

## ISSUE OF A\$1,750,000,000 FIXED TO FLOATING RATE SUBORDINATED SECURITIES DUE 15 MARCH 2038

### Notice under section 708A(12H)(e) Corporations Act 2001 (Cth)

**Wednesday, 15 March 2023, SYDNEY:** Commonwealth Bank of Australia (**CBA**) is pleased to confirm that, on 15 March 2023, it issued A\$1,750,000,000 worth of subordinated fixed to floating rate securities due 15 March 2038 (the **Subordinated Securities**). The Subordinated Securities were issued pursuant to CBA's A\$ debt issuance program (the **Program**).

The Subordinated Securities potentially exchange into fully paid ordinary shares of CBA (**Ordinary Shares**) if a Non-Viability Trigger Event occurs.

This notice is a cleansing notice prepared for the purposes of section 708A(12H)(e) of the Corporations Act 2001 (Cth) (the **Corporations Act**) (as inserted by ASIC Corporations (Regulatory Capital Securities) Instrument 2016/71). CBA has elected to give this notice to enable Ordinary Shares issued on Exchange to be freely tradeable without further disclosure under Chapter 6D of the Corporations Act. This notice includes:

- in Schedule 1, a description of the rights and liabilities attaching to the Subordinated Securities, in the form of the terms and conditions of the Subordinated Securities (the **Conditions**) extracted from the information memorandum dated 4 May 2021 for the issue of the Subordinated Securities under the Program (the **Information Memorandum**);
- in Schedule 2, a description of the commercial details of the Subordinated Securities, in the form of the pricing supplement for the issue of the Subordinated Securities dated 9 March 2023 (the **Pricing Supplement**); and
- in Schedule 3, a description of the rights and liabilities attaching to Ordinary Shares.

Words and expressions not otherwise defined in this cleansing notice have the same meaning as defined in the Information Memorandum, except where the context otherwise requires or unless otherwise stated.

CBA confirms that:

- (a) the Subordinated Securities were issued without disclosure to investors under Part 6D.2 of the Corporations Act;
- (b) the information in this notice remains current as at today's date;
- (c) this notice (including the schedules) complies with section 708A of the Corporations Act, as modified by ASIC Corporations (Regulatory Capital Securities) Instrument 2016/71; and
- (d) this notice (including the schedules) complies with section 708A(12I) of the Corporations Act as inserted by ASIC Corporations (Regulatory Capital Securities) Instrument 2016/71.

### **Effect of the Subordinated Securities offer on CBA**

The issue of Subordinated Securities by CBA will not have a material impact on CBA's financial position. If a Non-Viability Trigger Event occurs and CBA issues Ordinary Shares, the impact of Exchange on CBA would be to increase CBA's shareholders' equity. The number of Ordinary Shares issued on Exchange is limited to the Maximum Exchange Number. The Maximum Exchange Number is 502.9493 Ordinary Shares per Subordinated Security (with a nominal value of A\$10,000), based on the Issue Date VWAP of A\$99.4136 per Ordinary Share.

### **Additional information**

CBA is a disclosing entity for the purposes of the Corporations Act and, as a result, is subject to regular reporting and disclosure obligations under the Corporations Act and the ASX Listing Rules. In addition, CBA must notify ASX immediately (subject to certain exceptions) if it becomes aware of information about CBA that a reasonable person would expect to have a material effect on the price or value of its securities including Ordinary Shares.

Copies of documents lodged with ASIC can be obtained from, or inspected at, an ASIC office. They can also be obtained from [www.asx.com.au](http://www.asx.com.au) together with CBA's other ASX announcements.

Any person has the right to obtain copies of the following documents free of charge:

- CBA's most recent annual financial report lodged with ASIC;
- CBA's most recent half-year profit announcement lodged with ASIC; and
- any continuous disclosure notices given by CBA in the period after the lodgement of its most recent annual financial report but before the date of this notice,

from [www.commbank.com.au/investors](http://www.commbank.com.au/investors) or by request made in writing to CBA at:



Investor Relations  
Commonwealth Bank of Australia  
Commonwealth Bank Place South  
Level 1  
11 Harbour Street  
Sydney NSW 2000  
Australia

### **Important information**

This notice is not a prospectus or other disclosure document in relation to the Subordinated Securities, and does not constitute an offer or invitation for the Subordinated Securities or any Ordinary Shares for issue or sale in Australia. Subordinated Securities are only available for sale to persons in Australia in circumstances where disclosure is not required in accordance with Part 6D.2 or Part 7.9 of the Corporations Act.

This notice does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or to, or for the account or benefit of, any U.S. person (as defined in Regulation S under the U.S. Securities Act of 1933, as amended (the **Securities Act**)). The Subordinated Securities have not been, and will not be, registered under the Securities Act or the securities laws of any state or other jurisdiction in the United States. Accordingly, the Subordinated Securities may not be offered or sold in the United States or to, or for the account or benefit of, any U.S. person (as defined in Regulation S under the Securities Act) unless they have been registered under the Securities Act, or are offered and sold in a transaction exempt from, or not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws.

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The release of this announcement was authorised by the Continuous Disclosure Committee of CBA

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## Schedule 1 – Rights and liabilities attaching to the Subordinated Securities (as extracted from the Information Memorandum)

*The following are the conditions which, subject to variation or replacement by an applicable Subordinated Pricing Supplement, will apply to each of the Subordinated Securities of each Subordinated Series.*

*Each Subordinated Holder and any person claiming through or under a Subordinated Holder is entitled to the benefit of, is bound by and is taken to have notice of these Conditions (as varied or replaced by the relevant Subordinated Pricing Supplement), the Subordinated Deed Poll and the Information Memorandum. A copy of the Subordinated Deed Poll is available for inspection by Subordinated Holders during normal business hours at the office of the Issuer and the Registrar.*

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### 1 Definitions and interpretation

#### 1.1 Definitions

In these Conditions, unless the context requires otherwise:

**Applicable Regulations** means the ASX Listing Rules, the ASX Settlement Operating Rules, the Austraclear Regulations, the Corporations Act and any rules or regulations made under or pursuant to them.

**APRA** means the Australian Prudential Regulation Authority ABN 79 635 582 658 or any successor body responsible for prudential regulation of the Issuer.

**ASX** means ASX Limited ABN 98 008 624 691 or the securities market operated by it, as the context requires.

**ASX Listing Rules** means the listing rules of ASX from time to time with any applicable modification or waiver granted by ASX.

**ASX Settlement Operating Rules** means the settlement operating rules of ASX from time to time with any applicable modification or waiver granted by ASX.

**Attributable Proceeds** means the net proceeds of sale of Ordinary Shares attributable to the Subordinated Securities of the relevant Subordinated Holder or, where Condition 5.10(d) applies, the Clearing System Participant, actually received after deducting any applicable brokerage, stamp duty and other taxes.

**Austraclear** means Austraclear Ltd (ABN 94 002 060 773).

**Austraclear Regulations** means the regulations and related operating procedures established from time to time by Austraclear for the conduct of the Austraclear System.

**Austraclear System** means the "System" as defined in the Austraclear Regulations.

**Australian dollars, Australian cents** and **A\$** means the lawful currency of the Commonwealth of Australia.

**Banking Act** means the Banking Act 1959 (Cth).

**Base Rate** has the meaning given in Condition 6.2(b).

**BBSW** means, for an Interest Period, the rate for prime bank eligible securities having a tenor closest to the Interest Period which is designated as "AVG MID" on the Bloomberg or Reuters Screen BBSW Page (or any designation which replaces that designation on that page, or any replacement page) at approximately 10.30 am in the Relevant Financial Centre (or such other time at which such rate customarily appears on that page) ("**Publication Time**") on the Interest Determination Date.



However, if such rate does not appear on the Bloomberg or Reuters Screen BBSW Page (or any replacement page) by 10.45 am on that day in the Relevant Financial Centre (or such other time that is 15 minutes after the then prevailing Publication Time in the Relevant Financial Centre), or if it does appear but the Calculation Agent determines that there is an obvious error in that rate, "BBSW" means such other substitute or successor base rate that one or more reputable Australian financial institutions appointed by the Calculation Agent determines, in its sole discretion, is most comparable to "BBSW" and is consistent with industry accepted practices, which rate is notified in writing to the Calculation Agent by such alternate financial institution(s). The rate determined by such alternate financial institution(s) and notified in writing to the Calculation Agent will be expressed as a percentage rate per annum and will be rounded up, if necessary, to the next higher one thousandth of a percentage point (0.0001%).

**BBSW Determination** has the meaning specified in the Subordinated Pricing Supplement and in Condition 6.2(b)(i).

**Board** means either the board of directors of the Issuer or a committee appointed by the board of directors of the Issuer.

**Business Day** means a day which is:

- (a) a business day within the meaning of the ASX Listing Rules; and
- (b) for the purposes of calculation or payment of Interest or other amount, a day on which banks are open for general banking business in Sydney.

**Business Day Convention** means a convention for adjusting any date if it would otherwise fall on a day that is not a Business Day and the following conventions, where specified in the Subordinated Pricing Supplement in relation to any date applicable to any Subordinated Security, have the following meaning:

- (a) **Floating Rate Convention** means that the date is postponed to the next following day which is a Business Day unless that day falls in the next calendar month, in which event:
  - (i) that date is brought forward to the first preceding day that is a Business Day; and
  - (ii) each subsequent Interest Payment Date is the last Business Day in the month which falls the number of months or other period specified as the Interest Period in the Subordinated Pricing Supplement after the preceding applicable Interest Payment Date occurred;
- (b) **Following Business Day Convention** means that the date is postponed to the first following day that is a Business Day;
- (c) **Modified Following Business Day Convention** means that the date is postponed to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date is brought forward to the first preceding day that is a Business Day;
- (d) **Preceding Business Day Convention** means that the date is brought forward to the first preceding day that is a Business Day; and
- (e) **No Adjustment** means that the relevant date must not be adjusted in accordance with any Business Day Convention.

If no business day convention is specified in the Subordinated Pricing Supplement, the Modified Following Business Day Convention applies. Different business day conventions may apply to, or be specified in relation to, the Interest Payment Dates and any other date or dates in respect of any Subordinated Security.

**Calculation Agent** means, in relation to a Subordinated Series of Subordinated Notes, the Issuer or, if different to the Program, the person specified in the relevant Subordinated Pricing Supplement.



The Calculation Agent must be the same for all Subordinated Securities of the same Subordinated Series.

**CBA Group** means the Issuer (or any NOHC that is the holding company of the Issuer) and its Subsidiaries.

**CBA Level 1 Group** means either:

- (a) the Issuer; or
- (b) the “extended licensed entity” which is comprised of the Issuer and each Subsidiary of the Issuer as specified in any approval granted by APRA in accordance with APRA’s prudential standards (as amended from time to time).

**CBA Level 2 Group** means the Issuer and each Subsidiary that is recognised by APRA as part of the Issuer’s Level 2 group in accordance with APRA’s prudential standards (as amended from time to time).

**CHESS** means the Clearing House Electronic Sub-register system operated by ASX Settlement Pty Limited (ABN 49 008 504 532).

**Clearing System** means for Subordinated Securities:

- (a) the Austraclear System;
- (b) the Euroclear System as operated by Euroclear Bank S.A./N.V.;
- (c) the Clearstream Banking system as operated by Clearstream Banking, société anonyme, Luxembourg; or
- (d) such other clearing system specified in the relevant Subordinated Pricing Supplement.

**Clearing System Cut-off Date** has the meaning given in Condition 5.10(c).

**Clearing System Participant** has the meaning given in Condition 5.10(c).

**Conditions** means these terms and conditions of the Subordinated Securities as set out in Schedule 1 of the Subordinated Deed Poll.

**Corporations Act** means the Corporations Act 2001 (Cth).

**Cum Value** has the meaning given in Condition 5.2(a).

**Date of Substitution** has the meaning given in Condition 11.1.

**Day Count Fraction** in relation to the calculation of an amount for an Interest Period in respect of a Subordinated Security means:

- (a) the day count fraction specified in the relevant Subordinated Pricing Supplement;
- (b) where a day count fraction is specified in a Subordinated Pricing Supplement that is the same as in the definition of “Day Count Fraction” in the ISDA Definitions, such day count fraction will have the same meaning as in the ISDA Definitions (as if the Interest Period were the Calculation Period for the purposes of the ISDA Definitions); and
- (c) if “RBA Bond Basis” is specified in the Subordinated Pricing Supplement, one divided by the number of Interest Payment Dates in a year in which the Interest Period falls (a year being each 12 month period on and from the Issue Date).

**Early Redemption Amount** means the amount which may be payable in respect of a Subordinated Security which is its Outstanding Principal Amount calculated as at the date of redemption.



**Encumbrance** means any mortgage, pledge, charge, lien, assignment by way of security, hypothecation, security interest, title retention, preferential right or trust arrangement, any other security agreement or security arrangement (including any security interest under the Personal Property Securities Act 2009 (Cth)) and any other arrangement of any kind having the same effect as any of the foregoing other than liens arising by operation of law.

