make payments under a *Market Rate Loan Facility* by direct debit against a *Nominated Account* unless otherwise agreed.

### B4.3 Changes to your Facility

#### B4.3.1 Changing your *Loan Accounts*

If you are not in *Default*, you can ask *us* at any time to:

- (a) add or close *Loan Accounts*, and

(b) transfer funds between *Loan Accounts*, as long as:

- the total debit balances don't exceed your *Facility Limit*;
- the transfer is on a *Reset Date*; and
- any *IRRM Agreement* relating to the *Loan Account* permits it.

#### B4.3.2 Limit subject to annual review (*Large Business Customers* only)

If you are a *Large Business Customer*

- (a) We may review your *Limit* each year. We can reduce or cancel your *Limit* by giving you 90 days' written notice if we reasonably consider that you won't be able to meet your obligations under the *Contract* because of a change in your financial circumstances.
- (b) If we reduce your *Limit*:
- you must repay any amount required to ensure your *Outstanding Balance* does not exceed the *Limit* at the end of the notice period; and
  - we may terminate any *IRRM Agreement* before its *Scheduled Maturity Date*.
- (c) We may cancel your *Limit*:
- you must repay the *Outstanding Balance* and any other amount owing to *us* at the end of the notice period; and
  - we may terminate any *IRRM Agreement* before its *Scheduled Maturity Date*.

### B4.4 Managing your Account

#### B4.4.1 Statements

We will send you a statement of account for each *Loan Account* every three months or any other period agreed by *us* that does not exceed three months.

### B4.5 Meanings of words

In this section B.4, the following words have the meanings given below:

#### **CBA Market Rate**

The interest rate reasonably determined by *us*, based on the *Bank Bill Swap (BBSY)* rate and prevailing market conditions.

It is applied to all similar *Facilities* with similar amounts and terms on the *Reset Date*.

#### **Interest Rate Risk Management (IRRM)**

A risk management arrangement you may use to help limit your exposure to a change in liability due to movements in interest rates, including:

- a hedge product such as interest rate swap;
- an interest rate option which includes cap, floor and collar transactions; and
- any other similar products.

#### **IRRM Break Cost**

The amount calculated in accordance with [clause B4.2.5](#).

**Reset Confirmation Letter**

Our letter confirming the next Reset Date or other variation to *Facility* under *Loan Account* within a Market Rate Loan *Facility*.

**Reset Date**

The date specified as such in an *Account Confirmation Document* or *Reset Confirmation Letter*, unless otherwise specified in an *IRRM Agreement*.

If it falls on a weekend or public holiday, the *Reset Date* will usually be the next *Business Day* after the stated date. However, if that day falls in the next calendar month, the *Reset Date* will be the preceding *Business Day*.

**Scheduled Maturity Date**

The date so identified in the relevant *IRRM Agreement*.

**Termination Date**

Has the meaning given in the relevant *IRRM Agreement*.

**Termination Fee**

Has the meaning given in the relevant *IRRM Agreement*.

**Reset Period**

The period between consecutive *Reset Dates*.

**Variable Market Rate**

*Bank Bill Swap Bid Rate (BBSY)* or *CBA Market Rate*, as applicable.

**DO NOT USE - NOT CURRENT**

## B.5 CONTINGENT LIABILITY FACILITY AND TRADE FINANCE FACILITIES

### B5.1 About this section

This section sets out terms and conditions for the following types of *Facilities* and *Trade Products* and *Services*.

- (a) Contingent Liability Facility (section B5.2 (Contingent Liability Facility)) (under which you can request us to issue any of the below):
- (i) Bank Guarantee;
  - (ii) Shipping Guarantee;
  - (iii) Missing Bill of Lading Guarantee;
  - (iv) Standby Letters of Credit;
  - (v) Documentary Credit; or
  - (vi) any other trade finance product or service which we have agreed to issue as a *Contingent Liability Instrument* under a Contingent Liability Facility as set out in your *Offer Document*.
- (b) Trade Advance Facility and Insured Export Finance Facility (section B5.3 Trade Advance Facilities) for domestic purchases, import purchases, domestic sales and export sales.
- (c) Imports
- (i) Import Documentary Credits (section B5.4 (Import Documentary Credits)).
- (d) Exports
- (i) Export Documentary Credits (section B5.5 (Export Documentary Credits)),
  - (ii) Foreign Bills Negotiated Facility (section B5.6 (Foreign Bills Negotiated Facilities)).
- (e) Collections
- (i) Import Documentary Collections (section B5.7 (Collections)),
  - (ii) Export Documentary Collections (section B5.7 (Collections)).

You should also read section B5.9 ('Trade Finance Fees Table') and section B5.10 ('Meaning of Words').

### B5.2 Contingent Liability Facility

#### B5.2.1 Setting up and using your Facility

##### (a) Your Facility Limit

The total liability for all of your *Contingent Liability Instruments* must not exceed the *Limit* set out in your *Offer Document*.

##### (b) Issuing a Contingent Liability Instrument

You can ask us to issue a *Contingent Liability Instrument* or accept liability under an instrument at any time. We will only do so if:

- (i) the aggregate of our contingent liability for all *Contingent Liability Instruments*, would, if we granted your request, not exceed the *Limit*;

- (ii) you sign any documents we require (such as a particular form of indemnity) in relation to your request;
  - (iii) you agree to any conditions we make, including in relation to security we require from you; and
  - (iv) you agree to our additional applicable terms and conditions if you are asking us to issue an instrument or accept liability electronically.
- (c) Any *Contingent Liability Instrument* issued must be in accordance with your instructions that we determine the form.
- (d) Before we issue, endorse or accept a *Contingent Liability Instrument* if we ask, you will arrange for an issuer acceptable to us to deliver to us a backing *Bank Guarantee* in our favour and in terms acceptable to us.

#### B5.2.2 Release of Security

We do not have to release any *Security* after termination of the *Facility* or expiry of all *Contingent Liability Instruments* until we have had a reasonable opportunity to determine the validity of any claim or potential claim under the *Facility*.

#### B5.2.3 Assigning the benefit of a Contingent Liability Instrument

You acknowledge that:

- (a) the benefit of a *Contingent Liability Instrument* cannot be assigned without our agreement, and
- (b) provided it is permissible under our *anti-money laundering, counter-terrorism and sanctions policies*, is not contrary to any applicable law and, where you are a trustee of a trust, is not in breach of trust, claims by a named *Beneficiary* under a *Contingent Liability Instrument* may be paid to another *Person* at the *Beneficiary's* direction.

#### B5.2.4 Dealing with Documents

##### (a) You must:

- (i) In relation to a Shipping Guarantee and/or Missing Bill of Lading Guarantee:
  - (ii) take reasonable steps to obtain the relevant original bills of lading, transport or title documents and, upon receipt, deliver them to us or as we may direct; and
  - (iii) in relation to a *Bank Guarantee*, take reasonable steps to ensure our liability under any *Bank Guarantee* we issue is released and the original *Bank Guarantee* or indemnity is returned to us for cancellation.
- (b) If we agree to any request you make to authorise the release or delivery of a shipment of *Goods* which are the subject of an *Import Documentary Credit* we have issued, this will be treated as if we have made payment and, in that event, you:

- (i) waive all discrepancies that may appear in the *Documents* and accept all such *Documents* presented under the relevant *Import Documentary Credit*;
- (ii) must reimburse *us* as required under clause **B5.4.1(a)** (Import Documentary Credits) for any payment made by *us* under the relevant *Import Documentary Credit*, irrespective of discrepancies that may appear on the *Documents*; and
- (iii) authorise *us* to honour any relevant drawings without examining the presented *Documents*.

#### B5.2.5 Costs and payments

##### Reimbursing us if we pay

- (a) If we are called on to pay a *Beneficiary* under a *Contingent Liability Instrument*, as a result of:
  - (i) endorsing, countersigning or issuing a *Bank Guarantee*;
  - (ii) authorising the release of *Goods* covered by air waybills or customs assessment notices or consignments; or
  - (iii) delivering air waybills or customs assessment notices or control of consignments to *you*, or we elect to pay a *Beneficiary* under a *Contingent Liability Instrument* under **clause B5.2.6(b)** (Discharging a Contingent Liability Instrument) below *you* must immediately reimburse *us*. Without limiting any other indemnity, reimbursement and/or payment obligation, and if *you* are a Large Business Customer, *you* must also indemnify *us* on demand against all demands, claims, actions, proceedings, liabilities, payments, interest, costs, fees, charges and expenses in connection with the *Contingent Liability Instruments* issued under these *Terms and Conditions*, including legal expenses on a full indemnity basis and including taxes, except to the extent they are caused by our negligence, willful misconduct or fraud.
- (b) Without limiting *our* rights upon any *Default*, *you* shall pay and direct *us* to debit *your Nominated Account* or a payment account under **clause A3.3.4** (How you pay) for any amount we are called on to pay or which we decide to pay to fulfil *our* obligations under a *Contingent Liability Instrument*, and any other amounts *you* are required to reimburse to *us* under **clause B5.2.5(a)** (Costs and payments) or **clause B5.2.6(b)** (Discharging a Contingent Liability Instrument) and any associated *Default Interest*.
- (c) If we have exercised due care, *your* obligations will not be affected by:
  - (i) any inaccuracy, insufficiency or forgery in any notice or demand made on *us* for under a *Contingent Liability Instrument*;
  - (ii) *our* failure to enquire whether any notice or demand has been transmitted or received accurately, or has been given or sent by an unauthorised *Person*; or

- (iii) the expiry of the *Contingent Liability Instrument*, if we have been called on to make the payment before the expiry date.

##### Nominated Account

- (d) *You* must make payments in relation to a Contingent Liability Facility by direct debit against a *Nominated Account* unless otherwise agreed.

##### Fees

- (e) See **clause B5.9** (Trade Finance Fees Table) below.

#### B5.2.6 Changes to *your Facility*

- (a) Reducing or cancelling *your Limit*

*You* can reduce or cancel *your Limit* at any time. Unless *you* are in *Default* (in which case we may enforce our rights in accordance with the Contract), we will review *your Facility* not more often than once in any 12 month period to determine whether we will vary or cancel the *Limit*. We may cancel or reduce *your Limit* at *our* discretion by giving *you* 90 days' written notice following completion of such review. If *your Facility* is an *Uncommitted Facility*, we do not have to give advance notice to *you* of any cancellation of *your Limit*. Reducing or cancelling *your Limit* does not change:

  - (i) *our* obligations to any *Beneficiary* under any *Contingent Liability Instrument* we have already issued, or
  - (ii) *your* obligations to *us* for any *Contingent Liability Instrument* we have already issued, including *your* obligations to indemnify and reimburse *us*, including where we discharge any *Contingent Liability Instrument* under **clause B5.2.6(b)** (Discharging a Contingent Liability Instrument) below.
- (b) Discharging a *Contingent Liability Instrument* and Terminating *your Facility*

We may discharge any *Contingent Liability Instrument* (other than a *Documentary Credit*) at any time by paying the *Beneficiary* its face value, less any amounts we have previously paid, whether or not we have received a demand for payment, and if we do so, require that *you* immediately reimburse *us*. If *you* are in *Default*, we may terminate *your Facility* immediately.

#### B5.2.7 International rules applicable to *Contingent Liability Instruments*

- (a) Each *Standby Letter of Credit* will be subject to the ICC International Standby Practices ('ISP') or UCP as specified in the relevant instrument in force from time to time.
- (b) Each demand guarantee, bond or payment undertaking issued by *us* in favour of an overseas party will be subject to ISP or the ICC Uniform Rules for Demand Guarantees in force from time to time, or the governing law where a governing law is specified in the relevant *Payment Instrument*.



- (c) If these *Terms and Conditions* and the terms in any ICC rules are inconsistent or conflict, these *Terms and Conditions* will prevail.

### B5.3 Trade Advance Facilities

#### B5.3.1 Your warranties and obligations to us

- (a) You warrant and represent to us that:
- (i) You will only use the proceeds of each *Trade Advance* for the finance of import, export or trade related business approved by us;
  - (ii) the *Documents, Goods* and transaction to be financed by a *Trade Advance*:
    - have not been previously financed, and will not be financed, by any *Person* other than us;
    - are not, and will not be, encumbered in any way to any *Person* other than us; and
    - have come about in the ordinary course of your business in good faith and without fraud, illegality or any unauthorised act committed by any *Person*.
- (b) You provide the warranties and representations in this [clause B5.3.1](#) (Your warranties and obligations to us) each day from the *Drawdown* date until you have repaid the *Amount Owning*.

#### B5.3.2 Your obligations

- (a) Where the *Trade Advance* is an Insured Export Finance Facility, you must:
- ensure that the credit insurance policy is current and acceptable to us;
  - where we ask, assign to us your interest in the proceeds of the credit insurance policy; and
  - promptly notify us of any changes to the credit insurance policy or breaches of such policy.

#### B5.3.3 Setting up and using your Facility

##### Your Facility Limit

- (a) You can borrow up to the *Facility Limit* set out in the *Offer Document*.
- (b) For a *Trade Advance Facility* which is an *Insured Export Finance Facility*, we will only provide a *Trade Advance* to finance payment of an *Eligible Invoice*.
- (c) You cannot get a *Trade Advance* after the end of the *Term*.