**Equal Ranking Securities** means any instrument that ranks in a winding up of the Issuer as the most junior claim in the winding up of the Issuer ranking senior to Junior Ranking Securities, and includes:

- (a) if on issue at the commencement of the winding up of the Issuer, the JPY20,000,000,000 Perpetual Subordinated Callable Fixed/Floating Rate Reverse Dual Currency Securities issued by the Issuer in 1999; and
- (b) any other instruments, present and future, issued after 1 January 2013 as instruments constituting Tier 2 Capital.

**Event of Default** has the meaning given in Condition 12.1.

**Exchange** means, the exchange of all, some or a percentage of each Subordinated Security for Ordinary Shares under these Conditions and **Exchanged** has a corresponding meaning.

**Exchange Date** means the date on which Exchange occurred in accordance with Condition 4.2.

**Exchange Number** has the meaning given in Condition 5.1.

**FATCA** means sections 1471 through 1474 of the United States Internal Revenue Code of 1986, as amended (or any consolidation, amendment, re-enactment or replacement of those sections and including any current or future regulations or official interpretations issued, agreements, including intergovernmental agreements, entered into or non-US laws enacted in relation to those sections).

**Final Broken Amount** in relation to a Subordinated Security means the amount specified as the final broken amount for that Subordinated Security in the relevant Subordinated Pricing Supplement.

**Final Redemption Amount** means the amount which may be payable in relation to a Subordinated Security which is its Outstanding Principal Amount calculated as at the date of redemption.

**Fixed Rate Interest Period** means an Interest Period in respect of which Interest accrues at a fixed rate.

**Fixed Rate Subordinated Security** means a Subordinated Security for the period in which Interest is payable, subject to these Conditions, at a fixed rate.

**Floating Rate Interest Period** means an Interest Period in respect of which Interest accrues at a floating rate.

**Floating Rate Subordinated Security** means a Subordinated Security for the period in which Interest is payable, subject to these Conditions, at a floating rate.

**Foreign Subordinated Holder** means:

- (a) a Subordinated Holder whose address in the Register is a place outside Australia; or
- (b) a Subordinated Holder who the Issuer believes may not be a resident of Australia and the Issuer is not satisfied that the laws of the country in which the Issuer believes the Subordinated Holder is resident permit the offer of Ordinary Shares to, or holding or acquisition of Ordinary Shares by, the Subordinated Holder (but the Issuer will not be bound to enquire into those laws), either unconditionally or after compliance with conditions which the Issuer, in its absolute discretion, regards as acceptable and not unduly onerous.

**Full Successor** has the meaning given in Condition 11.1(a).





**Government Body** means any country, state or political subdivision or any government or central bank or any governmental, semi-governmental, international, judicial, administrative, municipal, local governmental statutory, fiscal, monetary or supervisory authority, body or entity.

**Ineligible Subordinated Holder** means a Subordinated Holder who is prohibited or restricted by any applicable law or regulation in force in Australia (including but not limited to Chapter 6 of the Corporations Act, the Foreign Acquisitions and Takeovers Act 1975 (Cth), the Financial Sector (Shareholdings) Act 1998 (Cth) and Part IV of the Competition and Consumer Act 2010) from being offered, holding or acquiring Ordinary Shares (provided that if the relevant prohibition or restriction only applies to the Subordinated Holder in respect of some of its Subordinated Securities, it shall only be treated as an Ineligible Subordinated Holder in respect of those Subordinated Securities and not in respect of the balance of its Subordinated Securities), and includes a Foreign Subordinated Holder. The Issuer will be entitled to treat a Subordinated Holder as not being an Ineligible Subordinated Holder unless the Subordinated Holder has otherwise notified it after the Issue Date and prior to the Exchange Date.

**Information Memorandum** means, at any time, the current information memorandum issued in connection with the issue, deposit, sale or purchase of Subordinated Securities, as revised, supplemented or amended from time to time by the Issuer and such documents as are from time to time incorporated into it by reference (but not including any information or documents superseded by any information subsequently included or incorporated).

**Initial Broken Amount** in relation to a Subordinated Security means the amount specified as the initial broken amount for that Subordinated Security in the relevant Subordinated Pricing Supplement.

**Interest** means interest payable on Subordinated Securities as defined in Condition 6.1(a).

**Interest Amount** means, in relation to a Subordinated Security which bears interest, the amount of interest payable in respect of that Subordinated Security as determined in accordance with Condition 6.

**Interest Commencement Date** means the Issue Date of a Subordinated Security or such other date as may be specified in the Subordinated Pricing Supplement.

**Interest Determination Date** means, in relation to Interest Rate and Interest Period, the date specified in the Subordinated Pricing Supplement or, if none is so specified the first day of such Interest Period.

**Interest Payment Date** means the date or dates specified as such in, or determined in accordance with the provisions of, the relevant Subordinated Pricing Supplement and adjusted, if not a Business Day, in accordance with the applicable Business Day Convention. If no Interest Payment Dates are specified in the relevant Subordinated Pricing Supplement, **Interest Payment Date** means each date which falls the number of months or other period specified in the relevant Subordinated Pricing Supplement as the Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

**Interest Period** means each period commencing on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period commencing on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date, except that the final Interest Period ends on (but excludes) the Maturity Date, or any other period specified in the Subordinated Pricing Supplement.

**Interest Rate** has the meaning given in Condition 6.2.

**ISDA Definitions** means the 2006 ISDA Definitions as at the date of the Subordinated Deed Poll published by the International Swaps and Derivatives Association, Inc.

**ISDA Determination** has the meaning specified in the Subordinated Pricing Supplement and in Condition 6.2(b)(ii).





**ISDA Rate** in relation to a Floating Rate Subordinated Security for an Interest Period means a rate equal to the floating rate that would be determined by the Issuer for the Subordinated Security under an interest rate swap transaction if the Issuer were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (a) the “Floating Rate Option” is as specified in the relevant Subordinated Pricing Supplement;
- (b) the “Designated Maturity” is as specified in the relevant Subordinated Pricing Supplement;
- (c) unless otherwise stated in the applicable Subordinated Pricing Supplement, the relevant “Reset Date” is the first day of each Interest Period; and
- (d) the “Period End Dates” are each Interest Payment Date, the “Spread” is the Margin and the “Floating Rate Date Count Fraction” is the Day Count Fraction.

In this definition, “Calculation Agent”, “Floating Rate Option”, “Designated Maturity”, “Reset Date”, “Period End Date”, “Spread” and “Floating Rate Day Count Fraction” have the meanings given to those terms in the ISDA Definitions.)

**Issue Date** means the date of issue of the Subordinated Securities as specified in, or determined in accordance with, the relevant Subordinated Pricing Supplement and as recorded in the Register.

**Issue Date VWAP** means the VWAP during the period of 20 Business Days on which trading in Ordinary Shares took place immediately preceding but not including the Issue Date, as adjusted in accordance with Conditions 5.4 to 5.7.

**Issue Price** means the issue price for Subordinated Securities specified in, calculated in or determined in accordance with, the provisions of the Subordinated Pricing Supplement.

**Issuer** means Commonwealth Bank of Australia (ABN 48 123 123 124).

**Junior Ranking Securities** means:

- (a) any instrument, present and future, issued by the Issuer which qualifies as Tier 1 Capital (or, in the case of any instrument issued prior to 1 January 2013, was treated as constituting Tier 1 Capital in accordance with the prudential standards which applied prior to 1 January 2013), irrespective of whether or not such instrument is treated as constituting Tier 1 Capital in accordance with any transitional arrangements provided by APRA or which rank or are expressed to rank equally with such securities in a winding up of the Issuer; and
- (b) all ordinary shares of the Issuer.

**Level 1** has the meaning given by APRA from time to time.

**Level 2** has the meaning given by APRA from time to time.

**Margin** has the meaning given in Condition 6.2(b).

**Maturity Date** means the maturity date specified in, or determined in accordance with, the relevant Subordinated Pricing Supplement and adjusted, if not a Business Day, in accordance with the applicable Business Day Convention, provided that such date is on or after the fifth anniversary of the Issue Date.

**Maximum Exchange Number** has the meaning given in Condition 5.1.

**Meeting Provisions** means the provisions for the convening of meetings of, and passing of resolutions by, Subordinated Holders set out in Schedule 2 of the Subordinated Deed Poll.

**NOHC** means a “non-operating holding company” within the meaning of the Banking Act.

**NOHC Event** occurs when the Board initiates a restructure of the CBA Group and a NOHC becomes the ultimate holding company of the Issuer.



**NOHC Ordinary Share** means a fully paid ordinary share in the capital of the NOHC.

**Non-Viability Trigger Event** has the meaning given in Condition 4.1.

**Offshore Associate** means an associate (as defined in section 128F of the Income Tax Assessment Act 1936 (Cth)) of the Issuer that is either (a) a non-resident of Australia which does not acquire the Subordinated Securities in carrying on a business at or through a permanent establishment in Australia or (b) a resident of Australia that acquires the Subordinated Securities in carrying on business at or through a permanent establishment outside of Australia.

**Option Notice Period** means the period specified in the relevant Subordinated Pricing Supplement.

**Optional Redemption Amount** means the amount which may be payable in relation to a Subordinated Security which is its Outstanding Principal Amount calculated as at the date of redemption.

**Optional Redemption Date** means, for any Subordinated Securities, any Interest Payment Date on or after the fifth anniversary of the Issue Date of the Subordinated Securities or such other date(s) specified in the relevant Subordinated Pricing Supplement, provided that any such date is on or after the fifth anniversary of the Issue Date.

**Ordinary Share** means a fully paid ordinary share in the capital of the Issuer.

**Outstanding Principal Amount** means in respect of any Subordinated Security which is outstanding at any time, the outstanding principal amount of the Subordinated Security, and for such purposes:

- (a) subject to paragraph (b), the principal amount of a Subordinated Security issued at a discount, par or at a premium is at any time to be equal to its Specified Denomination; and
- (b) if the principal amount of a Subordinated Security has at any time been Exchanged or Written Down as described in, and in accordance with, Conditions 4 and 5 the principal amount of the Subordinated Security will be reduced by the principal amount so Exchanged or Written Down at that time.

**Partial Redemption** has the meaning given in Condition 7.3(b).

**Partial Successor** has the meaning given in Condition 11.1(b).

**Payment Business Day Convention** means the Payment Business Day Convention as set out in the relevant Subordinated Pricing Supplement.

**Reclassification** has the meaning given in Condition 5.3(a).

**Record Date** means:

- (a) subject to paragraph (b) below, the date that is eight calendar days prior to the relevant Interest Payment Date, Maturity Date, Redemption Date, or any other date which is subject to a Record Date; or
- (b) such other date determined by the Issuer in its absolute discretion and communicated to the Registrar and Subordinated Holders and which is before the Record Date which would have been determined under paragraph (a) above,

or such other date as may be required by, or agreed with, Austraclear (as applicable).

**Redemption** means the redemption of all or some Subordinated Securities under these Conditions and **Redeem** and **Redeemed** have corresponding meanings.

**Redemption Date** means, in respect of each Subordinated Security, the date specified by the Issuer as the Redemption Date in accordance with Condition 7.



**Register** means, for a Subordinated Series, the register of Subordinated Holders maintained by the Registrar in accordance with the Registry Services Agreement and the Conditions.

**Registrar** means, for a Subordinated Series, Austraclear Services Limited (ABN 28 003 284 419) or such other person appointed and notified by the Issuer for a Subordinated Series (including, if the relevant Subordinated Pricing Supplement contemplates this, the Issuer itself).

**Registry Office** means, in the case of Austraclear Services Limited: Exchange Centre, 20 Bridge Street, Sydney, NSW 2000 or such other place notified by the Issuer or the Registrar.

**Registry Services Agreement** means, for a Subordinated Series, the ASX Austraclear Registry and IPA Services Agreement between the Issuer, Bank of Western Australia Ltd and the Registrar dated 29 October 2009 as amended, or any replacement agreement between the Issuer and the Registrar that provides for agency services in relation to that Subordinated Series or such other relevant agreement between the Registrar and the Issuer for that Subordinated Series.

**Related Body Corporate** has the meaning given in the Corporations Act.

**Related Entity** has the meaning given by APRA from time to time.

**Relevant Date** means, in respect of any Subordinated Security, the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Subordinated Holders that such payment will be made, provided that payment is in fact made.

**Relevant Financial Centre** means, with respect to any Subordinated Security to be determined in accordance with BBSW Determination on an Interest Determination Date, Sydney, or, the financial centre with which BBSW is most closely connected.

**Relevant Security** means a Relevant Tier 1 Security and a Relevant Tier 2 Security.

**Relevant Tier 1 Security** means a security forming part of the Tier 1 Capital of the Issuer on a Level 1 basis or Level 2 basis.

**Relevant Tier 2 Security** means a security forming part of the Tier 2 Capital of the Issuer on a Level 1 basis or Level 2 basis.

**Repurchase** has the meaning given in Condition 7.5.

**Reserve Bank Act** means the Reserve Bank Act 1959 (Cth).

**Senior Ranking Obligations** means all present and future deposits and other liabilities, securities and other obligations of the Issuer which would be entitled to be admitted in the winding up of the Issuer (and including but not limited to obligations in respect of instruments issued before 1 January 2013 as Tier 2 Capital) other than Equal Ranking Securities and Junior Ranking Securities.