##### Drawing down on your Facility

- (d) For each *Trade Advance*, you must give us a *Drawdown* notice in a form acceptable to us, setting out:
- (i) the proposed *Drawdown* date, which must be a *Business Day*;
  - (ii) the *Transaction Tenor*, with a maturity date between 30 days and 185 days after the proposed *Drawdown* date;

- (iii) the currency; and
- (iv) the amount (which must be at least the minimum amount we specify). In the case of a *Trade Advance* under an *Insured Export Finance Facility*, the amount must not exceed the *Approved Percentage*.

- (e) You cannot cancel a *Drawdown* notice after giving it to us.
- (f) If we receive your *Drawdown* notice and all supporting documents we require by 11:00 am on the *Business Day* before the proposed *Drawdown* date, we will endeavour to process the *Drawdown* within the next *Business Day*.
- (g) When you submit your *Drawdown* notice, we will advise you what supporting documents are required before *Drawdown*. These requirements form part of the *Contract*.

##### Collection Account for Insured Export Finance Facility

- (h) For a *Trade Advance Facility* which is an *Insured Export Finance Facility*, you authorise us to open a *Collection Account* in your name and to draw on that account to collect amounts you owe us.
- (i) You agree to maintain in the *Collection Account* sufficient funds to meet your payment obligations to us under the *Insured Export Finance Facility* at any time.

#### B5.3.4 Costs and payments

##### Repaying a Trade Advance

- (a) You must repay the *Amount Owning* for each *Trade Advance* before the *Maturity Date*, including accrued interest and fees. This *Maturity Date* may fall after the end of the *Term*. Where you are in *Default*, we may if permitted by and in accordance with [section A.7](#) require immediate payment of the *Amount Owning* for each *Trade Advance* which is outstanding.

##### Pre-paying a Trade Advance before the Maturity Date

- (b) You can pre-pay a *Trade Advance* or reborrow any prepaid amount if specifically allowed in the *Offer Document*. If you pre-pay all or part of a *Trade Advance*, you may need to pay us a *Break Cost* (if any).
- (c) We calculate our *Break Cost* by calculating the difference between:
- (i) the interest we would have received for the period between the *Pre-payment* date and the *Maturity Date*; and
  - (ii) the interest we could receive over the same period from a third party (which may be a leading Australian bank, the London interbank market or another party or market) based on the interest rate set out in the *Offer Document*.

- (d) If the calculation shows we have made a loss, you must pay us the amount of that loss as our *Break Cost*. Where we have made a gain then we will retain this.

- (e) You do not need to pay us any *Break Cost* if you pre-pay all or part of a *Trade Advance* because we decide to reduce or cancel your *Limit*, or amend the Contract without your consent under [section A.4.2](#) (Changes we can make without your agreement) and you are not in *Default*.

#### Interest

- (f) For each *Trade Advance*, you must pay interest on the *Amount Owing* based on:
- (i) the *Interest Rate*, margin and interest period specified in the *Offer Document* or *Drawdown* notice, or
  - (ii) if they do not specify an *Interest Rate*, our current *Australian Trade Finance Rate*, for a period determined by us in consultation with you to be equivalent to the term of the *Trade Advance*.
- (g) We calculate interest based on either a 360 or 365-day year, depending on the currency. You pay interest in arrears, from the *Drawdown* date to the day before you repay the *Amount Owing* in full.

#### Fees

- (h) See [clause B5.9](#) (Trade Finance Fees Table) below.

#### Nominated Account

- (i) You must make payments in relation to a *Trade Advance* by direct debit against a *Nominated Account* unless otherwise agreed.

#### B5.3.5 Changes to your Facility

- (a) You can reduce or cancel your *Limit* at any time. Unless you are in *Default* (in which case we may enforce our rights in accordance with the Contract), we will review your facility not more often than once in any 12 month period to determine whether we will vary or cancel the *Limit*. We may cancel or reduce your *Limit* at our discretion by giving you 90 days' written notice following completion of such review.
- If your Facility is an *Uncommitted Facility*, we do not have to give advance notice to you of any cancellation of your *Limit*.
- (b) If we reduce your *Limit*, you must repay any amount required to reduce the *Amount Owing* to the new *Limit* by the end of the notice period or by the relevant *Maturity Date*, whichever is the later.
- (c) If we cancel your *Limit*, you must repay the *Amount Owing* and any other amounts owing to us at the end of the notice period or by the relevant *Maturity Date*, whichever is the later.
- (d) If we vary your *Facility*, we will send you a new *Offer Document*, or other document which contains the varied terms.

## B5.4 Import Documentary Credits

### B5.4.1 Your Contract with us

#### Your indemnity to us

- (a) You indemnify us against any demands, claims, actions, proceedings, liabilities, payments, interest, fees, costs, charges and expenses connected with an *Import Documentary Credit* we issue at your request, including legal expenses on a full indemnity basis and including taxes. When we ask, you must pay them to us on demand. Your indemnity includes:
- (i) any claims that the *Beneficiary* makes or attempts to make;
  - (ii) any payments to our *Correspondent Bank* under a counterparty indemnity;
  - (iii) any amounts that you pay or be required to pay to the *Beneficiary* when the *Import Documentary Credit* is terminated;
  - (iv) any actions we take based on representations made by you; and
  - (v) any failure, inability or refusal on our part to honour the *Import Documentary Credit* because of a court order or a similar restriction or obligation, or because we believe a transaction related to the *Import Documentary Credit* is tainted by fraud or alleged fraud.
- (b) Your liability under this clause is reduced to the extent that our negligence, wilful misconduct or fraud contributes to the amount we claim.

#### Your obligations when we release Goods or Documents

- (c) We are not bound to release any *Documents* or authorise the release of any *Goods* to you unless you have fully met your obligations to us.
- (d) Where you take delivery of *Documents* or *Goods* before any *Bills* under the *Import Documentary Credit* have been negotiated or presented, or before you have reimbursed us for all payments made by us under the *Import Documentary Credit*:
- (i) the *Goods* will be subject to any general security interest granted by you in our favour over all of your present and after acquired property and you must hold the *Goods* for sale or other disposal approved by us on normal trade terms at market value;
  - (ii) the *Documents*, the *Goods* when received, and the proceeds from the sale of them will be subject to any general security interest granted by you in our favour over all of your present and after acquired property and you must hold them in safe custody for us;
  - (iii) you must promptly pay us all proceeds from the sale of the *Goods* without deducting any expenses, or irrevocably direct payment to us;

(iv) until sale or delivery (if applicable) of the *Goods*, you must:

- (A) warehouse them in *our* name at *your* cost or if not warehoused, ensure that any person who has actual possession of the *Goods* acknowledges to *us* that the *Goods* are held to *our* order;
- (B) immediately deliver to *us* the warrants or receipts for them;
- (C) authorise *us*, *our* employees and agents to enter any warehouse or other premises where they may be located at any time for the purpose of viewing, inspecting, identifying or taking possession of them;
- (D) insure them at their full insurable value against fire and any other risks we may reasonably require, hold the policies on *our* behalf and, in case of loss, pay the proceeds of any insurance claim to *us* in full and make good any shortfall;
- (E) not mortgage, charge, pledge or otherwise encumber them, or allow them to be encumbered, other than in *our* favour or as agreed by *us* in writing; and
- (F) comply with any other reasonable conditions we may make in *our* discretion to protect the *Goods* and *our* interests under the *Facility*.

(e) You acknowledge and agree that:

- (i) the *Goods* will remain subject to any general security interest granted by you in *our* favour over all of *our* present and after acquired property until sold or otherwise disposed of;
- (ii) risk in the *Goods* remains with you at all times; and
- (iii) any proceeds of sale or other disposal paid to you in accordance with this clause may be applied by *us* in reduction of your payment obligations under the *Import Documentary Credit*.

#### Your obligations when there are discrepancies in Documents

- (f) If you waive any discrepancy in the *Documents* or otherwise ask *us*, or *our* agents or *Correspondent Banks*, to:
- (i) comply with payment obligations under the *Import Documentary Credit* despite the discrepancy; or
  - (ii) countersign or issue any *Bank Guarantee* covering those discrepancies,

then you must comply with *your* payment obligations in respect of the *Import Documentary Credit*.

- (g) If the *Import Documentary Credit* terms require specific *Documents* to be forwarded by the *Beneficiary* to you at or before the time the *Beneficiary* makes a claim under an *Import Documentary Credit*, all remaining *Documents* relating to the *Import Documentary Credit* must be presented to *us* for such a claim.
- (h) If you use the *Documents* forwarded directly to you to obtain possession of the *Goods*, you must:
  - (i) accept all *Documents* presented; and
  - (ii) pay or accept upon presentation at maturity all *Bills* drawn in respect of the *Goods* despite any discrepancy or any other matter that might otherwise have affected *your* obligations under this clause.

#### Your insurance obligations while *Goods* are in transit

- (i) Where the terms of the *Import Documentary Credit* require insurance, you must:
  - (i) insure the *Goods* against loss or confiscation during transit in a manner satisfactory to *us* acting reasonably; and
  - (ii) provide a copy of that insurance policy and all receipts for current premiums to *us*.

If *your* insurance is not acceptable to *us*, you authorise *us* to arrange any additional insurance for the *Goods*, including for war risk, and you agree to reimburse *us* for the cost of that insurance.

#### Our rights over the *Goods* if you do not fulfil your obligations

- (k) If you do not fulfil *your* obligations to *us* under the *Import Documentary Credit*, we may, without limiting *our* other rights if you *Default*:
  - (i) cause the *Goods* or any part of them, to be landed, docked, stored, transported, insured, sold, sold without landing, or otherwise disposed of; or
  - (ii) deal with the *Documents* in any way we consider appropriate.
- (l) If we do, or attempt to do, any of these things:
  - (i) we are not liable for any loss suffered by you as a result;
  - (ii) you must pay the costs and expenses we incur in taking this action;
  - (iii) you will remain liable for the proceeds of disposal of the *Goods* or dealing with the *Documents*, and must pay any shortfall after they have been disposed of or dealt with; and
  - (iv) you must take any actions and sign and deliver any documents we reasonably require to perfect any general security interest granted by you in *our* favour over the *Goods* or otherwise give effect to any proposed landing, docking, storage, insurance, sale or other disposal or dealing of the *Goods* or *Documents*.

- (m) If we ask, you must appear and defend at your own cost and expense any action which may be brought in connection with the *Import Documentary Credit*. You agree to make any claim or take any action or institute any proceedings we may consider necessary or desirable to recover any proceeds or to compromise or settle any dispute in connection with any *Documents*, *Goods*, sales proceeds or insurance proceeds relating to the *Documents* or *Goods*, on such terms as we may in our absolute discretion consider appropriate. If you do not, we may do it in our name or your name at your cost.

#### B5.4.2 Setting up and using your Facility

##### Your Facility Limit

You can ask us to issue *Import Documentary Credits* with a total Australian dollar value up to the *Limit* set out in your *Offer Document*.

##### Features and Issuing *Import Documentary Credit*

- (a) Each *Import Documentary Credit* we agree to issue is irrevocable, with the *Transaction Tenor* and currency set out in your *Application for Irrevocable Import Documentary Credit* in accordance with the terms of your *Offer Document*.
- (b) The conditions set out in each *Application for Irrevocable Import Documentary Credit* you submit to us also forms part of your *Contract*.
- (c) We may restrict negotiations for any *Import Documentary Credit* to our offices or branches, or to the offices or branches of a *Correspondent Bank*. If we do, you authorise us to accept and pay all *Documents* drawn or purported to be drawn on those offices or branches.
- (d) If we accept your *Application for Irrevocable Import Documentary Credit*, you have complied with all the conditions of that *Application* by 11 a.m. on the *Business Day*, we will endeavor to issue the *Import Documentary Credit* the next *Business Day*.

##### Your authority to pay

- (e) You authorise us to make payments under an *Import Documentary Credit* when we believe they have been properly demanded in accordance with its terms. The presentation of *Documents* under a *Documentary Credit* will be deemed to comply with its terms if the *Documents* appear to be in order and, when taken as a whole, contain a description of the *Goods*.
- (f) We are not obliged to:
- notify you before making a payment or accepting drafts, claims or drawings under any *Import Documentary Credit*; or
  - take into consideration any notice from you of any claim or defence you may have against a *Beneficiary*.

#### B5.4.3 Costs and payments

##### Reimbursing us when we pay

- (a) You must reimburse us immediately for amounts we pay or are required to pay under an *Import Documentary Credit*. You must pay us in immediately available funds in the same currency on the day we make, or are required to make, the payment.
- (b) Without limiting our rights upon any *Default*, you authorise and direct us to debit your *Nominated Account* or a payment account under clause A3.3.4 (How you pay for a credit) for the amount we are called on to pay, which you have indemnified us under this clause A3.4 (*Import Documentary Credits* we decide to pay to fulfil our obligations under an *Import Documentary Credit*) and any associated *Default Interest*.

##### Fees

- (c) See clause A5.9 (Trade Finance Fees Table) below.

##### Nominated Account

- (d) You must make payments in relation to an *Import Documentary Credit* by direct debit against a *Nominated Account* unless otherwise agreed.

#### B5.4.4 Changes to your Facility

Unless you are in *Default* (in which case we may enforce our rights in accordance with the *Contract*), we will review your *Facility* not more often than once in any 12 month period to determine whether we will vary or cancel the *Limit*. We may cancel or reduce your *Limit* at our discretion by giving you 90 days' written notice following completion of such review. If your *Facility* is an *Uncommitted Facility*, we do not have to give advance notice to you of any cancellation of your *Limit*. A change to, or cancellation of, your *Limit* will not affect your obligations for *Import Documentary Credits* we have already issued.

If we vary your *Facility*, we will send you a new *Offer Document*, or terms and conditions or other document which contains the varied terms

#### B5.4.5 International Rules applicable to *Documentary Credits*

- (a) Each *Documentary Credit* will be subject to the *UCP* for *Documentary Credits* of the *ICC* and the *ICC* Uniform Rules for Bank-to-Bank Reimbursements under *Documentary Credits* in force from time to time.
- (b) If these *Terms and Conditions* and the terms in any *ICC* rules are inconsistent or conflict, these *Terms and Conditions* will prevail.

### B5.5 Export *Documentary Credits*

#### B5.5.1 Setting up and using your *Export Documentary Credit*

##### What you can ask us to do

- (a) If you are an exporter who receives an *Export Documentary Credit*, you can ask us to:



- (i) discount or negotiate it and credit the proceeds to you:
  - (A) immediately, before payment is received from the *Issuing Bank*; or
  - (B) upon acceptance of the *Documents* by the *Issuing Bank*;
  - (C) confirm it on an open basis or on a silent basis;
  - (D) transfer or assign the proceeds;
  - (E) amend or advise it; or
- (ii) present *Documents* to the *Issuing Bank* for payment without honour or negotiation, then credit the proceeds to accounts specified by you when payment is received.

- (b) When you make a request, you must give us any documentation we require, including all *Documents* called for under the *Export Documentary Credit* and any amendments to it, and meet such conditions as we specify.

#### Assigning your Export Documentary Credit Rights to us

- (c) If we provide any of the services set out in [clause B5.5.1\(a\)\(i\)](#), you assign and transfer to us all of your *Export Documentary Credit Rights* for that *Export Documentary Credit*.

#### Protecting your Export Documentary Credit Rights

- (d) You must not do anything which may waive or otherwise give up, vary, diminish or adversely affect your *Export Documentary Credit Rights*. You represent and warrant to us that you will not assign, encumber or otherwise deal with any of your *Export Documentary Credit Rights* to any *Person* other than us.
- (e) If we ask, you must take all actions and execute any documents we reasonably require:
  - (i) to evidence and perfect the assignment of your *Export Documentary Credit Rights* to us, including endorsing drafts or other instruments and giving notices of assignment reasonably required by us, at your cost;
  - (ii) to give effect to or enforce your *Export Documentary Credit Rights* at our cost (with costs to be reasonable and agreed with us), including by:
    - (A) making a demand;
    - (B) directing any relevant *Person* to make payment to us under the *Export Documentary Credit*, the related *Documents*, or any contract or agreement related to the relevant *Goods*, services or insurances;

- (C) initiating and continuing legal action in any court and jurisdiction relating to the assigned *Export Documentary Credit Rights*, related *Documents*, or any contract or agreement related to the relevant *Goods*, services or insurances; and
- (D) conducting those legal proceedings in your name, or allowing us to use your name, in accordance with our instructions.

- (f) If any of the *Export Documentary Credit Rights* are not effectively assigned and transferred to us, you agree and declare that you will hold the remaining interest on trust for our benefit until it is effectively assigned and transferred to us.

#### Negotiating an Export Documentary Credit

- (g) We will negotiate an *Export Documentary Credit* "without recourse" unless otherwise agreed (a fee may apply).
- (h) If you ask us to negotiate an *Export Documentary Credit*, and that *Export Documentary Credit* is not honoured when presented or we are not paid on the *Maturity Date*, then you must pay the *Amount Owing* to us when we ask, unless we have agreed in writing that the negotiation is on a "without recourse" basis. However even if the negotiation is on a "without recourse" basis, You must immediately reimburse us for amounts under the *Export Documentary Credit* which are not honoured or paid to us, where the non-payment was due to a *Recourse Event*.
- (i) You also authorise us to:
  - (i) take conditional acceptances or acceptances for honour and extend the due date for payment by you or any other *Person*;
  - (ii) accept payment from any *Person* before or after maturity in whole, or under rebate or discount;
  - (iii) accept part payment before maturity and deliver a proportional part of the *Goods* to the drawee or acceptor of a *Bill*, or the consignee of the *Goods*;
  - (iv) at the request of the acceptor, delay presentation of a *Bill* for payment or acceptance without affecting your liability to us for the *Bill* or under these *Terms and Conditions*;
  - (v) protest the *Bill*, institute proceedings and take steps for recovery from any drawee, acceptor or endorser of the *Bill* of any amount due, even if we have debited your account for the amount of the *Bill*; and
  - (vi) take any of these steps at our discretion and on such conditions as we think fit.



**Confirming an Export Documentary Credit**

- (j) By adding a confirmation, we guarantee payment of an *Export Documentary Credit* to a *Beneficiary* on the due date if the *Issuing Bank* fails to pay. However notwithstanding our confirmation, *You* must immediately reimburse *us* for amounts which the *Issuing Bank* does not pay where the non-payment was due to a *Recourse Event*.
- (k) An *Issuing Bank* may ask *us* to provide an open confirmation.
- (l) Alternatively, *you* can ask *us* to provide a silent confirmation without involving the *Issuing Bank*.
- (m) When *you* ask *us*, we can decide whether or not to provide a confirmation at *our* absolute discretion. *We* will advise *you* the documents we require to assess *your* request and any further conditions.
- (n) *We* will not be bound by the confirmation if the *Export Documentary Credit* is changed without *our* written consent.

**Your representations and warranties to us**

- (o) *You* warrant and represent to *us* that:
  - (i) all *Documents* delivered or to be delivered to *us* for an *Export Documentary Credit* relate to the sale of *Goods* or services described in those *Documents*; and
  - (ii) at the time the *Documents* are presented *you* will have shipped or delivered the *Goods*, or fully performed the services for the buyer.

**Presenting Documents**

- (p) *You* must present *us* with:
  - (i) the original *Export Documentary Credit*;
  - (ii) all amendments to it; and
  - (iii) all *Documents* it calls for that are necessary to comply with its terms.
- (q) *You* must present them to *us* as soon as they are available, and no later than a date determined by *us* so that we can process them before the expiry date.
- (r) If the *Export Documentary Credit* expires without these *Documents* being presented, *our* liability under the confirmation ends on the expiry date.

**What we will do if we add a confirmation**

- (s) If we have added *our* confirmation to an *Export Documentary Credit* at *your* request and the *Documents* fully comply with the terms of the *Export Documentary Credit*, we will send the *Documents* to the *Issuing Bank* for acceptance and payment in accordance with the terms of the *Export Documentary Credit*. *We* will also:
  - (i) for an open confirmation: pay *you* the amount of the *Export Documentary Credit* on the *Maturity Date*;

- (ii) for silent confirmation of a term *Export Documentary Credit*: if the *Issuing Bank* fails to pay all or any part of the amount claimed within 5 *Business Days* of the *Maturity Date*, pay *you* the amount of the *Export Documentary Credit* that has not been paid; or
- (iii) for a silent confirmation of a sight *Export Documentary Credit*: if the *Issuing Bank* fails to pay all or any part of the amount claimed within 12 *Business Days* of the *Maturity Date*, pay *you* the amount of the *Export Documentary Credit* that has not been paid.

**Transferring Export Documentary Credit**

- (t) If *you* ask, we may, but are not obliged to, agree to transfer an *Export Documentary Credit* from *you* to another *Beneficiary* (the *Transferee*).
- (u) With *your* application to transfer an *Export Documentary Credit*, *you* must give *us* any original copies of the *Export Documentary Credit* and any *Documents* required to effect payment. If *we* ask, *you* must also deliver any *Documents* to *us* that must be substituted for the *Transferee's Documents* to comply with the original *Export Documentary Credit*.
  - (v) Unless *you* instruct *us* otherwise, we will substitute *your* *Bills* and invoices for those presented by the *Transferee*. At the time of the transfer, *you* renounce all transferred rights and interests, in favour of the *Transferee*.
- (w) When we have received payment under the *Export Documentary Credit*, we will deliver the *Transferee's Bills* and invoices to *you*, together with a payment advice for the amount we received, less the amount of the *Transferee's Bills* and any expenses or charges due to *us*.
- (x) If *you* do not deliver *your Bills* and invoices to *us* according to the terms of the *Export Documentary Credit*:
  - (i) *you* authorise *us* to forward the *Transferee's Documents*, and
  - (ii) we will have no responsibility to pay *you* the difference between the *Transferee's Bills* and *your Bills*.

**Your agreement with us**

- (y) If we agree to transfer an *Export Documentary Credit*, *you*:
  - (i) accept full responsibility for the transfer;
  - (ii) agree that neither we, nor *our Correspondent Banks* or agents, will be responsible for:
    - (A) the description, quantity, quality or value of the *Goods* shipped or the services performed under the transferred *Export Documentary Credit*; or
    - (B) the correctness, genuineness or validity of the *Documents*; and

- (iii) hold *us* harmless and indemnify *us* against all losses, liabilities, costs and expenses arising from or in connection with the transfer, including legal expenses on a full indemnity basis and taxes, except to the extent they are caused by *our* negligence, wilful misconduct or fraud.

#### Instructing us to pay proceeds to a third party

- (z) All instructions *you* give *us* to pay the *Export Documentary Credit* proceeds to a third party are irrevocable unless *we* otherwise agree.
- (aa) *You* authorise *us* to rely on the information in all payment instructions delivered to *us*, without making any enquiries to verify them.
- (bb) *We* will advise the third party of *your* instruction in a form and at a time *we* determine.
- (cc) *We* have no obligation to pay the *Export Documentary Credit* proceeds to the third party until:
  - (i) documents are presented under the *Export Documentary Credit*
  - (ii) the claim is honoured by the *Issuing Bank*;
  - (iii) *we* have received the *Export Documentary Credit* proceeds; and
  - (iv) *we* are satisfied it is permissible under our counter-terrorism policies, is not contrary to any applicable law and, where *you* are a trustee of a trust, is not in breach of trust,
- (dd) *We* are not required to fulfil any arrangements entered into between the *Transferee* and *you*.

#### B5.5.2 Payments and costs

##### Interest on negotiated Export Documentary Credits

- (a) Where *we* agree to negotiate an *Export Documentary Credit* and advance *the* credit proceeds to *you* before receiving payment (an *Amount Owning*):
  - (i) *you* must pay *us* interest on the *Amount Owning* and
  - (ii) *we* may use *the* proceeds from the *Export Documentary Credit* to repay the *Amount Owning* when *we* receive them.
- (b) *We* will notify *you* of the *Interest Rate*, margin and interest period in writing when *you* ask *us* to negotiate the *Export Documentary Credit*.
- (c) *We* calculate interest based on either a 360-day or 365-day year, depending on the currency. *You* pay interest either:
  - (i) in arrears, from the day when the amount is credited to *you*, up to (but excluding) the day *we* receive payment; or
  - (ii) in advance, from the day when the amount is credited to *you*, up to (but excluding) the day *we* expect to receive payment or the actual payment date, if it is different. *We* deduct interest in advance from the amount *we* advance to *you* and any balance owing is payable in arrears.

#### Fees

- (d) See [clause B5.9](#) (Trade Finance Fees Table) below.

#### B5.5.3 International Rules Applicable to Documentary Credits

- (a) Each *Documentary Credit* will be subject to the *UCP* for Documentary Credits of the *ICC* and the *ICC* Uniform Rules for Bank-to-Bank Reimbursements under Documentary Credits in force from time to time.
- (b) If these Terms and Conditions and the terms in any *ICC* rules are inconsistent or in conflict, these Terms and Conditions will prevail.

#### B5.6 Foreign Bills Negotiated Facilities

##### B5.6.1 Your Contract with us

##### Your warranties to us

- (a) *You* warrant and represent to *us* that:
  - (i) the *Foreign Bill* and all *Documents* presented to be delivered to *us* relate to a sale of the *Goods* or the provision of services as described in those *Documents*; and
  - (ii) at the time *you* present the *Documents*, *you* will have shipped or delivered the *Goods* to, or fully performed the services for, the buyer.

##### What you authorise us to do

- (b) When *you* ask *us* to negotiate or issue a *Foreign Bill*, *you* authorise *us* to:
  - (i) take conditional acceptances or acceptances for honour and extend the due date for payment by *you* or any other *Person*;
  - (ii) accept payment from any *Person* before or after maturity in whole, or under rebate or discount;
  - (iii) accept part payment before maturity and deliver a proportional part of the *Goods* to the drawee or acceptor of the *Bill*;
  - (iv) at the request of the acceptor, delay presentation of the *Bill* for payment or acceptance without affecting *your* liability to *us* for the *Bill* or under these *Terms and Conditions*;
  - (v) protest or note the *Bill*, institute proceedings and take steps for recovery from any drawee, acceptor or endorser of the *Bill* of any amount due, even if *we* have debited *your* account for the amount of the *Bill*; and
  - (vi) take any of these steps at *our* discretion and on such conditions as *we* think fit.