**Solvent** has the meaning given in the Corporations Act.

**Special Resolution** means:

- (a) a resolution passed at a meeting of Subordinated Holders duly called and held under the Meeting Provisions:
  - (i) by at least 75% of Subordinated Holders voting on a show of hands (unless paragraph (b) below applies); or
  - (ii) if a poll is duly demanded, by at least 75% of the votes cast; or
- (b) a resolution passed by postal ballot or written resolution by Subordinated Holders of at least 75% of the aggregate Outstanding Principal Amount of Subordinated Securities.



**Specified Currency** means the currency specified in the relevant Pricing Supplement.

**Specified Denomination** means the amount specified as such in (or calculated in accordance with the provisions of) the relevant Subordinated Pricing Supplement.

**Subordinated Deed Poll** means the Fourth Subordinated Deed Poll in relation to the Subordinated Securities executed by the Issuer on or about 9 May 2019.

**Subordinated Holder** means a person whose name is for the time being recorded in the Register as the owner of a Subordinated Security (except where otherwise specified in the relevant Subordinated Deed Poll).

**Subordinated Pricing Supplement** means, for a tranche of Subordinated Securities each issued on Conditions that are identical in all respects (including as to quotation), the pricing supplement document prepared in relation to that tranche of Subordinated Securities.

**Subordinated Security** means a security issued in accordance with, and subject to, these Conditions.

**Subordinated Series** means a tranche of Subordinated Securities together with any further tranche or tranches of Subordinated Securities which are:

- (a) expressed to be consolidated and form a single Subordinated Series; and
- (b) identical in all respects (including as to quotation) except for the respective Issue Dates, Interest Commencement Dates, Issues Prices or amount of the first payment of Interest.

**Subsidiary** has the meaning given in the Corporations Act.

**Substitution Conditions** has the meaning given in Condition 11.2.

**Successor** has the meaning given in Condition 11.

**Successor Subordinated Deed Poll** means a deed poll entered into by a Successor for the benefit of Subordinated Holders.

**Taxes** has the meaning given in Condition 10.1.

**Tier 1 Capital** means the Tier 1 Capital of the Issuer on the relevant Level 1 or Level 2 basis, as defined by APRA from time to time.

**Tier 2 Capital** means the Tier 2 Capital of the Issuer on the relevant Level 1 or Level 2 basis, as defined by APRA from time to time.

**VWAP** means the average of the daily volume weighted average prices of Ordinary Shares traded on ASX during the relevant VWAP Period, subject to any adjustments made under Conditions 5.2 and 5.3, but the trades taken into account in determining such daily volume weighted average prices will exclude special crossings, crossings prior to the commencement of normal trading or during the closing phase or after hours adjustment phase, overnight crossings, overseas trades, trades pursuant to the exercise of options over Ordinary Shares, or any other trade determined by the Board in its discretion not to be reflective of normal trading in Ordinary Shares.

**VWAP Period** means:

- (a) in the case of the calculation of the Exchange Number, the period of 5 Business Days on which trading in Ordinary Shares took place immediately preceding (but not including) the Exchange Date; or
- (b) in the case of the Issue Date VWAP, the period of 20 Business Days on which trading in Ordinary Shares took place immediately preceding but excluding the Issue Date.



**Written Down** has the meaning given in Condition 4.3 and **Write Down** has a corresponding meaning.

**Write Down Date** means the date on which all or a percentage of the Outstanding Principal Amount is Written Down. For the avoidance of doubt, if the Outstanding Principal Amount has not been fully Written Down, the Subordinated Security continues to have an Outstanding Principal Amount and Interest continues to be payable on the remaining Outstanding Principal Amount.

## 1.2 Interpretation

In these Conditions, unless the contrary intention appears:

- (a) a reference to:
  - (i) these Conditions is a reference to these Conditions as supplemented, modified or altered by the relevant Subordinated Pricing Supplement. If there is any inconsistency between these Conditions and a Subordinated Pricing Supplement, that Subordinated Pricing Supplement prevails in relation to the Subordinated Securities issued under that Subordinated Pricing Supplement;
  - (ii) an agreement or instrument includes any variation, supplement, replacement or novation of that agreement or instrument;
  - (iii) a statute, ordinance, code, or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
  - (iv) a person includes a reference to the person's executors, administrators, successors, substitutes (including, without limitation, persons taking by novation) and assigns;
  - (v) any thing is a reference to the whole and each part of it;
  - (vi) one gender includes every other gender;
  - (vii) a document includes all schedules or annexes to it;
  - (viii) a Condition or paragraph is to a Condition or paragraph of these Terms;
- (b) the singular includes the plural and vice versa;
- (c) the word "person" includes a firm, body corporate, an unincorporated association, an authority or a Government Body;
- (d) the word "law" includes common law, principles of equity and laws made by parliament (and laws made by parliament include State, Territory and Commonwealth laws and regulations and other instruments under them, and consolidations, amendments, re-enactments or replacements of any of them);
- (e) the word "outstanding" means, in relation to the Subordinated Securities of any Subordinated Series, all Subordinated Securities issued for that Subordinated Series other than:
  - (i) those that have been Redeemed, Exchanged or Written Down in full in accordance with these Conditions; and
  - (ii) those that have become void or in respect of which claims have become prescribed;
- (f) unless otherwise specified to the contrary, any reference to a time is to Sydney time;
- (g) headings are inserted for convenience and do not affect the interpretation of these Conditions;



- (h) another grammatical form of a defined word or expression has a corresponding meaning;
- (i) if an event under these Conditions must occur on a stipulated day which is not a Business Day, then, for an event other than a Non-Viability Trigger Event, an Exchange or a Write Down (and any action required in connection with such event), the stipulated day will be taken to be the next Business Day;
- (j) the meaning of general words is not limited by specific examples introduced by “including”, “for example” or similar expressions;
- (k) any agreement, representation, warranty or indemnity by two or more parties (including where two or more persons are included in the same defined term) binds them jointly and severally;
- (l) any provisions which refer to APRA requirements of or any other prudential regulatory requirements will apply to the Issuer only if the Issuer is an entity, or the holding company of an entity, or is a direct or indirect subsidiary of an entity (including a NOHC) subject to regulation and supervision by APRA at the relevant time;
- (m) any provisions which require APRA’s consent or approval (written or otherwise) will apply only if APRA requires that such consent or approval be given at the relevant time;
- (n) any provision in these Conditions requiring prior APRA approval for a particular course of action to be taken by the Issuer do not imply that APRA has given its consent or approval to the particular action as at the Issue Date;
- (o) a reference to a term defined by the ASX Listing Rules or the ASX Settlement Operating Rules shall, if that term is replaced in those rules, be taken to be a reference to the replacement term;
- (p) if the principal securities exchange on which Ordinary Shares are quoted becomes other than ASX, unless the context otherwise requires a reference to ASX shall be read as a reference to that principal securities exchange and a reference to the ASX Listing Rules and the ASX Settlement Operating Rules or any term defined in any such rules, shall be read as a reference to the corresponding rules of that exchange or corresponding defined terms in such rules (as the case may be); and
- (q) a “winding up” will not occur solely by reason of (i) an application to wind up being made or (ii) the appointment of a receiver, administrator or official with similar powers under section 13A(1) of the Banking Act.

### **1.3 Subordinated Pricing Supplement**

Conditions which are specified in any Subordinated Pricing Supplement as having a defined meaning in relation to a Subordinated Security have the same meaning when used in these Subordinated Conditions, but if the Subordinated Pricing Supplement gives no meaning or specifies that the definition is “Not Applicable”, then that definition is not applicable to that Subordinated Security.

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## **2 Form, denomination and title**

### **2.1 Form**

- (a) The Subordinated Securities are subordinated, unsecured debt obligations of the Issuer constituted by the Subordinated Deed Poll and issued in registered form by entry in the Register for that Subordinated Series.
- (b) No certificates or other evidence of title to a Subordinated Security will be issued unless the Issuer is required to do so by any applicable law or regulation.





## 2.2 Denomination

- (a) Each Subordinated Security is issued fully paid in the Specified Denomination specified in the Subordinated Pricing Supplement for those Subordinated Securities.
- (b) Subordinated Securities may only be issued in Australia if:
  - (i) either:
    - (A) the aggregate consideration payable to the Issuer by the initial Subordinated Holder is at least A\$500,000 (disregarding moneys lent by the Issuer or its associates); or
    - (B) the Subordinated Securities are otherwise issued in a manner which does not require disclosure to investors in accordance with Part 6D.2 or Part 7.9 of the Corporations Act;
  - (ii) the issue is not to a retail client (as defined in section 761G of the Corporations Act); and
  - (iii) no document is required to be lodged under Division 5 of Part 6D.2 or under Part 7 of the Corporations Act.
- (c) Subordinated Securities may only be issued by the Issuer in a jurisdiction or jurisdictions other than Australia if the issue is in compliance with the laws and directives of the jurisdiction in which the issue or sale is made and the Subordinated Securities are otherwise issued or sold in a manner that does not require disclosure to investors under the laws or directives of that jurisdiction or those jurisdictions.
- (d) Subordinated Securities are denominated in Australian dollars unless otherwise agreed with the Registrar, such currency to be specified in the relevant Subordinated Pricing Supplement as the Specified Denomination.

## 2.3 Title

- (a) Each entry in the Register of a person as a Subordinated Holder constitutes:
  - (i) conclusive evidence of that person's:
    - (A) absolute ownership of that Subordinated Security; and
    - (B) entitlement to the other benefits given to Subordinated Holders under these Conditions and the Subordinated Deed Poll in respect of Subordinated Securities; and
  - (ii) an undertaking by the Issuer to pay Interest and any other amount in accordance with these Conditions,  
  
subject to correction of the Register for fraud or error.
- (b) Where two or more persons are entered in the Register as joint Subordinated Holders, they are taken to hold that Subordinated Security as joint tenants with rights of survivorship and subject to the terms of the Subordinated Deed Poll but the Registrar is not bound to register more than three persons as joint Subordinated Holders of any Subordinated Security.
- (c) Except as required by law, the Issuer and the Registrar must treat the person whose name is entered in the Register as a Subordinated Holder as the absolute owner of that Subordinated Security. This Condition applies despite any notice of ownership, trust or interest in that Subordinated Security.





## **2.4 Independent obligations**

Each entry in the Register for a Subordinated Series evidences a separate and independent obligation which the Issuer owes to the relevant Subordinated Holder, which that Subordinated Holder may enforce without joining any other Subordinated Holder, any previous Subordinated Holder or the Registrar.

## **2.5 Location of Register**

The Register for a Subordinated Series will be established and maintained by the Registrar at its Registry Office in Sydney unless otherwise specified in the relevant Subordinated Pricing Supplement.

## **2.6 Austraclear and other Clearing Systems**

- (a) If Subordinated Securities are to be issued through the Austraclear System, the Subordinated Securities will be held by and entered in the name of Austraclear as nominee for the Austraclear Participant (as defined in the Austraclear Regulations) in whose Security Record (as defined in the Austraclear Regulations) those securities are registered. While those Subordinated Securities remain in the Austraclear System, all dealings (including transfers and payments) in relation to those Subordinated Securities within the Austraclear System will be governed by the Austraclear Regulations and need not comply with these Conditions to the extent of any inconsistency.
- (b) Subordinated Securities may be held in any other Clearing System, in which case the rights of a person holding an interest in the Subordinated Securities lodged in that Clearing System are subject to the rules and regulations of that Clearing System.
- (c) Nothing in Conditions 2.6(a) or 2.6(b) affects any provision of these Conditions which relate to the eligibility of Subordinated Securities as Tier 2 Capital.

## **2.7 Acknowledgment**

While Austraclear Services Limited is the Registrar for a Subordinated Series and where Austraclear is recorded in the Register as the Subordinated Holder and the Subordinated Security is lodged in the Austraclear System:

- (a) each Owner (as defined in the Austraclear Regulations) of that Subordinated Security is taken to acknowledge in favour of the Registrar and Austraclear that the Registrar's decision to act as the Registrar of the Subordinated Security does not constitute a recommendation or endorsement by the Registrar or Austraclear of the Subordinated Security, but only indicates that the Registrar considers that the Subordinated Security is compatible with its obligations as Registrar under the Registry Services Agreement;
- (b) an obligation imposed on a Subordinated Holder by these Conditions is a personal obligation on the Owner of that Subordinated Security even though it is not the registered holder of that Subordinated Security; and
- (c) an obligation imposed on Austraclear by these Conditions in its capacity as the registered Subordinated Holder of that Subordinated Security is limited to the extent that it is able to procure in accordance with the Austraclear Regulations, that the Owner of that Subordinated Security complies with that obligation.

## **2.8 No set-off**

To the maximum extent permitted by applicable law, none of the Issuer, any Subordinated Holder or any person claiming through any of them has any right of set-off in respect of any amounts owed by one person to the other person.