##### B5.6.2 Setting up and using your Facility

##### Your Facility Limit

- (a) The total value in Australian dollars of the foreign bills negotiated under *your Facility* must not exceed the *Facility Limit* set out in *your Offer Document*.

### Asking us to discount or negotiate Foreign Bills

- (b) You can ask us to discount or negotiate a *Foreign Bill* by sending us:
- a completed Lodgement Authority for Overseas Documentary Bill in the form we determine;
  - any *Documents* required for payment under the *Foreign Bill*; and
  - any other documentation required by us.
- (c) We may discount or negotiate the *Foreign Bill* on a "with recourse" or "without recourse" basis as specified in the 'Lodgement Authority for Overseas Documentary Bill' and agreed to by us.
- (d) The conditions set out in each 'Lodgement Authority for Overseas Documentary Bill' you submit to us also form part of your *Contract* with us.
- (e) Where you have provided us with all the documentation we require under this [clause B5.6.2](#) (Setting up and using your *Facility*) above by 11 a.m. on a *Business Day*, we will endeavour to process your request the next *Business Day*.

#### B5.6.3 Costs and payments

##### Your obligations on Foreign Bills

- (a) Unless the discounting or negotiation of a *Foreign Bill* is on a "without recourse" basis,
- if a *Foreign Bill* is not honoured on presentation or we are not paid before the *Maturity Date*, you must pay us the amount of the *Foreign Bill* or the Australian dollar equivalent, calculated using our same day value selling rate at 10 a.m. on the day we make the collection; and
  - Without limiting any other indemnity, reimbursement and/or payment obligation, and if you are a *Large Business Customer*, you indemnify us against all payments, costs and expenses in connection with a *Foreign Bill* that we discount or negotiate on your request.

##### Interest

- (b) When we agree to discount or negotiate a *Foreign Bill*, and advance the credit proceeds to you before receiving payment, you must pay us interest on that advance, based on:
- the *Interest Rate*, margin and interest period for set out in your *Offer Document*; or
  - if it does not specify an *Interest Rate* and period, our current Australian Trade Finance Rate or in that currency, and margin, for a period determined by us in consultation with you and notified to you.
- (c) When we receive them, we can use the proceeds of the *Foreign Bill* to repay the advance and the interest you owe to us.

- (d) We calculate interest based on either a 360-day or 365-day year, depending on the currency. You pay interest either:
- in arrears, from the day when the amount is credited to you, up to but excluding the day we receive payment; or
  - in advance, from the day when the amount is credited to you, up to (but excluding) the day we expect to receive payment the actual payment date, if it is different. We deduct the estimated interest in advance from the proceeds of the *Foreign Bill* before paying them to you and a balance owing is payable in arrears.

##### Fees

- (e) See [clause B5.9](#) (Trade Finance Fees Table) below.

##### Nominated Accounts

- (f) You must make payments in relation to the Bills *Facility* by direct debit.

#### B5.6.4 Changes to your *Facility*

You can reduce or cancel your *Limit* at any time. Unless you are in Default (in which case we may increase our rights in accordance with the *Contract*), we will review your *Facility* not more often than once in any 12 month period to determine whether we will vary or cancel the *Limit*. We may cancel or reduce your *Limit* at our discretion by giving you 90 days' written notice following completion of such review.

If your *Facility* is an *Uncommitted Facility*, we do not have to give advance notice to you of any cancellation of your *Limit*. A change to, or cancellation of, your *Limit* will not affect your obligations for *Foreign Bills* we have already discounted or negotiated.

### B5.7 Collections

#### B5.7.1 Setting up and using your *Collection*

##### General

- (a) Any *Collection* we undertake will be subject to any additional written instructions or directions we send you with confirmation of the *Collection*.
- (b) If we agree to undertake a *Collection*, we will not process that *Collection* until you have provided us with the documents or met any requirements we impose within the timeframe we specify.
- (c) You authorise us, in our discretion, to treat any *Collection* as conditional upon us receiving full payment of the relevant *Bill* or delivery of the relevant *Documents* nominated by us).

##### Import Documentary Collections – Additional Terms

- (d) If we act as a collecting bank in respect of an import *Collection* and *Bills* for acceptance or payment, or *Documents* on a cash against *Documents* basis:

- (i) we may hold the *Documents* until acceptance or reimbursement of the relevant *Bills*, or payment, by you;
- (ii) You may appoint our *Authorised Officers* as Your attorney to draw, sign, accept and present *Bills* and/or letters of undertaking required in connection with an *Import Documentary Collection*, by signing such documents as we require.
- (iii) Without limiting any other indemnity, reimbursement and/or payment obligation, and if you are a *Large Business Customer*, you indemnify us for any damages, losses, costs and expenses we incur in connection with our appointment except to the extent caused by our negligence, wilful default or fraud.

#### Export Documentary Collections – Additional Terms

- (e) If you ask us, we may negotiate or discount a *Bill* or provide advances against the *Documents* to be sent on *Collection*. In the event that we agree to do this, the relevant provisions of clauses **B5.5** (Export Documentary Credits) or **B5.6** (Foreign Bills Negotiated Facility) will apply.
- (f) We are not obliged to check the *Documents* before sending them to the collecting bank. We will only pay you the proceeds of a *Collection* which have actually been received by us from the collecting bank and will not be liable if we receive late advice of payment. We are not responsible for any act, omission, delay or default on the part of any collecting/settlement bank.

#### B5.7.2 Payments and costs

##### You must reimburse us

- (a) You must reimburse us indemnify us, for any amount due in respect of a *Collection* and you indemnify us for any damages, losses, costs and expenses we suffer or incur in connection with that *Collection* except to the extent they are caused by our negligence, willful misconduct or fraud.

##### Fees

- (b) See clause B5.9 (Trade Finance Fees Table)

#### B5.7.3 International rules governing Collections

- (a) Each *Collection* (either documentary or clean) will be subject to the *ICC Uniform Rules for Collections* in force from time to time.
- (b) If these *Terms and Conditions* and the terms in any *ICC* rules are inconsistent or conflict, these *Terms and Conditions* will prevail.

#### B5.8 Liability

- (a) (This clause B5.8(a) is applicable to facilities obtained or varied by agreement from 13 July 2021 and any Facility where you are a *Large Business Customer*). To the extent permitted by law, we are not liable for any loss, damage, claim, cost or expense you suffer or incur in connection with any *Trade Product or Service* (including as a result of any act, omission or delay in forwarding Documents or payments or in the transmission of communications) except to the extent caused by our negligence or misconduct.
- (b) Further nothing in the *Contract* adds any liability we have for failure to comply with:
  - (i) Section 12 ED of the Australian Securities and Investments Commission Act 2001(Cth);
  - (ii) Section 6 or section 61 of the Australian Consumer Law in Schedule 2 of the Competition and Consumer Act 2010 (Cth), (collectively "Specified Provision") and, subject to the Banking Code of Practice, instead our liability for loss because of our failure to comply with a Specified Provision is limited to (at our election) resupplying the relevant services or paying the cost of having the relevant services supplied again.



## B5.9 Trade Finance Fees Table

The following standard fees apply in relation to *Trade Products and/or Services*. Additional fees may apply under your *Offer Document*.

### Trade Advances

Drawdown	AUD50
Rollover	AUD50
repayment (Charged where the advance is repaid prior to maturity)	AUD50 plus break costs if applicable

### Import Documentary Letters of Credit

Issuance (via manual channel)	AUD150 plus SWIFT fee
Issuance (via Bank's e-channel)	AUD75 plus SWIFT fee
Amendment (via manual channel)	AUD100 plus SWIFT fee
Amendment (via Bank's e-channel)	AUD50 plus SWIFT fee (per amendment)
Cancellation Fee (when we agree to cancel a Letter of Credit for you)	0.25% of undrawn amount Minimum AUD75
Expired Undrawn Balance Fee (where balance at expiry is equal to or greater than AUD5,000 or equivalent)	0.25% of undrawn amount Minimum AUD75
Cash Covered Issuance Structuring (Charged in addition to applicable Issuance and Document Handling Fees for cash covered <i>Import Documentary Letters of Credit</i> )	AUD250
Document Handling Fee (applicable to each drawing received)	0.25% of drawing amount Minimum AUD100 No maximum
Acceptance / Deferred Payment Commission (Charged where we pay a letter of credit on a term basis rather than at sight)	0.5% p.a. Minimum AUD80
Discrepancy Fee (Deducted from proceeds remitted where charges are for the beneficiary's account, otherwise to be charged to the applicant)	USD100 or equivalent in other currency
Reimbursement (Paying Bank) Commission (Deducted from proceeds remitted where charges are for the beneficiary's account, otherwise to be charged to the applicant)	USD100 or equivalent in other currency

### Export Documentary Letters of Credit

Advising Fee (Charged for each <i>Export Documentary Credit</i> advised to a non-Commonwealth Bank customer; refundable against presentation of shipping documents to Commonwealth Bank)	AUD90
Advising of Amendment Fee (Charged for each <i>Export Documentary Credit</i> advised to a non-Commonwealth Bank customer; refundable against presentation of shipping documents to Commonwealth Bank)	AUD50
Transfer of Export Documentary Letter of Credit	Minimum AUD2000
Transfer of Amendment	AUD100
Assignment of Proceeds	AUD100 per assignment
Document Handling Fee (applicable to each drawing received)	0.25% of drawing amount Minimum AUD80 Maximum AUD1000
Acceptance of term drafts drawn on CBA	Price on application Minimum AUD80
Confirmation (open or silent)	Price on application
Negotiation under Reserve (Charged in addition to Document Handling Fee)	AUD100
Discrepancy Fee	AUD50 per set of documents
Additional Handling Fee	AUD50
SWIFT Fee (Deducted from proceeds remitted where charged are for the <i>Beneficiary's</i> account, otherwise chargeable to the Applicant)	USD20 or AUD equivalent

### Foreign Bills Negotiated

Document Handling Fee	0.25% of FBN amount Minimum AUD90 Maximum AUD850
Additional Handling Fee (Charged in addition to Document Handling Fee where amendments to the terms of the collection are advised to the presenting bank or on dishonour)	AUD80 (inclusive of GST)
Documents Free of Payment (Charged when you, as drawer, instruct us to instruct an overseas bank to release collection documents free of payment)	AUD80 (inclusive of GST)
Tracer/SWIFT	AUD15



### Import Documentary Collections

Document Handling Fee	0.25% of collection amount Minimum AUD90 Maximum AUD850
Accepted Bills Received for Payment	AUD80
Documents Free of Payment (Charged where an overseas bank instructs us to release collection documents to you free of payment)	AUD80
Consignment Fee (Endorsement of shipping documents consigned to the Bank)	AUD100
Air Waybill Release Issuance	AUD90
Dishonour Fee (Charged on the dishonour of payment instrument by the institution on which it is drawn)	AUD80
Re-presentation Fee (Charged when we need to re-present a dishonoured payment instrument)	AUD80
Additional Handling Fee (Charged in addition to Document Handling Fee where amendments to the terms of the collection are advised to the presenting bank or on dishonour)	AUD80

### Export Documentary Collections

Document Handling Fee	0.25% of the collection amount Minimum AUD90 Maximum AUD850 (inclusive of GST)
Documents Free of Payment	AUD80 (inclusive of GST)
Additional Handling Fee (Charged in addition to Document Handling Fee where amendments to the terms of the collection are advised to the presenting bank or on dishonour)	AUD80 (inclusive of GST)
Tracer/SWIFT	AUD15

### Out of Pocket Expenses

SWIFT (per message)	Minimum AUD15
Courier – International	At Cost Minimum AUD30
Courier – Domestic	At Cost Minimum AUD20
Express Post	At Cost Minimum AUD10

When we provide a foreign exchange service to you for the conversion of one currency to another currency, we will apply the following exchange rate to the transaction (unless otherwise negotiated with us):

- (a) Where one of the currencies to be exchanged in your transaction includes Australian dollars (AUD), the exchange rate applied will be as quoted by us on <https://www.commbank.com.au/personal/international/foreign-exchange-rates.html> with reference to:
  - (i) 'Send International Money Transfer' if your transaction involves you selling AUD and buying a foreign currency,
  - (ii) 'Receive International Money Transfer' if your transaction involves you buying AUD and selling a foreign currency.
- (b) Where none of the currencies in your transaction includes AUD, please refer to the 'Foreign Exchange Calculator' located at the above URL.

Please note that fees and charges may apply to a foreign exchange conversion. Any applicable fees and charges will be set out in the 'Standard fees and charges for international payments and travel funds' available on our website detailed above.

### B5.10 Definitions of words

For *Facilities* referred to in this **section B.5**:

- (a) the following words have the meanings given below, and
- (b) terms not defined in these *Terms and Conditions* have the meaning given to them in the relevant *Offer Document* or applicable rules published by the ICC.