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### 3 Status and ranking

- (a) Subordinated Securities are direct and subordinated obligations of the Issuer.
- (b) Claims in respect of Subordinated Securities shall rank in a winding up of the Issuer:
  - (i) after the claims in respect of Senior Ranking Obligations including claims preferred by applicable laws;
  - (ii) equally among themselves and with claims in respect of Equal Ranking Securities; and
  - (iii) ahead of all claims in respect of Junior Ranking Securities including claims referred to in sections 563AA and 563A of the Corporations Act.

*The applicable laws referred to above include (but are not limited to) sections 13A and 16 of the Banking Act and section 86 of the Reserve Bank Act. These provisions provide that, in the event that the Issuer becomes unable to meet its obligations or suspends payment, its assets in Australia are to be available to meet its liabilities to, among others, APRA, the Reserve Bank of Australia and holders of protected accounts held in Australia, in priority to all other liabilities, including the Subordinated Securities.*

*Changes to applicable laws may extend the debts required to be preferred by law. The Subordinated Securities are not protected accounts or deposit liabilities of the Issuer for the purposes of the Banking Act.*

- (c) In a winding up of the Issuer, payments on each Subordinated Security are subject to:
  - (i) all holders of Senior Ranking Obligations being paid in full before any payment is made to Subordinated Holders; and
  - (ii) Subordinated Holders and holders of Equal Ranking Securities being paid on a pro-rata basis.
- (d) Each Subordinated Holder irrevocably acknowledges and agrees that:
  - (i) this Condition 3 is a debt subordination for the purposes of section 563C of the Corporations Act;
  - (ii) the debt subordination is not affected by any act or omission of the Issuer, or of any holder of Senior Ranking Obligations, which might otherwise affect Subordinated Holders at law or in equity;
  - (iii) a Subordinated Holder must not exercise its voting rights as an unsecured creditor in the winding up or administration of the Issuer in respect of the Subordinated Securities to defeat the subordination in this Condition 3; and
  - (iv) a Subordinated Holder must pay or deliver to the liquidator any amount or asset received on account of its claim in the winding up in excess of its entitlement under this Condition 3.
- (e) For the avoidance of doubt, but subject to Condition 4.3, if a Non-Viability Trigger Event has occurred, Subordinated Holders will rank in a winding up of the Issuer as holders of the number of Ordinary Shares to which they became entitled under Condition 4.1.



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## **4 Automatic Exchange or Write Down upon the occurrence of a Non-Viability Trigger Event**

### **4.1 Non-Viability Trigger Event**

- (a) A Non-Viability Trigger Event occurs when APRA notifies the Issuer in writing that it believes:
- (i) an Exchange or, if the Subordinated Pricing Supplement specifies, Write Down of all or some Subordinated Securities, or conversion or write down of capital instruments of the CBA Group, is necessary because, without it, the Issuer would become non-viable; or
  - (ii) a public sector injection of capital, or equivalent support, is necessary because, without it, the Issuer would become non-viable.

APRA may specify an aggregate face value of capital instruments which must be Exchanged, Written Down, converted or written down (as applicable).

- (b) If a Non-Viability Trigger Event occurs, the Issuer must:
- (i) Exchange in accordance with Conditions 4.2 and 4.3; or
  - (ii) if the Subordinated Pricing Supplement specifies Write Down, Write Down in accordance with Condition 4.3,

such number of Subordinated Securities (or, if it so determines, such percentage of the Outstanding Principal Amount of each Subordinated Security) as is equal (taking into account any conversion or write down of other Relevant Securities as referred to in Condition 4.1(c)) to the aggregate face value of capital instruments which APRA has notified the Issuer must be Exchanged, Written Down converted or written down (or, if APRA has not so notified the Issuer, such number or, if the Issuer so determines, such percentage of the Outstanding Principal Amount of each Subordinated Security, as is necessary to satisfy APRA that the Issuer will no longer be non-viable). If a Non-Viability Trigger Event occurs under Condition 4.1(a)(ii), the Issuer must Exchange or, if the Subordinated Pricing Supplement specifies, Write Down all Subordinated Securities.

- (c) In determining the number of Subordinated Securities, or percentage of the Outstanding Principal Amount of each Subordinated Security, which must be Exchanged, or Written Down without Exchange, in accordance with this Condition, the Issuer will:
- (i) first, exchange, convert or write down the face value of any Relevant Tier 1 Securities whose terms require or permit, or are taken by law to require or permit, them to be exchanged, converted or written down before Exchange or Write Down of the Subordinated Securities;
  - (ii) secondly, exchange, convert or write down the face value of any Relevant Tier 2 Securities whose terms require or permit, or are taken by law to require or permit, them to be exchanged, converted or written down before Exchange or Write Down of the Subordinated Securities; and
  - (iii) thirdly, if exchange, conversion or write down of those securities is not sufficient, Exchange or Write Down (in the case of the Subordinated Securities) or exchange, convert or write down (in the case of any other Relevant Tier 2 Securities) on a pro-rata basis or in a manner that is otherwise, in the opinion of the Issuer, fair and reasonable, the Subordinated Securities and any other Relevant Tier 2 Securities whose terms require or permit, or are taken by law to require or permit, them to be exchanged, converted or written down in that manner (subject to such adjustments as the Issuer may determine to take into account the effect on marketable parcels and whole numbers of Ordinary Shares and any Subordinated Securities or other Relevant Tier 2 Securities remaining on issue),



but such determination will not impede the immediate Exchange or Write Down of the relevant number of Subordinated Securities or percentage of the Outstanding Principal Amount of each Subordinated Security (as the case may be).

- (d) If a Non-Viability Trigger Event occurs and the Subordinated Pricing Supplement does not specify Write Down, then:
  - (i) the relevant number of Subordinated Securities, or percentage of the Outstanding Principal Amount of each Subordinated Security, must be Exchanged immediately upon occurrence of the Non-Viability Trigger Event in accordance with Conditions 4.2 and 5 and the Exchange will be irrevocable;
  - (ii) the Issuer must give notice as soon as practicable that Exchange has occurred to the Registrar and the Subordinated Holders;
  - (iii) the notice must specify the date on which the Non-Viability Trigger Event occurred; and
  - (iv) the notice must specify the details of the Exchange process, including any details which were taken into account in relation to the effect on marketable parcels and whole numbers of Ordinary Shares, and the impact on any Subordinated Securities remaining on issue.
- (e) If a Non-Viability Trigger Event occurs and the Subordinated Pricing Supplement specifies Write Down, then:
  - (i) the relevant number of Subordinated Securities, or percentage of the Outstanding Principal Amount of each Subordinated Security, must be Written Down immediately upon occurrence of the Non-Viability Trigger Event in accordance with Condition 4.3 and the Write Down will be irrevocable;
  - (ii) the Issuer must give notice as soon as practicable that Write Down has occurred to the Registrar and the Subordinated Holders; and
  - (iii) the notice must specify the date on which the Non-Viability Trigger Event occurred.
- (f) Failure to undertake any of the steps in Conditions 4.1(d) and 4.1(e) does not prevent, invalidate or otherwise impede Exchange or Write Down respectively.
- (g) For the purposes of the foregoing, where the specified currency of the face value of Relevant Tier 1 Securities, Relevant Tier 2 Securities and/or Subordinated Securities (as applicable) is not the same, the Issuer may treat them as if converted into a single currency of the Issuer's choice at such rate of exchange as the Issuer in good faith considers reasonable.

## 4.2 Exchange

- (a) If a Non-Viability Trigger Event has occurred and all or some of the Subordinated Securities (or percentage of the Outstanding Principal Amount of each Subordinated Security) are required to be Exchanged in accordance with Condition 4.1, then:
  - (i) Exchange of the relevant Subordinated Securities or percentage of the Outstanding Principal Amount of each Subordinated Security will occur in accordance with Conditions 4.1 and 5 immediately upon the date of occurrence of the Non-Viability Trigger Event; and
  - (ii) the entry of the corresponding Subordinated Security in each relevant Subordinated Holder's holding in the Register will constitute an entitlement of that Subordinated Holder (or, where Condition 5.10 applies, of the nominee) to the relevant number of Ordinary Shares (and, if applicable, also to any remaining balance of the Subordinated Securities or remaining percentage of the Outstanding Principal



Amount of each Subordinated Security), and the Issuer will recognise the Subordinated Holder (or, where Condition 5.10 applies, the nominee) as having been issued the relevant Ordinary Shares for all purposes,

in each case without the need for any further act or step by the Issuer, the Subordinated Holder or any other person (and the Issuer will, as soon as possible thereafter and without delay on the part of the Issuer, take any appropriate procedural steps to record such Exchange, including updating the Register and the Ordinary Share register and seek quotation of Ordinary Shares issued on Exchange).

- (b) For the avoidance of doubt:
  - (i) nothing in this Condition 4.2 allows a payment to be made to a Subordinated Holder upon Exchange; and
  - (ii) Exchange under this Condition 4.2 takes priority over a notice for Redemption issued under Conditions 7.2, 7.3 or 7.4.

#### 4.3 No further rights if Exchange cannot occur or Write Down is specified

If:

- (a) for any reason, Exchange of any Subordinated Security (or a percentage of the Outstanding Principal Amount of any Subordinated Security) required to be Exchanged under Condition 4.1 fails to take effect under Condition 4.2 and the Issuer has not otherwise issued the Ordinary Shares required to be issued in respect of such Exchange within five Business Days after the date of the occurrence of the Non-Viability Trigger Event; or
- (b) the Subordinated Pricing Supplement specifies Write Down,

then the relevant Subordinated Holder's rights (including to payment of the Outstanding Principal Amount and Interest, and any right to receive Ordinary Shares) in relation to such Subordinated Securities or percentage of the Outstanding Principal Amount of the Subordinated Securities are immediately and irrevocably terminated (**Written Down**) and such termination will be taken to have occurred immediately on the date of the occurrence of the Non-Viability Trigger Event.

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## 5 General provisions applicable to Exchange

### 5.1 Exchange

On the Exchange Date, subject to Condition 4.3 and Condition 5.10, the following will apply:

- (a) The Issuer will allot and issue the Exchange Number of Ordinary Shares for each Subordinated Security (or percentage of the Outstanding Principal Amount of each Subordinated Security) required to be Exchanged. The Exchange Number is, subject always to the Exchange Number being no greater than the Maximum Exchange Number, calculated according to the following formula:

$$\text{Exchange Number} = \frac{\text{Outstanding Principal Amount} \times \text{Exchange Date Cross Rate}}{P \times \text{VWAP}}$$

where:

**Exchange Date Cross Rate** means (a) if the Specified Currency is Australian dollars, 1; or (b) otherwise, the average (rounded to six decimal places) of the inverse AUD/Specified Currency exchange rates published by the Reserve Bank of Australia at approximately 4.00 p.m. (Sydney time) on each of the Business Days during the five Business Day period immediately preceding (but excluding)



the Exchange Date or, if such exchange rate is not published by the Reserve Bank of Australia on any of such Business Days, the Exchange Date Cross Rate will be the simple average of the inverse AUD/Specified Currency exchange rate quoted by two or more independent market makers in that exchange rate, selected by the Issuer, on the Exchange Date.

**P** means the number specified in the Subordinated Pricing Supplement.

**VWAP** (expressed in Australian dollars and cents) means the VWAP during the relevant VWAP Period.

**Maximum Exchange Number** means a number calculated according to the following formula:

$$\text{Maximum Exchange Number} = \frac{\text{Outstanding Principal Amount} \times \text{Issue Date Cross Rate}}{0.20 \times \text{Issue Date VWAP}}$$

where:

**Issue Date Cross Rate** means: (a) if the Specified Currency is Australian dollars, 1; or (b) otherwise, the average (rounded to six decimal places) of the inverse AUD/Specified Currency exchange rates published by the Reserve Bank of Australia at approximately 4.00 p.m. (Sydney time) on each of the Business Days during the 20 Business Day period immediately preceding (but excluding) the Issue Date or, if such exchange rate is not published by the Reserve Bank of Australia on any of such Business Days, the Issue Date Cross Rate will be the simple average of the inverse AUD/Specified Currency exchange rate quoted by two or more independent market makers in that exchange rate, selected by the Issuer, at approximately 4.00 p.m. (Sydney time) on the Issue Date.

- (b) Each Subordinated Holder's rights (including to payment of Interest) in relation to each Subordinated Security that is being Exchanged (or percentage of the Outstanding Principal Amount of each Subordinated Security that is being Exchanged) will be immediately and irrevocably terminated for an amount equal to the Outstanding Principal Amount of each Subordinated Security (or percentage of the Outstanding Principal Amount of each Subordinated Security) and the Issuer will apply that amount by way of payment for the subscription for the Ordinary Shares to be allotted and issued under Condition 5.1(a). Each Subordinated Holder is taken to have irrevocably directed that any amount payable under this Condition 5.1 is to be applied as provided for in this Condition 5.1 and no Subordinated Holder has any right to payment in any other way.
- (c) If the total number of additional Ordinary Shares to be allotted and issued in respect of a Subordinated Holder's aggregate holding of Subordinated Securities includes a fraction of an Ordinary Share, that fraction of an Ordinary Share will be disregarded.
- (d) Subject to Condition 5.10, where Subordinated Securities are Exchanged, the Issuer will allot and issue the Ordinary Shares to the Subordinated Holder on the basis that a Subordinated Holder's name and address set out in the Register (or, if not set out in the Register, otherwise held by the Registrar) are the name and address for entry into any register of title and delivery of any certificate or holding statement in respect of any Ordinary Shares issued on Exchange.

## 5.2 Adjustments to VWAP generally

For the purposes of calculating the VWAP under Condition 5.1:

- (a) where, on some or all of the Business Days in the relevant VWAP Period, Ordinary Shares have been quoted on ASX as cum dividend or cum any other distribution or entitlement and





Subordinated Securities will be Exchanged for Ordinary Shares after that date and those Ordinary Shares will no longer carry that dividend or any other distribution or entitlement, then the VWAP on the Business Days on which those Ordinary Shares have been quoted cum dividend or cum any other distribution or entitlement will be reduced by an amount (**Cum Value**) equal to:

- (i) in the case of a dividend or other distribution, the amount of that dividend or other distribution;
  - (ii) in the case of any other entitlement that is not a dividend or other distribution under Condition 5.2(a)(i) which is traded on ASX on any of those Business Days, the volume weighted average price of all such entitlements sold on ASX during the relevant VWAP Period on the Business Days on which those entitlements were traded (excluding trades of the kind that would be excluded in determining VWAP under the definition of that term); or
  - (iii) in the case of any other entitlement which is not traded on ASX during the VWAP Period, the value of the entitlement as reasonably determined by the Board; and
- (b) where, on some or all of the Business Days in the VWAP Period, Ordinary Shares have been quoted as ex dividend or ex any other distribution or entitlement, and Subordinated Securities will be Exchanged for Ordinary Shares which would be entitled to receive the relevant dividend, distribution or entitlement, the VWAP on the Business Days on which those Ordinary Shares have been quoted ex dividend or ex any other distribution or entitlement will be increased by the Cum Value.

### 5.3 Adjustments to VWAP for capital reconstruction

- (a) Where, during the relevant VWAP Period, there is a change to the number of Ordinary Shares on issue because the Ordinary Shares are reconstructed, consolidated, divided or reclassified (not involving any payment or other compensation to or by holders of Ordinary Shares) (**Reclassification**) into a lesser or greater number, the daily VWAP for each day in the VWAP Period which falls before the date on which trading in Ordinary Shares is conducted on a post Reclassification basis will be multiplied by the following formula:

$$\frac{A}{B}$$

Where:

**A** means the aggregate number of Ordinary Shares immediately before the Reclassification; and

**B** means the aggregate number of Ordinary Shares immediately after the Reclassification.

- (b) Any adjustment made by the Issuer in accordance with Condition 5.3(a) will be effective and binding on Subordinated Holders under these Conditions and these Conditions will be construed accordingly.
- (c) For the avoidance of doubt, nothing in this Condition 5.3 allows a cash payment or other distribution to be made to or by a Subordinated Holder as part of a Reclassification or as a result of a Reclassification.

### 5.4 Adjustments to Issue Date VWAP generally

For the purposes of determining the Issue Date VWAP under Condition 5.1, adjustments will be made in accordance with Condition 5.2 and Condition 5.3 during the VWAP Period for the Issue Date VWAP. On and from the Issue Date, adjustments to the Issue Date VWAP:





- (a) may be made by the Issuer in accordance with Conditions 5.5 to 5.7 (inclusive);
- (b) if so made, will correspondingly cause an adjustment to the Maximum Exchange Number; and
- (c) if so made, will be effective and binding on Subordinated Holders under these Conditions and these Conditions will be construed accordingly.

## 5.5 Adjustments to Issue Date VWAP for bonus issues

- (a) Subject to Conditions 5.5(b) and 5.5(c), if the Issuer makes a pro-rata bonus issue of Ordinary Shares to holders of Ordinary Shares generally, the Issue Date VWAP will be adjusted immediately in accordance with the following formula:

$$V = V_o \times RD / (RD + RN)$$

Where:

**V** means the Issue Date VWAP applying immediately after the application of this formula;

**V<sub>o</sub>** means the Issue Date VWAP applying immediately prior to the application of this formula;

**RD** means the number of Ordinary Shares on issue immediately prior to the allotment of new Ordinary Shares pursuant to the bonus issue; and

**RN** means the number of Ordinary Shares issued pursuant to the bonus issue.

- (b) For the avoidance of doubt, Condition 5.5(a) does not apply to Ordinary Shares issued as part of a bonus share plan, employee or executive share plan, executive option plan, share top up plan, share purchase plan or a dividend reinvestment plan.
- (c) For the purposes of this Condition, an issue will be regarded as a bonus issue notwithstanding that the Issuer does not make offers to some or all holders of Ordinary Shares with registered addresses outside Australia (or to whom an offer is otherwise subject to foreign securities laws), provided that in so doing the Issuer is not in contravention of the ASX Listing Rules.

## 5.6 Adjustments to Issue Date VWAP for capital reconstruction

If, at any time after the Issue Date, there is a change to the number of Ordinary Shares on issue because of a Reclassification into a lesser or greater number, the Issue Date VWAP will be adjusted by multiplying the Issue Date VWAP applicable on the Business Day immediately before the date of any such Reclassification by the following formula:

$$\frac{A}{B}$$

where:

**A** means the aggregate number of Ordinary Shares on issue immediately before the Reclassification; and

**B** means the aggregate number of Ordinary Shares on issue immediately after the Reclassification.



## **5.7 No adjustment to Issue Date VWAP in certain circumstances**

Despite the provisions of Conditions 5.5 and 5.6, no adjustment will be made to the Issue Date VWAP where any such adjustment (rounded if applicable) would be less than one percent of the Issue Date VWAP then in effect.

## **5.8 Announcement of adjustments to Issue Date VWAP**

The Issuer will notify any adjustment to the Issue Date VWAP under Conditions 5.4 to 5.6 (inclusive) to the Registrar and the Subordinated Holders within 10 Business Days of the Issuer determining the adjustment and the adjustment will be final and binding.

## **5.9 Status and quotation of Ordinary Shares**

- (a) Ordinary Shares issued or arising from Exchange will rank equally with all other fully paid Ordinary Shares provided that the rights attaching to the Ordinary Shares issued or arising from Exchange do not take effect until 5:00pm (Sydney time) on the Exchange Date (or such other time required by APRA).
- (b) The Issuer will use all reasonable endeavours to quote the Ordinary Shares issued on Exchange of the Subordinated Securities on ASX.

## **5.10 Exchange where the Subordinated Holder does not wish to receive Ordinary Shares or is an Ineligible Subordinated Holder**

- (a) If Subordinated Securities (or a percentage of the Outstanding Principal Amount of each Subordinated Security) of a Subordinated Holder are required to be Exchanged and:
  - (i) the Subordinated Holder has notified the Issuer that it does not wish to receive Ordinary Shares as a result of Exchange, which notice may be given at any time on or after the Issue Date and prior to the Exchange Date;
  - (ii) the Subordinated Holder is an Ineligible Subordinated Holder; or
  - (iii) the Issuer has not received (for any reason whether or not due to the fault of that Subordinated Holder) any information required by it in accordance with the Conditions so as to impede the Issuer issuing the Ordinary Shares to a Subordinated Holder on the Exchange Date,

then, on the Exchange Date, the Subordinated Holder's rights (including to payment of the Outstanding Principal Amount and Interest, and to receive Ordinary Shares) in relation to such Subordinated Securities being Exchanged are immediately and irrevocably terminated and the Issuer will (subject to Condition 5.10(f)) issue the Exchange Number of Ordinary Shares to a nominee (which nominee may not be the Issuer or a Related Entity of the Issuer) for no additional consideration on terms that, at the first opportunity to sell the Ordinary Shares, the nominee will arrange for their sale at market value and pay the Attributable Proceeds to the relevant Subordinated Holder (unless, because the Subordinated Holder is an Ineligible Subordinated Holder, the nominee is deemed to be an Ineligible Subordinated Holder, in which case such issue shall occur as soon as practicable after the nominee ceases to be an Ineligible Subordinated Holder).

- (b) If Subordinated Securities (or a percentage of the Outstanding Principal Amount of each Subordinated Security) of a Subordinated Holder are required to be Exchanged and the Subordinated Holder is the operator of a Clearing System or a nominee for a common depository for any one or more Clearing Systems (such operator or nominee for a common depository acting in such capacity as is specified in the rules and regulations of the relevant Clearing System or Clearing Systems) and the rules and regulations of that Clearing System do not permit the Clearing System or its nominee to hold Ordinary Shares, then, on the Exchange Date, the Subordinated Holder's rights (including to payment of the Outstanding Principal Amount and Interest, and to receive Ordinary Shares from the Issuer) in relation to



such Subordinated Securities being Exchanged are immediately and irrevocably terminated and the Issuer will (subject to Condition 5.10(f)) issue the Exchange Number of Ordinary Shares to a nominee (which nominee may not be the Issuer or a Related Entity of the Issuer) for no additional consideration on terms that they are dealt with in accordance with Conditions 5.10(c) and 5.10(d).

- (c) Where Ordinary Shares are issued to one or more nominees in accordance with Condition 5.10(b), a participant in, or member of, the relevant Clearing System or Clearing Systems who held the corresponding Subordinated Securities immediately prior to Exchange (**Clearing System Participant**) may, no later than the date specified in the Subordinated Pricing Supplement (**Clearing System Cut-off Date**), provide to the Issuer and the relevant nominee:

- (i) its name and address for entry into any register of title and receipt of any certificate or holding statement in respect of any Ordinary Shares issued on Exchange;
- (ii) the Subordinated Holder's security account details in CHES or such other account to which the Ordinary Shares issued on Exchange are to be credited; and
- (iii) such other information as is reasonably requested by the Issuer,

and, if it does so, the nominee will transfer the relevant Ordinary Shares to the Clearing System Participant as soon as possible thereafter.

- (d) If a Clearing System Participant:

- (i) fails to provide the information required by Condition 5.10(c) by the Clearing System Cut-off Date;
- (ii) notifies the Issuer that it does not wish to receive Ordinary Shares on or prior to the Clearing System Cut-off Date; or
- (iii) would be an Ineligible Subordinated Holder if the Clearing System Participant's name had been entered in a Register as the owner of the Subordinated Securities immediately prior to Exchange,

then, with effect from the Clearing System Cut-off Date, the Clearing System Participant will cease to be entitled to receive the relevant Ordinary Shares and, at the first opportunity to sell the Ordinary Shares after the Clearing System Cut-off Date, the relevant nominee will arrange for their sale at market value and pay the Attributable Proceeds to the Clearing System Participant.

- (e) Where a nominee is to be issued with Ordinary Shares under this Condition 5.10, on and from the date of issue of those Ordinary Shares, the relevant Subordinated Securities (or percentage of the Outstanding Principal Amount of each Subordinated Security) are taken to have been Exchanged and the only rights of the Subordinated Holders or the Clearing System Participant (as the case may be) in respect of such Subordinated Securities (or percentage of the Outstanding Principal Amount of each Subordinated Security) are:

- (i) where Conditions 5.10(a) or 5.10(d) applies, to require the nominee to pay it the Attributable Proceeds or
- (ii) where Condition 5.10(c) applies and the Clearing System Participant complies with the conditions of that Condition, to require the nominee to effect a transfer of those Ordinary Shares to the Clearing System Participant.

- (f) If, where Condition 5.10 applies:

- (i) the Exchange fails to take effect; and



- (ii) the Issuer has not otherwise issued Ordinary Shares to the relevant nominee within five Business Days after the date of the occurrence of the Non-Viability Trigger Event,

then the Subordinated Holders' rights (including to payment of the Outstanding Principal Amount and Interest, and to receive Ordinary Shares) are immediately and irrevocably terminated in accordance with Condition 4.3.

#### **5.11 Exchange of a percentage of Outstanding Principal Amount**

If, under these Conditions, it is necessary to Exchange a percentage of the Outstanding Principal Amount, this Condition 5 will apply to the Exchange as if references to the Outstanding Principal Amount were references to the relevant percentage of the Outstanding Principal Amount to be Exchanged.

#### **5.12 Subordinated Holder Acknowledgments**

Each Subordinated Holder irrevocably:

- (a) consents to becoming a member of the Issuer upon Exchange of the Subordinated Securities as required by these Conditions and agrees to be bound by the constitution of the Issuer, in each case in respect of the Ordinary Shares issued to such Subordinated Holder on Exchange;
- (b) unless (x) it has given notice in accordance with Condition 5.10 that it does not wish to receive Ordinary Shares as a result of the Exchange or (y) it is an Ineligible Subordinated Holder, acknowledges and agrees that it is obliged to accept Ordinary Shares if it holds Subordinated Securities that are required to be Exchanged as and when required by these Conditions notwithstanding anything that might otherwise affect Exchange including:
  - (i) any change in the financial position of the Issuer since the issue of such Subordinated Securities;
  - (ii) any disruption to the market or potential market for the Ordinary Shares or to capital markets generally;
  - (iii) any breach by the Issuer of any obligation in connection with the Subordinated Securities; or
  - (iv) any failure to or delay in exchange, conversion or write down of other Relevant Securities; and
- (c) acknowledges and agrees that:
  - (i) it will not have any rights to vote in respect of any Exchange or Write Down;
  - (ii) it has no claim against the Issuer for any loss it may suffer arising in connection with any Exchange or Write Down;
  - (iii) it has no rights to compensation from, or any other remedies against, the Issuer or any other member of the CBA Group on account of the failure of the Issuer to issue Ordinary Shares if the Issuer is for any reason prevented from doing so;
  - (iv) Exchange is not subject to any conditions other than those expressly provided for in Conditions 4 and 5; and
  - (v) it has no right to request Exchange or to determine whether (or in what circumstances) the Subordinated Securities it holds are Exchanged.