### Amount Owing

For *Export Documentary Credit* and *Trade Advances*, all amounts and liabilities, in any currency, that you owe or that may become due or owing by you, or may be accruing to or for our account by you, whether alone or with another person to us and includes, without limitation, advances, interest and fees.

### Application for Irrevocable Import Documentary Credit

The form which you submit to us to ask us to issue an *Import Documentary Credit*.

### Approved Percentage

The maximum percentage an *Eligible Invoice* which we will finance under a *Trade Advance* which is an *Insured Export Finance Facility*, as set out in the *Offer Document* and subject to:

- (a) the security provided to us;
- (b) any claim limits under the eligible trade credit insurance policy; and
- (c) other factors, such as the relevant countries for trade and credit risk.

**Australian Trade Finance Rate**

An *Interest Rate* reasonably determined by us based on prevailing market conditions.

**Bank Guarantee**

For a *Trade Product or Service* any:

- (a) guarantee, indemnity, performance bond, bid/tender bond;
- (b) advance payment guarantee or bond;
- (c) counter, financial, direct pay or commercial guarantee (whether standby or demand); or
- (d) any legally binding letter of comfort or suretyship.

**Beneficiary**

The person identified as the beneficiary of a *Contingent Liability Instrument*, a *Documentary Credit* or a *Payment Instrument*.

For an *Export Documentary Credit* or an *Import Documentary Credit*, a beneficiary under a *Documentary Credit* or a *Payment Instrument*.

**Break Cost**

means an amount calculated in accordance with [clause B5.3.3](#).

**Collection**

Our handling of *Documents*, as instructed by you, to:

- (a) make payment against acceptance of *Documents*;
- (b) deliver *Documents* against receipt of payment; or
- (c) deliver *Documents* on other terms and conditions.

**Collection Account**

The account we establish in *our name* which you authorise us to draw on to meet *our* payment obligations under an *Instalment Export Finance Facility*.

**Correspondent Bank**

Any bank (including any branch of ours) which provides banking or other services for a *Trade Product or Service* at our request.

**Documentary Credit**

A credit allowing us to pay a beneficiary on an agreed date provided that the beneficiary has submitted the documents specified and complied with the terms of the undertaking.

**Documents**

In the context of trade finance, all documents relating to the *Goods*. This includes all drafts, bills of exchange, documentary credits, documents of title, transport documents, insurance policies, invoices, certificates, reports, receipts or warrants.

**Eligible Invoice**

An invoice you issue for *Goods* you export where any of the following eligibility criteria are satisfied:

- (a) we have been provided with a copy of the invoice and evidence satisfactory to us that the *Goods* have been delivered and we are satisfied the relevant trade insurer regards the invoice as eligible for insurance cover for trade credit risk;
- (b) we have otherwise determined that the invoice is an *Eligible Invoice*; or
- (c) such other criteria as are described in the *Offer Document* have been satisfied.

**Export Documentary Collections**

A *Collection* whereby we deliver your *Documents* to and receive immediate or deferred payment from your overseas buyer's bank.

**Export Documentary Credit**

A *Documentary Credit* in your favour that was issued by either a domestic or overseas *Person*, which we amend, advise, negotiate, discount, confirm, assign or transfer under the contract at your request.

**Export Documentary Credit Rights**

Your right, title or interest in:

- (a) an *Export Documentary Credit*;
- (b) the proceeds of an *Export Documentary Credit*;
- (c) any agreement between you and a third party relating to the *Goods*;
- (d) the *Goods*; and
- (e) any related *Documents*.

**Foreign Bill**

The *Bill* you provide to us as one of the *Documents* relating to your export of *Goods*, where the importer is named on the *Bill* as the drawee.

**Foreign Bills Negotiated**

A *Facility* that provides you, as the exporter, with post-shipment finance, by us providing the proceeds of an export documentary collection to you before the buyer's payment is received.

**Goods**

In the context of trade finance, the goods, product or service (in any combination) referenced in the *Documents* and the *Trade Product or Services*.

**ICC**

International Chamber of Commerce.

**Import Documentary Collections**

A *Collection* whereby we accept *Documents* from and make immediate or deferred payment to your overseas seller's bank.

**Import Documentary Credit**

A *Documentary Credit* in favour of a domestic or overseas *Person* that we issue for you, or at your request.

**Insured Export Finance**

A *Facility* that provides you with *Trade Advances* based on *Eligible Invoices* where you have obtained credit insurance cover for any non-payment of those *Eligible Invoices*.

**Issuing Bank**

In the context of trade finance — the bank which issues the relevant *Documentary Credit*.

**Lodgement Authority for Overseas Documentary Bill**

The form which *you* submit to *us* in conjunction with requesting *us* to *discount* or *negotiate* a *Foreign Bill*.

**Maturity Date**

- (a) For a *Trade Advance*, the maturity date *we* advise to *You*, and
- (b) for a *Contingent Liability Instrument* or trade instrument, such as a *Bill*, the date by which payment must be made, set out in that instrument.

**Payment Instrument**

Any *Standby*, *Letter of Credit*, *Bank Guarantee* or counter- indemnity *we* issue in favour of *our Correspondent Bank* or any other party.

**Personal Information**

Any information or an opinion about an identified individual, or an individual who is reasonably identifiable, whether the information or opinion is true or not and whether the information or opinion is recorded in a material form or not.

**Privacy Law**

- (a) The Privacy Act 1998 (Cth);
- (b) The Australian Privacy Principles; and
- (c) Any other applicable Australian Commonwealth or State legislation or guidelines in relation to privacy.

**Recourse Event**

- (a) Any illegality by *You* or any other party to the trade transaction;
- (b) Any alleged or actual invalidity or unenforceability of the *Documentary Credit*, *Documents*, or trade transaction;
- (c) Any injunction, court order, law or *Sanction* which restricts any payment (whether to or from *us* and not subsequently discharged).

**Shipping Guarantee and/or Missing Bill of Lading Guarantee**

A guarantee given by *us* at *your* request in favour of a carrier to facilitate the release of *Goods* in the event that the *Goods* arrive at the discharge port earlier than the original bill of lading in respect of the *Goods* or where the original bill of lading in respect of the *Goods* is missing.

**Standby Letter of Credit**

A standby *Letter of Credit*. It includes any performance, financial and direct pay standby *Letters of Credit*.

**Trade Advance**

A loan *we* make under [section B5.3](#) of these *Terms and Conditions* and an *Offer Document*.

**Trade Product or Service**

Any trade related product, service, loan or *Facility*, including, a product, service, loan or *Facility* as described in this [section B.5](#) that *we* provide to *you*.

**UCP**

Uniform Customs and Practice.

**Uncommitted Facility**

A *Facility* described as an Uncommitted Facility in the *Offer Document* or which *you* and *we* have otherwise agreed is an uncommitted facility in respect of which *we* can cancel the *Limit* without advance notice. This means that *we* can act in *our* discretion at any time:

- (a) not to approve *your* *Drawdown* notice under the *Facility* (whereupon *we* will notify *you* of *our* decision not to approve the *Drawdown* notice such that no *Trade Product or Service* will be made); or
- (b) not to agree to an request by *you* to rollover or extend an existing *Facility* (whereupon *we* will notify *you* of *our* decision not to rollover or extend *you* such that the existing *Facility* must be repaid on the original *Maturity Date*).

## B.6 MASTER FACILITIES

### B6.1 About Master Facilities

Under a *Master Facility*, you can have a combination of the following *Facilities* in one package with one overall Master Limit:

- (a) AgriBusiness Line of Credit Facility;
- (b) Business Line of Credit Facility;
- (c) Contingent Liability Facility;
- (d) Foreign Bills Negotiated Facility;
- (e) Import Documentary Credit;
- (f) Market Rate Loans;
- (g) Overdraft; and/or
- (h) Trade Advance Facility.

### B6.2 Setting up and using your Master Facility

B6.2.1 You can borrow up to your *Master Limit*. The total Australian dollar equivalent of all amounts outstanding on the *Facilities* included under your *Master Facility* (contingent or otherwise) must not exceed the *Master Limit*.

B6.2.2 *Sub Facility Limits* as agreed with you from time to time apply separately to each *Sub Facility* included under your *Master Facility*. These are communicated to you via the *Offer Document* or *Account Confirmation Document*.

B6.2.3 Where there is more than one *Borrower*, we may provide a *Sub Facility* to either one or a combination of those *Borrowers* under the *Master Facility*. You agree all *Borrowers* will be jointly and severally liable for any such *Sub Facility*. We may give notices and issue statements only to the subset of *Borrowers* in whose name each *Sub Facility* is provided.

### B6.3 Changes to your Facility

B6.3.1 Reducing or cancelling your *Master Limit*

- (a) Subject to any long notice period or other restrictions provided for under any *Sub Facility* in relation to a *Sub Facility Limit*, we may cancel or reduce your *Master Limit* by giving you 90 days' written notice.
- (b) At the end of the notice period, if the total Australian dollar equivalent of all amounts outstanding (contingent or otherwise) exceeds the *Master Limit*:
  - (i) we may pay one or more *Beneficiaries* under a contingent liability, and
  - (ii) you must repay the excess.

### B6.4 Meanings of words

In this **section B.6**, the following words have the meanings given below:

#### **Master Facility**

A Multi-Option Facility or Trade Finance Facility.

#### **Master Limit**

The *Limit* for a *Master Facility* set out in the *Offer Document*.

#### **Sub Facility**

A *Facility* under a *Master Facility*.

#### **Sub Facility Limit**

The *Limit* applying to a *Sub Facility*.

DO NOT USE - NOT CURRENT

## B.7 CARD PRODUCTS

### B7.1 Corporate Cards

B7.1.1 There are two types of Corporate Card:

- Corporate Charge Card, for which *you* must pay the outstanding balance in full each month from a *Nominated Account*.
- Corporate Credit Card, for which *you* must make at least the minimum payment each month.

### B7.2 Business Cards

Business Credit Cards are no longer available. These *Terms and Conditions* apply to Business Credit Cards already issued to existing customers.

### B7.3 Setting up and using your Facility

B7.3.1 Choosing Cardholders

#### Corporate Cards

- You* can choose anyone 18 years or older to receive a Corporate Card. There is no limit to the number of *Cardholders*.

#### Business Credit Cards

- A *Cardholder* must be at least 18 years of age. *Cards* may only be issued as follows:

Type of Borrower	Who can receive a Card?	Maximum no. of Cards issued
Individual	<i>You</i> and any other individual <i>you</i> nominate in writing may receive a Card.	<i>We</i> will issue a maximum of two Cards, each with a Code.
than one proprietor or partnership	<i>You</i> may nominate, in writing, any two individuals to receive a Card. Where any one or more of the partners is an individual, at least one of the <i>Cardholders</i> must be a partner.	
Company	<i>You</i> may nominate, in writing, any two individuals to receive a Card.	

B7.3.2 Activating a Card

*Cards* come with activation instructions. A *Card* can't be used before the commencement month or before it has been activated. A *Cardholder* must sign their *Card* as soon as they receive it.

B7.3.3 Using a *Card*

- A *Card* can be used for transactions with any merchant or financial institution displaying the Mastercard logo in Australia and most other countries. Some goods and services may not be available using a *Card*.

- A *Card* may only be used for business purposes.
- Cards* cannot be placed into credit for a sustained period of time. *We* may return the funds to *you*.

- You* can ask *us* to restrict the use of a *Card* with certain merchant categories. If a merchant is incorrectly categorised, these restrictions will not work and *we* will not be liable.

B7.3.4 Using Electronic Equipment

- You* authorise *us* to process *Cardholder* transactions using *Electronic Equipment*.

#### Electronic banking limits

- An electronic banking limit may apply per *Card* to ATM and debit EFTPOS transactions requiring a PIN.
- We* may also set a limit or minimum limits for withdrawal using *Electronic Equipment*.

#### When we process electronic transactions

- We* may process electronic transactions on the next *Business Day* if they are made:
  - and 5 pm on a *Business Day*; or
  - on a weekend or public holiday.

#### When we may cancel use of a card in Electronic equipment

- If *we* believe a *Card* is being used in a way that may cause losses to *you* or *us*, *we* may cancel its use in *Electronic Equipment* without giving *you* advance notice.

#### Provisional authorisation

- We* may provisionally authorise a transaction made using *Electronic Equipment* — for example, when *you* check into a hotel. When that happens, *your* available credit is reduced by the provisionally authorised amount for up to 31 *Business Days* (but usually less).

#### Our right not to authorise transactions

- We* reserve the right not to authorise a transaction, even when *you* have available funds. This might happen, for instance, if *we* suspect a fraudulent transaction or have problems with *our* computer systems.

#### Disputes with a merchant

- Cardholders* are responsible for the accuracy of transaction amounts entered in *Electronic Equipment*.
- A *Cardholder* must deal directly with the merchant if they have complaints about goods or services, or if they dispute the amount charged.
- As a member of the Mastercard scheme, *we* may be able to request a refund ('chargeback') of a purchase transaction in certain situations, for example if the goods were not delivered.
- To take advantage of this chargeback process, contact *us* within 30 days of the date *your* statement is issued. Otherwise, *we* may not be able to claim a chargeback for *you*.



**B7.3.5 Limits**

- (a) You may borrow up to the *Facility Limit* in your *Offer Document*.
- (b) Corporate Cards also have a separate *Card Limit* for each *Card Account*, agreed between you and us. Note that the *Card Limits* may add up to more than the *Facility Limit*. This means that not all *Cardholders* will be able to draw up to their full *Card Limit* at the same time.
- (c) You must ensure that none of your *Facility* or *Card Limits* are exceeded. We can require you to pay us any excess amount immediately.

**Asking for a cash advance**

- (d) A *Cardholder* can ask for a *Cash Advance* of AUD\$20 or more (or the foreign currency equivalent, if overseas).

**B7.4 Costs and payments**

**B7.4.1 Foreign currency transactions**

- (a) Purchases and *Cash Advances* in foreign currencies are converted to Australian dollars by Mastercard, which determines the exchange rates and conversion process.
- (b) In some cases, overseas merchants or ATM operators may allow a *Cardholder* to transact in Australian dollars, in which case they set the exchange rate.
- (c) We charge you an international transaction fee when you complete:
  - (i) a transaction in a foreign currency
  - (ii) a purchase or *Cash Advance* in Australian dollars while overseas; or
  - (iii) a purchase or *Cash Advance* in Australia (for example online) when the merchant, financial institution or other processing the transaction is located overseas.

**B7.4.2 Making payments**

**Corporate Credit Cards and Business Credit Cards**

**What you need to pay** Each *Consolidated Account* statement sets out:

- the closing balance, which shows how much you owe us;
- the minimum payment you need to make; and
- the date the minimum payment is due.

You must make at least the minimum payment by the due date.

The due date is 25 days after the statement date (or, if that day is not a *Business Day*, the next *Business Day*).

You can pay more than the minimum at any time.

You must also pay the outstanding balance of the *Consolidated Account* on cancellation of the *Facility*.

**Corporate Credit Cards and Business Credit Cards**

**How we calculate the minimum payment** If the *Consolidated Account* statement shows a closing balance less than \$75, the minimum payment is the closing balance.

Otherwise, the minimum payment is the larger of:

- the excess of the closing balance over the *Facility Limit*;
- 2.5% of the closing balance (rounded down to the nearest dollar); or
- \$75.

**How you can pay** You can pay your account in Australian dollars:

- by direct debit against a *Nominated Account*;
- by cheque directed to the address shown on the statement; or
- at any of our branches.

We don't accept payment through overseas financial institutions.

A payment is taken to be made when we credit it to your account. We aim to do this as soon as practical.

**Paying by cheque** Cheques must be cleared. If a cheque is dishonoured, we'll treat the dishonoured payment as a *Cash Advance* and charge interest on it from the date of dishonour.

**Corporate Charge Cards**

**What you need to pay** Each *Consolidated Account* statement sets out:

- a closing balance, which shows how much you owe us; and
- the date the payment is due which is the statement date or, if that day is not a *Business Day*, the next *Business Day*.

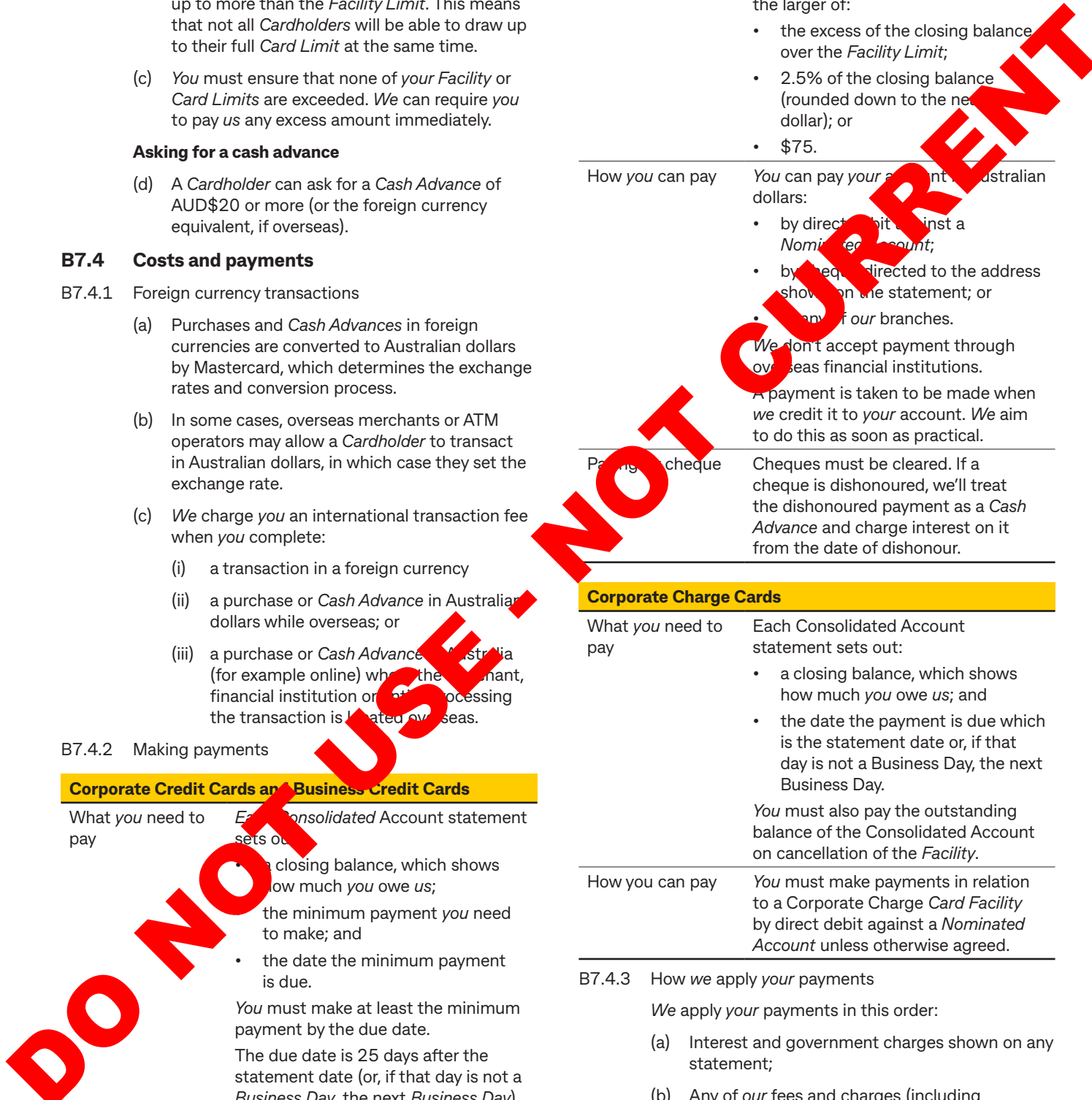
You must also pay the outstanding balance of the *Consolidated Account* on cancellation of the *Facility*.

**How you can pay** You must make payments in relation to a *Corporate Charge Card Facility* by direct debit against a *Nominated Account* unless otherwise agreed.

**B7.4.3 How we apply your payments**

We apply your payments in this order:

- (a) Interest and government charges shown on any statement;
- (b) Any of our fees and charges (including *Enforcement Expenses*) shown on any statement;
- (c) *Cash Advance* shown on any statement;
- (d) Purchases shown on any statement before your last statement;
- (e) Purchases shown on your last statement;
- (f) *Cash Advance* not yet shown on a statement;



- (g) Purchases not yet shown on a statement; then
- (h) Interest, any of *our* fees and charges, *Enforcement Expenses* and government charges not yet shown on a statement.

#### B7.4.4 Fees and charges

- (a) You must pay the fees set out in the '*Commonwealth Bank Business Credit Card Standard Fees and Charges*' brochure (or '*Commonwealth Bank Corporate Card Fees and Charges*' brochure for Corporate Cards) we give you as changed from time to time under **clause A.4**.
- (b) We will debit any fees or charges from the *Card Account* at the end of each *Statement Period*, except:
  - (i) non-Commonwealth Bank ATM fees, which we debit from the *Card Account* after any Cash Advance or balance enquiry; and
  - (ii) any annual fee, which we debit from the *Card Account* in your first statement period and then annually.

#### B7.4.5 Interest

- (a) You must pay interest at the *Interest Rate* on the interest-bearing balance, which is:
  - (i) **For Business Credit Cards and Corporate Credit Cards:** the unpaid balance of each purchase, *Cash Advance* and other amount we are permitted to charge, except amounts with an interest-free period.
  - (ii) **For Corporate Charge Cards:** the unpaid balance of *Cash Advances*.
- (b) We debit the *Card Account* on the first day of each *Statement Period* for interest charges, including that day.

#### Your Interest Rate

- (c) Your *Interest Rate* is reference rate as set out in your *Offer Document* plus or minus a margin. We divide your *Interest Rate* by 365 (even in a leap year) to get a daily rate, then apply it to the interest-bearing balance as described below.

#### How we calculate interest

- (d) At the end of each statement period, we calculate interest separately on:
  - (i) purchases; and
  - (ii) *Cash Advances*.
- (e) Interest on each of these categories is added to the balance. Fees are considered purchases. We then follow these three steps:
  - (i) Average the balances over the statement period;
  - (ii) Multiply the average by the daily interest rate; then
  - (iii) Multiply the result by the number of days in the *Statement Period*.
- (f) We add to these any interest relating to a previous period that hasn't yet been charged

(for example, interest on amounts no longer subject to an interest-free period).

#### Credit Cards with interest-free periods

- (g) A *Business Credit Card* or *Corporate Credit Card* may have an interest-free period on purchases of up to 55 days. The actual interest-free period may be less than 55 days, depending on time between the date the purchase is made and the time payments due.
- (h) We won't charge you any interest on purchases shown on your statement if:
  - (i) you paid in full the closing balance shown on the statement by the due date; and
  - (ii) you also paid in full the closing balance on your previous statement by its due date.
- (i) You will still be charged interest on *Cash Advances*.

#### B7.5 Changes to your Facility

##### B7.5.1 Fraud, Loss, Regulatory Risk

- (a) We can suspend or cancel a *Card*, or suspend your *Facility*, without prior notice:
  - (i) if you are in *Default*;
  - (ii) to protect you, or us, from fraud or other losses; or
  - (iii) to manage regulatory risk.
- (b) If this occurs, you must continue paying all required amounts shown on each statement.

##### B7.5.2 Reducing or Cancelling your Facility Limit

- (a) You can cancel your *Facility* at any time.
- (b) We may reduce your *Facility Limit* or cancel your *Facility* or *Card* by giving you 90 days' written notice including the reason for doing so if appropriate.
- (c) If we reduce your *Facility Limit*, you must, by the end of the notice period, repay such amount as is necessary to reduce the *Outstanding Balance* to an amount not exceeding the reduced *Facility Limit*.
- (d) If we cancel your *Facility*, you must repay the *Outstanding Balance* and any other amount owing to us by the end of the notice period.
- (e) If the *Facility* is cancelled:
  - (i) all the *Cards* are immediately cancelled and you must return them;
  - (ii) you continue to be responsible for any liabilities incurred on the *Consolidated Account* before the date of cancellation;
  - (iii) you must cancel any recurring payment authority linked to a *Card Account*; and
  - (iv) we will continue to charge any interest, fees, *Enforcement Expenses* and government charges until the *Outstanding Balance* is paid in full.
- (f) If a *Card* is cancelled:
  - (i) you must return it to us immediately, and

(ii) *you* must cancel any direct debit linked to the *Card Account*.

(g) If we cancel *your* Facility and it is in credit we:

(i) will pay *you* the amount of the credit balance; and

(ii) may charge *you* an amount that is *our* reasonable estimate of the costs of cancelling *your* Facility.

## B7.6 Managing your account

### B7.6.1 Your liability

(a) *You* are liable for all the credit we extend as a result of *you* or any *Cardholder* using an *Access Method*. We will debit the *Card Account* or the *Consolidated Account*.

(b) *You* must pay us:

(i) the price of goods and services bought direct from a merchant or through mail, online and telephone orders (including regular payment arrangement transactions);

(ii) the amounts shown on all *Cash Advance* vouchers;

(iii) the amounts of all *Cash Advances* and any other transactions charged, or intended to be charged, to *your* *Card Account* as a result of the use of *Electronic Equipment* or by use of a *Password* or *PIN*; and

(iv) any other amounts we may debit to the *Card Account* and the *Consolidated Account* with *your* or a *Cardholder's* authorisation under these *Terms and Conditions*.

(c) *You* are liable for all the credit we extend on a *Card* issued to the *Cardholder*, before, after their *Card* is cancelled or after this contract is terminated.

### B7.6.2 Statements

(a) We send a monthly statement for each *Card Account*. For *Corporate Cards*, we also send a statement of *Consolidated Account* for the *Facility*.

(b) We don't send a statement if:

(i) there has been no account activity since the previous statement and the balance is less than \$2.00;

(ii) we have written off any amount *you* owe us under the *Facility* and no other entries have been made since the closing date for the previous statement; or

(iii) *you* have been in *Default* over three consecutive *Statement Periods*, including the most recent *Statement Period*, and we have not given credit on the *Card Account* during the most recent *Statement Period*.