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## 6 Interest and other calculations

### 6.1 Interest

- (a) Subject to this Condition 6 and Conditions 4 and 5, each Fixed Rate Subordinated Security and each Floating Rate Subordinated Security bears interest (**Interest**) on its Outstanding Principal Amount during each Interest Period from (and including) the Interest Commencement Date to (but excluding) the Maturity Date or Redemption Date, at the Interest Rate.
- (b) Interest is payable in arrears on each Interest Payment Date.
- (c) No Interest accrues on Subordinated Securities required to be Exchanged in the period from (and including) the Interest Payment Date that immediately precedes the Non-Viability Trigger Event to the Exchange Date or Write Down Date (as applicable).
- (d) The first payment of Interest on a Subordinated Security will be made on the first Interest Payment Date following its Interest Commencement Date and, if the first Interest Period is shorter than subsequent Interest Periods, will be equal to the Initial Broken Amount as specified in the relevant Subordinated Pricing Supplement.
- (e) If the Maturity Date or Redemption Date of a Subordinated Security is not an Interest Payment Date, interest from (and including) the preceding Interest Payment Date (or the Interest Commencement Date, as the case may be) to (but excluding) the Maturity Date or Redemption Date (as applicable) will be payable on the Maturity Date or Redemption Date (as applicable) and will be equal to the Final Broken Amount specified in the relevant Subordinated Pricing Supplement.
- (f) The Subordinated Pricing Supplement for a Subordinated Security shall specify, for each Interest Period in relation to a Subordinated Security, whether that Interest Period is a Fixed Rate Interest Period or a Floating Rate Interest Period.

### 6.2 Interest Rate determination

The Interest Rate (expressed as a percentage per annum) for a:

- (a) Fixed Rate Subordinated Security for a Fixed Rate Interest Period will be at the fixed rate specified for that Fixed Rate Interest Period in the relevant Subordinated Pricing Supplement; and
- (b) Floating Rate Subordinated Security for each Floating Rate Interest Period will be at the floating rate for that Floating Rate Interest Period calculated on one of the following bases (as specified in the relevant Subordinated Pricing Supplement) (**Base Rate**), plus or minus the amount (expressed as a percentage per annum) specified in that Subordinated Pricing Supplement (**Margin**). If:
  - (i) **BBSW Determination** is specified in the relevant Subordinated Pricing Supplement as the manner in which the Interest Rate is to be determined, the Interest Rate for each Interest Period in relation to that Floating Rate Security will be the relevant BBSW plus or minus (as indicated in that Subordinated Pricing Supplement) the Margin (if any) on the Floating Rate Security specified in that Subordinated Pricing Supplement; or
  - (ii) **ISDA Determination** is specified in the relevant Subordinated Pricing Supplement as the manner in which the Base Rate is to be determined, the Base Rate for each Interest Period in relation to that Subordinated Security will be the relevant ISDA Rate.



### 6.3 Fallback Interest Rate

Unless otherwise specified in the relevant Subordinated Pricing Supplement, if the Calculation Agent is unable to determine the Interest Rate for a Floating Rate Interest Period in relation to a Floating Rate Subordinated Security, the Interest Rate for that Interest Period will be the Interest Rate for the immediately preceding Interest Period for that Subordinated Security.

### 6.4 Calculation of Interest

- (a) Where an Interest Amount (or a formula for its calculation) is specified in the relevant Subordinated Pricing Supplement for any Interest Period, the amount of interest payable in respect of that Subordinated Security for that period will (subject to adjustment to reflect a reduction in Outstanding Principal Amount pursuant to an Exchange or Write Down) equal that Interest Amount (or be calculated in accordance with that relevant formula).
- (b) Where an Interest Amount for an Interest Period (or a formula for its calculation) is not specified in the applicable Subordinated Pricing Supplement, the amount of Interest payable on each Subordinated Security for any Interest Period is calculated by the Calculation Agent according to the following formula:

$$\text{Interest Amount} = \frac{\text{Interest Rate} \times \text{Outstanding Principal Amount} \times \text{Day Count Fraction}}{\text{Count Fraction}}$$

### 6.5 Rounding

For the purposes of any calculations required under these Conditions:

- (a) all percentages resulting from such calculations will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005% being rounded up to 0.00001%);
- (b) all figures will be rounded to four decimal places (with 0.00005 being rounded up to 0.0001); and
- (c) all amounts that are due and payable will be rounded to the nearest one Australian cent (with one half of an Australian cent being rounded up to one Australian cent).

### 6.6 Accrual of Interest

Subject to Conditions 4.3 and 5.10, if any Interest which is due and payable is not paid for any reason, then such unpaid Interest earns interest at the Interest Rate, which accrues daily at the Interest Rate until paid. Such accrued interest is payable on the first to occur of:

- (a) the date on which the relevant unpaid Interest amount is paid; and
- (b) the date on which the Subordinated Securities are Redeemed.

### 6.7 Determination and publication of Interest Rate and other amounts

- (a) The Issuer must ensure that the Calculation Agent for a Subordinated Series will, and the Calculation Agent must:
  - (i) determine the Interest Rate and calculate the amount of interest payable and determine or calculate, as applicable, any other rate or amount, or obtain any quotation required under these Conditions; and
  - (ii) notify the Registrar and the Issuer of the Interest Rate, amount of Interest payable and Interest Payment Date for each Interest Period as soon as practicable on or after such determination, calculation or quotation is made.





- (b) The Issuer must ensure that the Registrar will notify the Subordinated Holders of the calculation, determination or quotation, as applicable, as required by the Issuer, to the address of the Subordinated Holders recorded in the Register, any other Calculation Agent appointed in respect of the Subordinated Securities that is to make a further calculation upon receipt of such information and, if the Subordinated Securities are quoted on a stock exchange and the rules of that exchange so require, notify that exchange as soon as possible after the calculation, determination or quotation, but in any event no later than:
  - (i) the commencement of the relevant Interest Period, if determined prior to that time in the case of notification of an Interest Rate and Interest Amount; or
  - (ii) in all other cases, the fourth Business Day after such determination.
- (c) Where any Interest Payment Date or Interest Period is subject to adjustment pursuant to the application of a Business Day Convention, the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period.
- (d) If the Subordinated Securities become due and payable under Condition 12, the accrued interest and the Interest Rate payable in respect of the Subordinated Securities will nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Interest Rate or the Interest Amount so calculated need be made.
- (e) The Issuer may amend its calculation or determination of any date, rate or amount (or make appropriate alternative arrangements by way of adjustment) including as a result of the extension or reduction of the Interest Period or calculation period without prior notice but must notify the Registrar and the Calculation Agent promptly after doing so.

## **6.8 Determinations to be final**

The determination of all dates, rates and amounts under these Conditions is, in the absence of wilful default, bad faith or manifest error, final and binding on the Issuer, the Calculation Agent, the Registrar and each Subordinated Holder. In the absence of wilful default, bad faith or manifest error the Calculation Agent will not be liable to the Issuer or the Subordinated Holders, in connection with the exercise or non-exercise by the Calculation Agent of its powers, duties and discretions.

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## **7 Redemption, purchase and options**

### **7.1 Redemption on the Maturity Date**

Each Subordinated Security will be Redeemed on the Maturity Date specified in the relevant Subordinated Pricing Supplement for its Final Redemption Amount unless previously Redeemed, Exchanged or fully Written Down.

### **7.2 Redemption for taxation reasons**

Subject to Condition 7.6, if, at any time after the Issue Date, the Issuer receives an opinion from reputable legal counsel or other tax adviser in Australia, experienced in such matters, to the effect that there is a material risk that as a result of a change in laws of Australia (including following any announcement of a prospective change or amendment which has been or will be introduced) the Issuer would be exposed to a more than de minimis adverse tax consequence in relation to the Subordinated Securities other than a tax consequence the Issuer expected as at the Issue Date, then the Issuer may Redeem all (but not some) of those Subordinated Securities for their Early Redemption Amount together with any accrued but unpaid Interest as at the Redemption Date at any time (if the Subordinated Security is a Fixed Rate Subordinated Security) or on any Interest Payment Date (if the Subordinated Security is a Floating Rate Subordinated Security).

However, the Issuer may only Redeem the Subordinated Securities under this Condition if:





- (i) the Issuer has given notice of its election to do so at least 20 Business Days (and no more than 60 Business Days) before the proposed Redemption Date specified in the notice to the Registrar and the Subordinated Holders;
- (ii) the proposed Redemption Date is an Interest Payment Date (in the case of a Floating Rate Subordinated Security only); and
- (iii) the notice of Redemption is not given earlier than 60 Business Days before the Interest Payment Date occurring immediately before the earliest date on which the Issuer would be subject to the adverse tax consequence.

*Subordinated Holders should not expect that APRA's approval will be given for any Redemption of the Subordinated Securities.*

### 7.3 Redemption at the option of the Issuer and exercise of the Issuer's option

- (a) Subject to Condition 7.6, the Issuer may, on an Optional Redemption Date, having given irrevocable notice within the Option Notice Period to the Subordinated Holders (with a copy to the Registrar), Redeem all or, if so provided, some of the Subordinated Securities for their Optional Redemption Amount together with any accrued but unpaid Interest as at the Redemption Date.
- (b) In the case of a Redemption of some but not all of the Subordinated Securities of a Subordinated Series (a **Partial Redemption**), Subordinated Securities to be Redeemed will be specified in the notice and selected:
  - (i) in a manner that is, in the opinion of the Issuer, fair and reasonable; and
  - (ii) in compliance with any applicable laws and stock exchange requirements.
- (c) Each notice of redemption will specify the date fixed for redemption and, in the case of a Partial Redemption, the aggregate Outstanding Principal Amount of Subordinated Notes to be redeemed and the aggregate Outstanding Principal Amount which will be outstanding after the Partial Redemption. In addition, in the case of a Partial Redemption, such notice will specify that the Registrar will not be required to register transfers of Subordinated Securities called for Partial Redemption.

*Subordinated Holders should not expect that APRA's approval will be given for any Redemption of the Subordinated Securities.*

### 7.4 Redemption for regulatory reasons

Subject to Condition 7.6, if, at any time after the Issue Date, the Issuer determines that as a result of a change in the laws of Australia or a change in APRA's prudential standards (including following any announcement of a prospective change or amendment which has been or will be introduced) all, some or a percentage of all or some Subordinated Securities are not or will not be treated as Tier 2 Capital of the CBA Group under APRA's prudential standards (as amended from time to time), other than as a result of a change of treatment expected by the Issuer as at the Issue Date, then the Issuer may Redeem all (but not some) of those Subordinated Securities for their Early Redemption Amount together with any accrued but unpaid Interest on the Redemption Date at any time (if the Subordinated Security is a Fixed Rate Subordinated Security) or on any Interest Payment Date (if the Subordinated Security is a Floating Rate Subordinated Security).

However, the Issuer may only Redeem the Subordinated Securities under this Condition if:

- (a) the Issuer has given notice of its election to do so at least 20 Business Days (and no more than 60 Business Days) before the proposed Redemption Date specified in the notice to the Registrar and the Subordinated Holders;



- (b) the proposed Redemption Date is an Interest Payment Date (in the case of a Floating Rate Subordinated Note only); and
- (c) the notice of Redemption is not given earlier than 60 Business Days before the Interest Payment Date occurring immediately before the earliest date on which all, some or a percentage of all or some of the Subordinated Securities will cease to be treated as Tier 2 Capital.

*Subordinated Holders should not expect that APRA's approval will be given for any Redemption of the Subordinated Securities.*

## **7.5 Repurchase**

Subject to Condition 7.6, the Issuer or any member of the CBA Group may, to the extent permitted by applicable laws and regulations, at any time purchase Subordinated Securities in the open market, by tender to all or some of the Subordinated Holders or by private agreement or otherwise at any price (**Repurchase**).

## **7.6 APRA approval required to Redeem or Repurchase**

The Issuer may only Redeem or Repurchase Subordinated Securities under Conditions 7.2, 7.3, 7.4 or 7.5 if:

- (a) either:
  - (i) before or concurrently with the Redemption or Repurchase, the Issuer replaces the Subordinated Securities with a capital instrument which is of the same or better quality (for the purposes of APRA's prudential standards as they are applied to the CBA Group at the relevant time) than the Subordinated Securities and the replacement of the Subordinated Securities is done under conditions that are sustainable for the income capacity of the Issuer; or
  - (ii) the Issuer obtains confirmation from APRA that APRA is satisfied, having regard to the capital position of the CBA Level 1 Group and CBA Level 2 Group, that the Issuer does not have to replace the Subordinated Securities; and
- (b) APRA has given its prior written approval to the Redemption or Repurchase. Approval is at the discretion of APRA and may or may not be given.