### B7.6.3 Mistakes and refunds

(a) *You* should check *your* transaction history regularly, and each statement as soon as *you* receive it.

(b) If *you* think there is an error or an unauthorised transaction, tell us as soon as *you* can. That's important because Mastercard scheme rules only allow us to seek a refund within strict time limits: see [clause B7.3.4\(k\)](#).

### B7.6.4 Documents

We will, at *your* request, give *you* a copy of *your* documents in *our* possession including:

(a) Any relevant Security document;

(b) Any notice we previously gave *you* which is relevant to us exercising our rights

### B7.6.5 How to make a complaint

(a) *You* can challenge any *Card* transaction by contacting us.

(b) If we can't resolve *your* concern immediately, we'll advise *you* in writing about *our* internal complaint resolution procedure.

#### Investigating your complaint

(c) Within 21 days of hearing *your* concern, we will either complete an investigation into it or write and inform *you* that we need more time.

(d) We aim to complete investigations of transactions involving use of a *Card* and *PIN* or *Card* and *Password* within 45 days (unless there are exceptional circumstances, in which case we'll write to advise *you* of the delay).

(e) We'll advise *you* in writing of the outcome of *our* investigation, the reason for *our* decision, and the relevance of any of the terms and conditions of use of the *Card* that may apply.

#### Fixing mistakes

(f) If we find *your* account has been incorrectly debited or credited, we'll adjust the *Card Account* (including any interest and charges) and advise *you* of the debit or credit.

(g) If we find *your* account has not been incorrectly debited or credited, or in the case of *Unauthorised Transactions*, that *you* are liable for the loss or part of the loss, we will give *you* copies of any documents and other evidence on which we based *our* finding.

(h) If *you're* not satisfied with *our* decision, please see *our* brochure called *How we can help you*, available at any of *our* branches.

### B7.6.6 Protecting your Card, PIN and Password

(a) Each *Card* remains *our* property. If we ask, *you* must return a *Card* to us. *You* must also destroy any *Card* that is no longer valid.

(b) A *Cardholder* must sign a *Card* as soon as they receive it, and keep it in a secure place.

(c) In the event *you* do not inform us about the loss, theft or misuse *you* may not be eligible for refunds or any losses incurred (where *you* otherwise may have been).

### Keeping Access Methods secure

- (d) To prevent misuse, theft or loss, *Cardholders* should not share their *Card* or *PIN*. You must tell us straight away if:
- (i) a *Card* or device containing the *Card* details has been lost or stolen, or
  - (ii) *you* or a *Cardholder* suspects someone else has used a *Card Account* without permission or may know a *PIN* or *Password*.

### How to tell us about lost or stolen Cards, PINs or Passwords

- (e) In Australia: call us on 13 1576 anytime, or visit any branch during bank hours.
- (f) In the USA: call 1-800-Mastercard (1 800 627 8372) (free call).
- (g) In any other country: call +1 636 722 7111 reverse charges, or visit any financial institution displaying the Mastercard logo.
- (h) If we're contacted, we give the *Cardholder* a number as proof of the date and time of the report. The *Cardholder* should keep this in a safe place for future reference.
- (i) If the *Cardholder* can't report the loss, or register their suspicion of misuse because our hotline facilities are unavailable, they will need to visit or phone a branch.

### If a Card is found

- (j) If the *Cardholder* recovers their *Card* after reporting it lost or stolen, they must tell us and destroy the *Card*. We will provide a replacement *Card*. If the *Cardholder* is overseas at the time, they should tell a financial institution displaying the Mastercard logo.

### B7.6.7 Getting a refund on unauthorised transactions

#### When you'll get a refund

You will get a refund for an unauthorised transaction if it's clear *you* or any other *User* didn't contribute to the loss, or the loss is because:

- (a) a *Cardholder* can't report a lost *Card* or *PIN* or register a suspicion of misuse because our hotline facilities are unavailable;
- (b) someone uses a *Card*, *PIN* or *Password* after you tell us the *Card* was lost, stolen or misused or that someone else may know the *PIN* or *Password*;
- (c) a bank employee or anyone involved in processing your transaction contributed to the loss by acting fraudulently or negligently;
- (d) the transaction involved faulty equipment, a forged or faulty *Card* or device or an expired or cancelled *Card*, *PIN* or *Password*;
- (e) someone uses a *Card*, *PIN* or *Password* before the *Cardholder* receives it; or
- (f) the same transaction is debited more than once.

You might get a partial refund for any unauthorised transaction:

- (g) conducted on any one day if the applicable daily transaction limit is exceeded before or as a result of the transaction;
- (h) on any *Card Account* where the available limit of that *Card Account* is exceeded before or as a result of the transaction; or
- (i) on any account as to which we had not agreed with *you* to give a *Cardholder* access using the *Access Method*.

#### When you won't get a refund

You will not get a refund for an unauthorised transaction if *you* or any other *Cardholder* has contributed to the loss by:

- (j) committing fraud;
- (k) telling someone the *PIN* or *Password* or keeping a unlogged record of it, or creating a *PIN* or *Password* that is easily guessed (like the name or date of birth) or otherwise contributing to the loss by not protecting the *PIN* or *Password*;
- (l) not promptly telling us that their *Card* was lost or stolen, or that someone else may know the *PIN* or *Password* (you'll be liable for transactions after *you* or the *User* should have told us); or
- (m) forgetting to collect the *Card* after using an ATM.

In any other circumstance not covered in the left hand column, we may hold *you* responsible for the transaction unless we are able to obtain a refund for *you* under the Mastercard scheme rules.

## B7.7 Meanings of words

In this [section B.7](#), the following words have the meanings given below:

### Access Method

A method we make available for *you* to provide instructions to *us*, which we rely on as *our* mandate to act.

It includes all components of the *Access Method*, including *Devices*, *Identifiers*, *Codes* or a combination of these. It does not include authentication by a manual signature.

### Card

The Mastercard Card we issue on a *Card Account* to a *Cardholder*.

### Card Account

For Business Credit Card Accounts – the account we set up in *your* name to record *Cardholder* transactions.

For Corporate Card Accounts – the account we set up in the *Cardholder's* name to record *Cardholder* transactions under *your Facility*.

### Cardholder

A person who is issued a *Card* at *your* request, and anyone authorised by a *Cardholder* to use a *Card* or *Code*.

### Cash Advance

Any money we lend *you* under *your Card Facility*, except a purchase. Cash advances include:

- (a) ATM withdrawals (including any ATM fee);
- (b) money withdrawn at a branch or other financial institution;
- (c) transfers from *your Consolidated Account*, including transfers using our internet banking, mobile banking, phone banking, call centres, or Australia Post;
- (d) transactions for items we consider equivalent to cash, such as gambling, lottery tickets, money transfers or travellers cheques, including transactions where merchants tell *us* are for such items; and
- (e) scheduled payments.

Information such as a *PIN* or *Password*, which:

- (a) is known to a *User*;
- (b) is intended to be known only to the *User*, or only to the *User* and *us*;
- (c) we require the *User* to keep secret; and
- (d) the *User* must provide (in any manner which we approve) to access a *Card Account* electronically or via a *Card*.

### Consolidated Account

The account we set up in *your* name to which we debit or credit amounts for *Card Accounts*.

### Device

A physical device used to electronically access a *Card Account*, such as a *Card*, computer or smartphone.

### Electronic Equipment

Includes an electronic terminal (like an EFTPOS terminal or ATM), computer, television, telephone, smartphone or smart watch.

### Enforcement Expenses

- (a) The cost to *us*, including *our* internal administrative expenses, if we take enforcement proceedings such as in a court, to recover a payment due under the *Contract* or a *Security*, and
- (b) to enforce the *Security* including taking possession of the *Security Property*.

### Identifier

Information that:

- (a) is known to the *User* and others and not required to be kept secret; or
- (b) which the *User* must provide when accessing a *Card Account* with a *Card* or *Electronic Equipment*.

### Password

A password nominated by a *Cardholder* that meets *our* requirements, for use with the *Cardholder's Card*.

### PIN

A Personal Identification Number (PIN) which we issue to *Cardholders* (or which is selected by a *Cardholder*) for use electronically with a *Card*, typically at an EFTPOS or ATM terminal.

### Statement Period

The period for which we draw up a statement of the *Card Account*, or would have drawn up a statement if there had:

- (a) not been a breach of these *Terms and Conditions*, or
- (b) been a transaction on the *Card Account* (other than *us* writing off an amount owed to *us*) since the date we last drew up a statement.

### User

*You* and any *Cardholder*.



## B.8 PROCUREMENT MANAGEMENT ACCOUNT FACILITY

### B8.1 What the PMA Facility can be used for

Under this *PMA Facility*, you may have one or more Procurement Management Accounts (*PMA*s). A *PMA* may only be used to finance commercial procurement purchases from merchants who accept Mastercard card payments. When setting up a *PMA Facility*, you can choose one of 2 options, which are specified in the *Offer Document*:

- (a) *PMA Facility* - standard
- (b) *PMA Facility* with *VCN* functionality (procurement or travel).

### B8.2 Setting up and using your Facility

#### B8.2.1 Your Facility Limit

- (a) You can borrow up to the *Facility Limit* set out in the *Offer Document*.
- (b) You must ensure that at all times the *Outstanding Balance* does not exceed the *Facility Limit*.
- (c) We may debit any amount of the *Outstanding Balance* in excess of the *Facility Limit* to the *Nominated Account*, or at our option, we may require you to pay any excess immediately.

#### B8.2.2 Drawing on a PMA

You may draw on a *PMA* by use of the following *Access Methods*:

PMA option	Access method
PMA – standard	<i>PMA Details</i>
PMA with VCN functionality (procurement or travel)	<i>Virtual Card Number (VCN)</i>

Payments using these *Access Methods* may only be made to merchants who accept Mastercard card payments.

#### B8.2.3 PMA – Standard

Some limits can be set for the use of *PMA Details* including individual transaction limits and *Drawing* limits. You can also ask us to restrict the use of a *PMA* according to merchant categories.

#### B8.2.4 PMA with VCN functionality

You will be issued with *PMA Details* for reconciliation purposes. You should keep these in a safe and secure place and you should not use those details for any purchase or other transaction. You must instead use *VCNs*. *VCNs* may be generated by certain *Authorised Users* using the *InControl* module in the *Smart Data Portal* or through an *API* or *SFTP*, including through a third party you authorise who supports the use of *VCNs* (such as a travel management company). When a *VCN* is issued, controls on its use may be applied. These include controls under which the *VCN*:

- (a) may only be used for a single transaction or limited number of transactions;
- (b) may only be used between specified dates;

- (c) may only be used to pay merchants in specified countries;
- (d) may only be used to pay one or more specified merchants or merchant categories; and
- (e) is subject to transactions limits within specified periods of time.

Further details on the restrictions you can apply to *VCNs* are available in the *VCN User Guide*.

#### B8.2.5 Verifying identity under anti-money laundering laws

- (a) We may require a person's identity to be verified in accordance with our policies and procedures before you or we allow any person to use an *Access Method* or to have access to the *Smart Data Portal*, including by *API* or *SFTP*.
- (b) You agree to provide such cooperation and assistance as we reasonably require to verify the identity of any *Authorised User*.

### B8.3 Protecting the Smart Data Portal

- (a) You must ensure that each *Smart Data Portal Passcode* we issue to an *Authorised User* is kept secret and secure by the *Authorised User*. This includes ensuring that if any record of a *Smart Data Portal Passcode* is made, a reasonable attempt has been made to disguise it or otherwise protect it from unauthorised access.

If you or an *Authorised User* become aware, or should reasonably have become aware, that the security of a *Smart Data Portal Passcode* has been compromised, you must immediately notify us in order that we can prevent unauthorised access to the *Smart Data Portal*.

### B8.4 Protecting the Access Methods

#### B8.4.1 Keeping Access Methods secure

Except for the purpose of initiating a purchase transaction, to prevent misuse, theft or loss, you must not, and you must ensure that your *Authorised Users* do not, disclose to any person any information about an *Access Method* including:

- (a) the 16 digit code;
- (b) the expiry date; and
- (c) the CVC.

#### B8.4.2 Reporting a compromised Access Method

You must notify us immediately upon becoming aware that the security of an *Access Method* has been compromised including when we issue a *Statement* to you which includes any *Unauthorised Transaction*. You must do this by calling 13 15 76.

### B8.5 Liability for losses

- (a) We shall not be liable for any losses for *Unauthorised Transactions* to the extent such losses arise from your failure (including a failure by an *Authorised User*) to comply with your obligations under [clause B8.3](#) or [clause B8.4](#).

- (b) When you report any compromised *Smart Data Portal Passcode* or *Access Method* to us, you can ask for a record number as proof of the date and time of the report. You should keep this number as evidence that you told us about the compromised *Smart Data Portal Passcode* or *Access Method*.
- (c) If a *Smart Data Portal Passcode* or an *Access Method* is compromised and *Unauthorised Transactions* occur on the *PMA*, we will be liable for all losses occurring after we have been told that the *Smart Data Portal Passcode* or the *Access Method*, as the case may be, has been misused, stolen or otherwise compromised.