## **7.7 Cancellation**

All Subordinated Securities Redeemed by the Issuer or which are Repurchased by or on behalf of the Issuer will be cancelled forthwith and all liabilities and obligations of the Issuer in connection with those Subordinated Securities so Redeemed or Repurchased will be discharged.

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# **8 Payments**

## **8.1 Payments by the Issuer**

- (a) Payment of Interest will be made to the person registered at 5:00pm on the Record Date as the Subordinated Holder.
- (b) Payment of any other amount in accordance with these Conditions will be made to the person registered as the Subordinated Holder on the relevant date for payment.
- (c) When a Subordinated Security is recorded in the Register as being held jointly, payment of interest or principal (as the case may be) by the Issuer will be made to the Subordinated Holders in their joint names unless requested otherwise (and in a form satisfactory to the Issuer) by 5:00pm local Registry Office time on the relevant Record Date.



- (d) For the avoidance of doubt (but without prejudice to any Exchange), nothing in these Conditions allows a payment of interest or principal to a Subordinated Holder in a form other than cash.

## **8.2 Method of payment**

Payments on each Subordinated Security will be made:

- (a) where the Subordinated Securities are lodged in the Austraclear System, by crediting on the relevant Interest Payment Date or Maturity Date the amount then due to the relevant Subordinated Holder in accordance with the Austraclear Regulations; or
- (b) if the relevant Subordinated Securities have not been lodged or are removed from the Austraclear System, by crediting on the relevant Interest Payment Date, in the case of payment of interest, or the Maturity Date, in the case of payments of principal, the amount then due to a bank account in Australia previously notified by the Subordinated Holder to the Registrar. If an account is not specified to the Registrar by 5:00pm local Registry Office time on the relevant Record Date, payments in respect of the relevant Subordinated Security will be made by cheque mailed on the Business Day immediately preceding the relevant Interest Payment Date (in the case of payments of interest) or on the due date for repayment or redemption (in the case of payments of principal) at the Subordinated Holder's risk, to the address of the Subordinated Holder (or to the first-named of joint Subordinated Holders) appearing in the Register as at 5:00pm local Registry Office time on the relevant Record Date. Cheques despatched to the nominated address of a Subordinated Holder in accordance with this Condition will be taken to have been received by the Subordinated Holder on the relevant Interest Payment Date (in the case of payments of interest) or the due date for payment or redemption (in the case of payments of principal) and no further amount will be payable by the Issuer as a result of payment not being received by the Subordinated Holder on the due date.

No payment of interest will be mailed to an address in the United States or transferred to an account maintained by a Subordinated Holder in the United States.

## **8.3 Payments subject to fiscal laws**

All payments are subject to applicable law.

## **8.4 Currency indemnity**

The Issuer waives any right it has in any jurisdiction to pay an amount other than in the currency in which it is due. However, if a Subordinated Holder receives an amount in a currency other than the currency in which it is due:

- (a) it may convert the amount received into the due currency (even though it may be necessary to convert through a third currency to do so) on the day and at such rates (including spot rate, same day value rate or value tomorrow rate) as it reasonably considers appropriate. It may deduct its usual costs in connection with the conversion; and
- (b) the Issuer satisfies its obligation to pay in the due currency only to the extent of the amount of the due currency obtained from the conversion after deducting the costs of the conversion.

## **8.5 Appointment of agents**

The Registrar and (if appointed) the Calculation Agent in relation to a Subordinated Series act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any Subordinated Holder. The Issuer reserves the right at any time to vary or terminate the appointment of the Registrar or (if appointed) the Calculation Agent of any Subordinated Series, provided that the Issuer will at all times maintain:



- (a) a Registrar;
- (b) one or more Calculation Agent(s) where the Conditions so require; and
- (c) such other agents as may be required by the rules of any stock exchange, listing authority and/or quotation system on which the Subordinated Securities may be admitted to listing, trading and/or quotation.

Notice of any change to the specified office of the Registrar or the Calculation Agent must be given promptly to the Subordinated Holders in accordance with Condition 15.

## **8.6 Prescription against overdue claims**

Claims against the Issuer for payment under a Subordinated Security are void unless made within 5 years from the date on which the payment first became due.

## **8.7 Payments on Business Days**

If any payment:

- (a) is due on a day which is not a Business Day, then the due date for payment will be adjusted in accordance with the applicable Payment Business Day Convention; or
- (b) is to be made to a bank account on a day on which banks are not open for general banking business in the place in which the account is located, the Subordinated Holder is not entitled to payment of such amount until the next day (other than a Saturday, Sunday or public holiday) on which banks in such place are open for general banking business, and is not entitled to payment of any additional amount in respect of such delay in payment.

Nothing in this Condition 8.7 applies to any payment referred to in Condition 5.1(b).

# **9 Transfer**

## **9.1 Transfer procedures**

- (a) A Subordinated Holder may transfer Subordinated Securities:
  - (i) while Subordinated Securities are lodged in a Clearing System, in accordance with the rules and regulations of that Clearing System; or
  - (ii) at any other time:
    - (A) by a proper transfer under any other applicable computerised or electronic system recognised by the Corporations Act; or
    - (B) by any proper or sufficient instrument of transfer of marketable securities under applicable law, provided such instrument is delivered to the Registrar with any evidence the Registrar reasonably requires to prove title to or the right to transfer Subordinated Securities.
- (b) The Issuer must not charge any fee on the transfer of Subordinated Securities.

## **9.2 Transfer restrictions**

The Issuer must comply with all Applicable Regulations and any other relevant obligations imposed on it in relation to the transfer of the Subordinated Securities. Unless otherwise specified in the relevant Subordinated Pricing Supplement, Subordinated Securities may only be transferred:

- (a) within, to or from Australia in the denominations specified in the Subordinated Pricing Supplement and if the consideration payable at the time of the transfer is a minimum amount



of A\$500,000 (in either case, disregarding moneys lent by the transferor or its associates) or if the offer or invitation giving rise to the transfer otherwise does not constitute an offer or invitation for which disclosure is required to be made to investors in accordance with Part 6D.2 or Part 7.9 of the Corporations Act and the transfer is not made to a retail client as defined in section 761G of the Corporations Act and does not require lodging any document under Division 5 of Part 6D.2 or under Part 7 of the Corporations Act; and

- (b) between persons in a jurisdiction or jurisdictions other than Australia if the transfer and all conduct connected with the transfer complies with the relevant laws and directives of the relevant jurisdiction in which the transfer takes place.

### **9.3 Partial Transfers**

A Subordinated Security may be transferred in whole but not in part. Where a transferor executes a transfer of less than all Subordinated Securities registered in its name, and the identity of the specific Subordinated Securities to be transferred are not identified, the Registrar may register the transfer in respect of such of the Subordinated Securities registered in the name of the transferor as the Registrar thinks fit, provided the total Outstanding Principal Amount of the Subordinated Securities registered as having been transferred equals the total Outstanding Principal Amount of the Subordinated Securities expressed to be transferred in the transfer.

### **9.4 Closing the Register**

Title to Subordinated Securities passes when details of the transfer are entered in the Register. The Register will be closed for the purpose of determining entitlements to payments of interest and repayments of any Outstanding Principal Amount at 5:00pm local Registry Office time on the Record Date prior to the relevant Interest Payment Date, the relevant Maturity Date and any relevant redemption date. Therefore, transfers must be received by the Registrar at the relevant Registry Office prior to that time.

### **9.5 Stamp duty**

The Subordinated Holder is responsible for any stamp duty or other similar taxes which are payable in any jurisdiction in connection with a transfer, assignment or other dealing with the Subordinated Securities.

### **9.6 Transmission**

A person becoming entitled to a Subordinated Security as a consequence of the death, bankruptcy, liquidation or a winding-up of a Subordinated Holder or of a vesting order by a court or other body with power to make the order, or a person administering the estate of a Subordinated Holder, may, upon providing evidence as to that entitlement or status, and if the Issuer or the Registrar so requires an indemnity in relation to the correctness of such evidence as the Issuer or the Registrar considers sufficient, become registered as the Subordinated Holder of that Subordinated Security.

### **9.7 Austraclear Services Limited as Registrar**

If Austraclear Services Limited is the Registrar and Subordinated Securities are lodged in the Austraclear System, despite any other provision of those Conditions, these Subordinated Securities are not transferable on the Register, and the Issuer may not, and must procure that the Registrar does not, register any transfer of those Subordinated Securities issued by it and no member of the Austraclear System has the right to request any registration of any transfer of the relevant Subordinated Securities, except:

- (a) for the purposes of any repurchase, redemption or cancellation (whether on or before the Maturity Date of the relevant Subordinated Security) of the relevant Subordinated Security, a transfer of the relevant Subordinated Security from Austraclear to the Issuer may be entered in the Register; and



- (b) if Austraclear exercises or purports to exercise any power it may have under the Austraclear Regulations from time to time for the Austraclear System or these Conditions, to require the relevant Subordinated Security to be transferred on the Register to a member of the Austraclear System, the relevant Subordinated Security may be transferred on the Register from Austraclear to the member of the Austraclear System.

In any of these cases, the relevant Subordinated Security will cease to be held in the Austraclear System.

## **9.8 Refusal to register**

- (a) The Issuer may only refuse to register a transfer of Subordinated Securities if permitted by, or if such registration would contravene or is forbidden by, Applicable Regulations or the Conditions. If the Issuer refuses to register a transfer, the Issuer must give the lodging party notice of the refusal and the reasons for it within five Business Days after the date on which the transfer was delivered to the Registrar.
- (b) Subject to Applicable Regulations, the Issuer may determine that transfers of some or all Subordinated Securities will not be registered during any period reasonably specified by it prior to the Exchange Date or Redemption Date of such Subordinated Securities.

## **9.9 Effect of registration**

Upon registration and entry of the transferee in the Register, the transferor ceases to be entitled to future benefits under these Conditions and the Subordinated Deed Poll in respect of the transferred Subordinated Securities.

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# **10 Taxation**

## **10.1 General**

All payments in respect of Subordinated Securities must be made free and clear of, and without any withholding or deduction in respect of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Australia or by any authority in or of Australia having power to tax (together, **Taxes**) unless the withholding or deduction is required by law or permitted by this Condition 10.

## **10.2 Issuer to pay additional amounts**

Where any withholding or deduction is required by law, the Issuer must pay such additional amounts to the Subordinated Holders that will result in those Subordinated Holders receiving the amounts they would have received had no such withholding or deduction been required, except that no additional amounts will be payable with respect to any Subordinated Security:

- (a) if the Subordinated Holder is liable to such Taxes by reason of its having some connection with the Commonwealth of Australia, other than the mere holding of such Subordinated Security or the receipt of the relevant payment in respect of that Subordinated Security;
- (b) if the Subordinated Holder is an Offshore Associate of the Issuer (acting other than in the capacity of a clearing house, paying agent, custodian, funds manager or responsible entity of a registered scheme within the meaning of the Corporations Act);
- (c) if the Taxes have been imposed or levied as a result of the Subordinated Holder being party to or participating in a scheme to avoid such Taxes, being a scheme which the Issuer was neither a party to nor participated in;
- (d) to, or to a third party on behalf of, an Australian resident Subordinated Holder or a non-resident Subordinated Holder who is engaged in carrying on business in Australia at or through a permanent establishment of the non-resident in Australia, if that person has not





supplied an appropriate tax file number, Australian business number or other exemption details;

- (e) to, or to a third party on behalf of, a Subordinated Holder on account of amounts which the Australian Commissioner of Taxation requires the Issuer to withhold under section 255 of the Income Tax Assessment Act 1936 (Cth) or section 260-5 of Schedule 1 of the Taxation Administration Act 1953 (Cth); or
- (f) for, or on account of, any withholding or deduction required pursuant to FATCA.

### 10.3 Tax file number

- (a) The Issuer will withhold an amount from payments of Interest on the Subordinated Securities at the highest marginal tax rate plus the highest Medicare levy if an Australian resident investor or a non-resident investor carrying on business in Australia at or through a permanent establishment of the non-resident in Australia has not supplied an appropriate tax file number, Australian Business Number or exemption details.
- (b) If a Subordinated Holder supplies exemption details and the Issuer subsequently determines that the relevant exemption was not available, the Issuer may recover the amount that should have been withheld from the relevant Subordinated Holder and may withhold that amount from any subsequent payment due to that Subordinated Holder in respect of their Subordinated Securities.

### 10.4 FATCA

The Issuer, in its absolute discretion, may withhold or deduct payments to a Subordinated Holder where it is required to do so under or in connection with FATCA, or where it has reasonable grounds to suspect that the Subordinated Holder or a beneficial owner of Subordinated Securities may be subject to FATCA, and may deal with such payment and the Subordinated Holder's Subordinated Securities in accordance with FATCA. If any withholding or deduction arises under or in connection with FATCA, the Issuer will not be required to pay any further amounts on account of such withholding or deduction or otherwise reimburse or compensate, or make any payment to, a Subordinated Holder or a beneficial owner of Subordinated Securities for or in respect of any such withholding or deduction.