### B8.6 Withdrawing authority to use the PMA or an Access Method

At any time, by written notice to us, you may:

- (a) place a temporary stop on the operation of the *PMA* to be effective until you revoke the stop; or
- (b) instruct us to close the *PMA*. If you instruct us to close the *PMA*, the *Outstanding Balance* will become immediately payable by you.

If you provide any such notice, you will remain liable for any transaction initiated before we have had the opportunity to take action based upon your notice.

### B8.7 Supplier restrictions

- (a) Some merchants who accept Mastercard card payments may not necessarily accept Mastercard card payments for all goods and services which they supply.
- (b) We make no representation in relation to goods or services financed using the *PMA* or in relation to any merchant's willingness to accept payment by means of an *Access Method*.

### B8.8 Responsibility for use

- (a) Each *Authorised User* is your agent with authority to bind you when they use the *Smart Data Portal* or an *Access Method*.
- (b) When you or any of your *Authorised Users* initiate a payment using an *Access Method* which is communicated to us through *Electronic Equipment*, you authorise us to make the payment to the relevant merchant and to debit the amount of the payment to the *PMA*.
- (c) We will not be liable for a failure to process a payment initiated using an *Access Method* where such a failure arises directly or indirectly from a failure or malfunction of the *Electronic Equipment* or any other circumstance beyond our control.

### B8.9 Your payment obligations

#### B8.9.1 Transactions with Access Methods

- (a) You are liable for any *Drawing* as a result of you or any *Authorised User* using an *Access Method*, even if the use occurs after the *Access Method* is cancelled or after this *Contract* is terminated and you authorise us to debit each such amount to the *PMA*.

- (b) You must pay us:
  - (i) the price of goods and services bought direct from a merchant using an *Access Method*;
  - (ii) any other amount we debit to the *PMA* with your, or an *Authorised User's* authorisation under these *Terms and Conditions*.
- (c) You must pay any the *Outstanding Balance* in full on each *Bill Date*, unless otherwise agreed.
- (d) If for any reason the *Outstanding Balance* or any part thereof is not debited to the *Normal Account*, then the balance will become immediately due and payable by you.

#### B8.9.2 Reducing or cancelling your Facility Limit

- (a) You can cancel your *Facility* at any time.
- (b) We may reduce your *Facility Limit* or cancel your *Facility* or an *Access Method* or your access to the *Facility* via the *Smart Data Portal*, an *API* or *SFTP* by giving you 90 days' written notice including the reason for doing so if appropriate.
- (c) If we reduce your *Facility Limit*, you must, by the end of the notice period, repay such amount as is necessary to reduce the *Outstanding Balance* to an amount not exceeding the reduced *Facility Limit*.
- (d) If we cancel your *Facility*, you must repay the *Outstanding Balance* and any other amount owing to us by the end of the notice period.
- (e) If the *Facility* is cancelled:
  - (i) all the *Access Methods* and access via *Smart Data Portal*, *API* or *SFTP* are immediately cancelled;
  - (ii) you continue to be responsible for any liabilities incurred on a *PMA* before the date of cancellation;
  - (iii) you must cancel any recurring payment authority linked to a *PMA* or *Access Method*; and
  - (iv) we will continue to charge any interest, fees, *Enforcement Expenses* and government charges until the *Outstanding Balance* is paid in full.
- (f) If an *Access Method* is cancelled:
  - (i) you must cancel any direct debit linked to the *Access Method*.
- (g) If we cancel your *Facility* and it is in credit we:
  - (i) will pay you the amount of the credit balance; and
  - (ii) may charge you an amount that is our reasonable estimate of the costs of cancelling your *Facility*.

#### B8.9.3 Fees and Charges

- (a) You must pay the fees set out in the *Offer Document* as changed from time to time under **clause A.4**.

- (b) We will debit any fees or charges to the *PMA* on the closing date of each statement issued under **clause B8.8**.

### B8.10 Statements

- (a) We send a monthly statement for the *PMA* or, we can make statements available in CommBiz if you have access and choose this option.
- (b) We won't send a statement if:
- there has been no account activity since the previous statement and the balance is less than \$2.00;
  - we have written off any amount *you* owe *us* under the *Facility* and no other entries have been made since the closing date for the previous statement; or
  - you* have been in *Default* over three consecutive *Statement Periods*, including the most recent *Statement Period*, and we have not given credit on the *PMA* during the most recent *Statement Period*.
- (c) Transaction values in statements will be expressed in Australian currency and must be settled in Australia with Australian currency.

### B8.11 Authorising transactions

- (a) We reserve the right to decline to provide authorisation for any *Drawing*. This might happen, for instance, if we suspect a fraudulent transaction or have problems with our computer systems.
- (b) We may provisionally authorise a transaction made using Electronic Equipment—for example, when you check into a hotel. When that happens, your available credits reduced by the provisionally authorised amount for up to 31 Business Days (but usually less).

### B8.12 Refunds and Disputed Transactions

#### B8.12.1 Accuracy of transaction amounts

- (a) Subject to this **clause B8.12**, including any rights to a chargeback, *you* and your *Authorised Users* are responsible for the accuracy of transaction amounts entered into *Electronic Equipment* when an *Access Method* is used.
- (b) *You* or your *Authorised Users* must deal directly with the merchant if *you* have a complaint about the goods or services financed using the *PMA* or the amount charged.

#### B8.12.2 Refunds

- (a) If *you* become entitled to a refund from a merchant, *you* must only accept such a refund by a credit to the *PMA* using the same *Access Method* by which the purchase was made.
- (b) We have no obligation to credit the refund to the *PMA* unless and until we receive a valid credit voucher from the relevant merchant's bank.

#### B8.12.3 Disputes

- (a) As a member of the Mastercard scheme, we may be able to request a refund ('chargeback') of a purchase transaction in certain situations, for example if the goods were not delivered. To take advantage of this chargeback process, contact *us* within 30 days of the date *your* statement is issued. Otherwise, we may not be able to claim a chargeback for *you*.
- (b) If the dispute relates to an unauthorised use of an *Access Method*, refer to clause B8.5 about our relation to liability for losses.
- (c) *You* should obtain and keep all receipts and transaction receipts provided by merchants and check the details against statements we issue or make available. *You* agree that amounts shown on transaction receipts generated by *Electronic Equipment* when an *Access Method* is used will be evidence of the cash price of goods or services purchased and the time of purchase unless proven otherwise.

#### B8.12.4 Investigating a complaint or disputed transaction

- (a) Within 31 days of hearing from *you* about a disputed transaction or complaint, we will either complete an investigation or write to inform *you* that we need more time.
- (b) We aim to complete investigations of transactions involving use of an *Access Method* within 45 days (unless there are exceptional circumstances, in which case we will write to advise *you* of the delay).
- (c) We will advise *you* in writing of the outcome of *our* investigation and the reason for *our* decision.

#### B8.12.5 Fixing mistakes

- (a) If we find *your PMA* has been incorrectly debited or credited, we'll adjust the *Outstanding Balance* (including any interest and charges) and advise *you* of the adjustment.
- (b) If we find *your* account has not been incorrectly debited or credited, or in the case of *Unauthorised Transactions*, that *you* are liable for the loss or part of the loss, we will give *you* copies of any documents and other evidence on which we based *our* finding.
- (c) If *you* are not satisfied with *our* decision, please see *our* brochure called *How we can help you*, available at any of *our* branches.
- (d) Refer to **clause B7.6.7** which describes the circumstance in which we would agree, or not agree, to refund an *Unauthorised Transaction*. For the purposes of the *PMA*, references in that clause to Card, PIN or Password should be taken to be references to *Access Method* and references to a Cardholder in that clause should be taken to be references to *Authorised Users* in relation to an *Access Method*.

### B8.13 Foreign currency transactions

- (a) Purchases in foreign currencies are converted to Australian dollars by Mastercard, which also determines the exchange rates and conversion process.
- (b) In some cases, overseas merchants may allow you to transact in Australian dollars, in which case they set the exchange rate. If you or an *Authorised User* chooses to do this, we will debit your *PMA* with the Australian dollar amount of the transaction.
- (c) We charge you an international transaction fee when you complete:
  - (i) a transaction in a foreign currency
  - (ii) a purchase in Australian dollars while overseas; or
  - (iii) a purchase where the merchant, financial institution or entity processing the transaction is located overseas.

### B8.14 Blocking Strategies

- (a) You are responsible for any use of a *PMA* or *VCN* by an *Authorised User* and will be liable for any failure by an *Authorised User* to comply with a *Blocking Strategy*.
- (b) You acknowledge that a *Blocking Strategy* may fail if:
  - (i) we do not have to authorise a *PMA* transaction; or
  - (ii) a merchant's financial institution has not categorised that merchant in accordance with the usual category under the card scheme for merchants of that kind.
- (c) We are not liable in the event any *Blocking Strategy* fails.

### B8.15 Payments

#### B8.15.1 Nominated Account

- (a) You must maintain a *Nominated Account*. These Terms and Conditions do not relieve you of your responsibility to ensure that the *Nominated Account* is conducted in accordance with the Terms and Conditions applicable to that account. You irrevocably authorise us to debit to the *Nominated Account* all amounts payable to us under these Terms and Conditions. If the *Nominated Account* is maintained with another financial institution, you must provide us with a direct debit authority in the form we require to debit payments to that account.
- (b) You must ensure that the balance of the *Nominated Account* is sufficiently in credit or sufficiently within the overdraft limit on the *Nominated Account* so as to permit us to debit all amounts at the times authorised by these Terms and Conditions.

#### B8.15.2 Debiting the Nominated Account

- (a) On each *Bill Date*, the *Outstanding Balance* of the *PMA* will be debited to the *Nominated Account*, unless otherwise agreed.

#### B8.15.3 Interest

- (a) We divide your *Interest Rate* by 365 (even in a leap year) to get a daily rate, then apply it to the interest bearing balance as described below.
- (b) At the end of each *Statement Period*, we calculate interest separately on:
  - (i) *Cash Advances* from the time of *Drawing*; and
  - (ii) the *Outstanding Balance* from the time it becomes due and payable under **B8.15.2(a)**.
- (c) Interest on each of these categories is added to the balance. We then follow these three steps:
  - (i) Average the balance over the *Statement Period*;
  - (ii) Multiply the average by the daily interest rate; then
  - (iii) Multiply the result by the number of days in the *Statement Period*.
- (d) We set the interest rate by either adding a margin or subtracting a margin from an index interest rate. The index rate and margin are stated in the *Offer Document*.
- (e) We may vary the rate or the method of calculating interest at any time and will provide you with written notice.

### B.8.16 Meaning of words

In this **section B.8**, the following words have the meanings given below:

#### Access Method

- (a) *PMA Details*; or
- (b) *Virtual Card Number (VCN)*.

#### Administrator

the persons nominated by you in writing to manage the InControl module settings.

#### Authorised User

a person authorised by you:

- (a) to use the *Smart Data Portal* and having an *Authorised User* profile, user ID and password and includes any *Administrator*, *VCN Approver* or *VCN Requestor*; and/or
- (b) to use an *Access Method*.

#### Bill Day

The monthly bill day You and we agree when you set up your *Facility*.

#### Blocking Strategy

merchant category controls which we may implement on the *PMA* as agreed with you or notified to you from time to time.



**Cash Advance**

*Drawings* of cash and transactions we treat as equivalent to cash, such as gambling, lottery tickets, money transfers, travelers cheques or gift cards including transactions which merchants or their financial institutions tell us are for such items.

**Electronic Equipment**

Includes an electronic terminal (like an EFTPOS terminal or ATM), computer, television, telephone, smartphone or smart watch.

**InControl**

a module in the *Smart Data Portal* which allows you, using your VCN Requestors and VCN Approvers, to request, configure and generate a VCN.

**PMA**

a Commonwealth Bank Business Procurement Management Account provided by us to you and which under which you may make *Drawings* on a *PMA Facility*.

**PMA Details**

the 16 digit account number, CVC and expiry date for a PMA.

**PMA Facility**

the credit facility by which you may use one or more *PMA*s to pay procurement expenses on the terms set out in this *Contract*.

**Smart Data Portal**

a Mastercard platform that allows VCNs to be issued and managed and through which activity and reporting tools are available in relation to VCN activity.

**Smart Data Portal Passcode**

a one-time passcode we issue to an *Authorised User* and any subsequent passcode created by the *Authorised User* to access the *Smart Data Portal*.

**Statement Period**

The period for which we draw up a statement of a *PMA*, or would have drawn up a statement if there had:

(a) not been a breach of these *Terms and Conditions* or

(b) there has been a transaction on the *PMA* (other than us writing off an amount owed to us) since the date we last drew up a statement.

**Unauthorised transaction**

a transaction on the *PMA* resulting from the use of an *Access Method* which was not authorised by you or an *Authorised User*.

**Virtual Card Number or VCN**

a 16 digit virtual card number, CVC and expiry date linked to a *PMA*.

**VCN Approver**

the person(s) nominated by you in writing to approve the issue of a *VCN*.

**VCN Requestor**

the person(s) nominated by you in writing to request the issue of a *VCN* in the *Smart Data Portal* for approval by a *VCN Approver*.

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