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## 11 Substitution of the Issuer

### 11.1 Substitution

The Issuer may, without the consent of Subordinated Holders, provided that the Substitution Conditions are satisfied, by giving notice to the Registrar and Subordinated Holders:

- (a) substitute for itself a NOHC as the debtor in respect of the Subordinated Securities and as issuer of the Ordinary Shares on Exchange (**Full Successor**); or
- (b) substitute for itself a NOHC as the issuer of the Ordinary Shares on Exchange (**Partial Successor**),

and a reference to the **Successor** shall be a reference to the Full Successor or the Partial Successor, as applicable. The notice shall specify the date on which the substitution is to take effect (**Date of Substitution**).

### 11.2 Substitution Conditions

The **Substitution Conditions** are:

- (a) in the case of the Full Successor:





- (i) unless otherwise approved by APRA in writing, the Full Successor or another entity (which is a parent entity) simultaneously subscribes for Ordinary Shares or other capital instruments of equal or better quality to the Subordinated Securities in such amount as may be necessary to ensure that the capital position of the CBA Level 1 Group and CBA Level 2 Group will not be adversely affected;
- (ii) the Full Successor will expressly assume the Issuer's obligations under these Conditions and the Subordinated Deed Poll by entering into a Successor Subordinated Deed Poll under which it agrees (among other things):
  - (A) to comply with these Conditions (with all necessary modifications); and
  - (B) to deliver fully paid NOHC Ordinary Shares under all circumstances when the Issuer would otherwise have been required to deliver Ordinary Shares, subject to the same terms and conditions as set out in these Conditions (with all necessary modifications);
- (b) in the case of the Partial Successor:
  - (i) the Partial Successor agrees with effect on and from the Date of Substitution, by entering into a Successor Subordinated Deed Poll, to deliver fully paid NOHC Ordinary Shares under all circumstances when the Issuer would otherwise have been required to deliver Ordinary Shares, subject to the same terms and conditions as set out in these Conditions (with all necessary modifications); and
  - (ii) unless otherwise approved by APRA in writing, the Partial Successor agrees that in all circumstances where the Partial Successor delivers fully paid NOHC Ordinary Shares under the Successor Subordinated Deed Poll in Condition 11.2(b)(i), the Partial Successor or another entity (which is a parent entity) will automatically subscribe for Ordinary Shares in such amount as may be necessary to ensure that the capital position of the CBA Level 1 Group and CBA Level 2 Group is equivalent to the position if the Successor Deed Poll had not been entered into and the Issuer was required to issue the Ordinary Shares;
- (c) in the case of either the Full Successor or the Partial Successor (as applicable):
  - (i) the NOHC Ordinary Shares are or are to be quoted on ASX, and the Successor agrees to use all reasonable endeavours and furnish all such documents, information and undertakings as may be reasonably necessary in order to procure quotation of NOHC Ordinary Shares issued under these Conditions on the securities exchanges on which the NOHC Ordinary Shares are quoted at the time of delivery;
  - (ii) the Successor and the Issuer have obtained APRA approval and all other necessary authorisations, regulatory and governmental approvals and consents for such substitution and for the performance by the Successor of its obligations under the Subordinated Securities and the documents effecting substitution;
  - (iii) if the Successor does not have a place of business in New South Wales, the Successor has appointed a process agent in New South Wales to receive service of process on its behalf in relation to any legal proceedings arising out of or in connection with the Subordinated Securities; and
  - (iv) the Successor has, in the reasonable opinion of the Issuer, the financial capacity to satisfy its obligations under the Successor Subordinated Deed Poll; and
- (d) the Issuer has used all reasonable endeavours to give an irrevocable notice to the Subordinated Holders as soon as practicable before a NOHC Event occurs but no later than 10 Business Days before the NOHC Event occurs specifying the amendments to the



Subordinated Securities which will be made under these Conditions in connection with the substitution of a NOHC as the issuer of ordinary shares on Exchange.

### **11.3 Effect of substitution of Full Successor**

If the relevant requirements set out in Conditions 11.1 and 11.2 relating to a substitution under Condition 11.1(a) have been completed, on and from the Date of Substitution:

- (a) the Full Successor will assume all of the obligations of, succeed to, and be substituted for, and may exercise every right and power of, the Issuer under these Conditions and the Subordinated Deed Poll (as may be amended from time to time) with the same effect as if the Full Successor had been named as the Issuer in these Conditions and the Subordinated Deed Poll;
- (b) the Issuer (or any corporation which has previously assumed the obligations of the Issuer) will be released from its liability under the Conditions and the Subordinated Deed Poll;
- (c) if the Issuer gives a notice to Subordinated Holders under Condition 11.2(d), the amended terms will have effect on and from the date specified in the notice;
- (d) references to the Issuer in these Conditions and the Subordinated Deed Poll will be taken to be references to the Full Successor; and
- (e) references to Ordinary Shares in these Conditions (other than the references contained in Conditions 11.2(a) and 11.2(b)) and the Subordinated Deed Poll will be taken to be references to the NOHC Ordinary Shares.

### **11.4 Effect of substitution of Partial Successor**

If the relevant requirements set out in Conditions 11.1 and 11.2 relating to a substitution under Condition 11.1(b) have been completed, on and from the Date of Substitution:

- (a) the Issuer (or any corporation which has previously assumed the obligations of the Issuer) will be released from any obligation it would otherwise have under these Conditions to issue Ordinary Shares to Subordinated Holders upon Exchange;
- (b) if the Issuer gives a notice to Subordinated Holders under Condition 11.2(d), the amended terms will have effect on and from the date specified in the notice; and
- (c) references to Ordinary Shares in these Conditions (other than the reference contained in Conditions 11.2(a) and 11.2(b)) and the Subordinated Deed Poll will be taken to be references to the NOHC Ordinary Shares.

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## **12 Events of Default**

### **12.1 Events of Default**

An Event of Default occurs in relation to Subordinated Securities of a Subordinated Series if:

- (a) the Issuer fails to pay any amount due in respect of the Subordinated Securities of that Subordinated Series and such default continues for a period of 15 Business Days and is continuing, provided that no Event of Default shall arise on account of any non-payment if the Issuer withholds, deducts or refuses to make the payment:
  - (i) in order to comply with any law or regulation or with the order of any court of competent jurisdiction, in each case applicable to such payment;
  - (ii) in case of doubt as to the validity or applicability of any such law, regulation or order, in accordance with advice given as to such validity or applicability, at any time during the said period of 15 Business Days, by independent legal advisers; or



- (iii) to the extent that, immediately after the payment, the Issuer will not be Solvent (in which case such amount still accumulates and remains a debt owing to the Subordinated Holder by the Issuer); or
- (b) an order is made by a court of competent jurisdiction (other than an order successfully appealed or permanently stayed within 30 Business Days), or an effective resolution is passed, for the winding up of the Issuer in Australia (but not elsewhere).

## **12.2 Consequences of an Event of Default**

If an Event of Default occurs in relation to a Subordinated Series of Subordinated Notes:

- (a) under Condition 12.1(a), any Subordinated Holder of that Subordinated Series may institute proceedings:
  - (i) to recover the amount the Issuer has failed to pay, provided that the Issuer may only be compelled to pay that amount to the extent that, immediately after the payment, the Issuer will be Solvent (in which case such amount still accumulates and remains a debt owing to the Subordinated Holder by the Issuer);
  - (ii) for specific performance of any other obligation in respect of the Subordinated Security; or
  - (iii) for the winding up of the Issuer in Australia (but not elsewhere); or
- (b) under Condition 12.1(b), the Subordinated Securities are immediately due and payable for an amount equal to the Outstanding Principal Amount plus accrued but unpaid Interest up to (but excluding) the date of commencement of the winding up and any Subordinated Holder may, subject to Condition 3, prove in the winding up of the Issuer in respect of this amount.

A Subordinated Holder has no right to accelerate payment or exercise any other remedy (including any right to sue for damages) as a consequence of any Event of Default other than as set out in this Condition 12.2.

## **12.3 Notification**

If an Event of Default occurs, the Issuer will, promptly after becoming aware of it:

- (a) notify the Registrar of the occurrence of the Event of Default specifying details of it; and
- (b) use its reasonable endeavours to procure that the Registrar promptly notifies the Subordinated Holders of the occurrence of the Event of Default by registered post to the address of the Subordinated Holders recorded in the Register.

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## **13 Meetings of Subordinated Holders, Modifications and Waivers**

### **13.1 Meetings of Subordinated Holders**

The Subordinated Deed Poll contains provisions for convening meetings of Subordinated Holders to consider matters affecting their interests including certain variations of these Conditions which require the Subordinated Holder's consent. Resolutions passed in accordance with such provisions will be binding on all Subordinated Holders.

### **13.2 Modification of the Conditions and Meeting Provisions**

- (a) At any time, but subject to compliance with the Corporations Act, all applicable laws and Condition 13.2(c), the Issuer may by deed poll, without the consent of Subordinated Holders, amend these Conditions or the Subordinated Deed Poll, if the Issuer is of the opinion that such alteration is:



- (i) of a formal, technical or minor nature;
- (ii) made to cure any ambiguity, correct any manifest error or correct or supplement any defective provision of the Conditions or amend any provision of the Subordinated Deed Poll;
- (iii) necessary or expedient for the purposes of facilitating a substitution in accordance with Condition 11 (including satisfying any requirement of APRA in connection with such a substitution);
- (iv) made to amend any date or time period stated, required or permitted in connection with any Redemption or Exchange (including, without limitation, when the proceeds of Redemption are to be reinvested in a new security to be issued by the Issuer or a Related Body Corporate);
- (v) not materially prejudicial to the interests of Subordinated Holders as a whole (or, where the alteration is in relation to a particular Subordinated Series, not materially prejudicial to the interests of Subordinated Holders of that Subordinated Series as a whole); or
- (vi) made to:
  - (A) alter the terms of any Subordinated Securities to align them with any Relevant Tier 2 Securities issued after the date of such Subordinated Securities; or
  - (B) alter either or both of the definitions of "Relevant Tier 1 Securities" and "Relevant Tier 2 Securities" on account of the issue (after the date of issue of any Subordinated Securities) of capital instruments of the CBA Group,

in each case provided such alteration is not materially prejudicial to the interests of Subordinated Holders as a whole (or, where the alteration is in relation to a particular Subordinated Series, not materially prejudicial to the interests of Subordinated Holders of that Subordinated Series as a whole).

The Conditions of all Subordinated Securities will be amended from the date specified by the Issuer.

- (b) Subject to Condition 13.2(c) and without limiting Condition 13.2, the Issuer may by deed poll amend these Conditions or the Subordinated Deed Poll if such alteration is approved by a Special Resolution. The Conditions of all Subordinated Securities will be amended from the date specified in the Special Resolution or otherwise notified to Subordinated Holders (provided such date is permitted by the terms of the Special Resolution).
- (c) Prior to any amendment under Conditions 13.2(a) and 13.2(b) being effective, where required the Issuer must obtain APRA's prior written approval (APRA approval is required where the amendment affects, or may affect, the capital treatment of the Subordinated Securities under APRA's prudential standards at the relevant time) and any consent or approval required under any applicable law or regulation.

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## 14 Further issues of Subordinated Securities

- (a) The Issuer may, from time to time, without the consent of the Subordinated Holders create and issue further securities either having the same terms and conditions as the Subordinated Securities in all respects (or in all respects except for the Issue Date or first payment of Interest on them) and so that such further issue of securities shall be consolidated and form a single Subordinated Series with the outstanding Subordinated Securities of any Subordinated Series or upon such terms as the Issuer may determine at the time of their issue, provided that such further issue of securities meet the criteria for eligibility as Tier 2 Capital as at the Issue Date of such further issue of securities.



References in these Conditions to the Subordinated Securities include (unless the context requires otherwise) any other securities issued pursuant to this Condition and forming a single Subordinated Series with the Subordinated Securities. Any Securities which have been issued on the terms of the Deed Poll (Subordinated Securities) dated 28 October 2014 (the “**First Subordinated Deed Poll**”) or the Second Deed Poll (Subordinated Securities) dated 18 August 2017 (the “**Second Subordinated Deed Poll**”), or the Third Deed Poll (Subordinated Securities) dated 25 June 2018 (the “**Third Subordinated Deed Poll**”) and additional Tranches of Securities of a Series existing prior to the date of the Subordinated Deed Poll will remain subject to the terms of the First Subordinated Deed Poll or the Second Subordinated Deed Poll or the Third Subordinated Deed Poll and any agreements entered into on or about the date of such deed poll.

- (b) Nothing in these Conditions shall be construed or deemed to limit the ability of the Issuer to issue further Senior Ranking Obligations or Equal Ranking Securities.

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## **15 Notices**

### **15.1 To Subordinated Holders**

All notices and other communications to Subordinated Holders must be in writing and either:

- (a) sent by prepaid post (airmail if appropriate) to or left at the address of the Subordinated Holders (as shown in the Register at the close of business on the day which is 3 Business Days before the date of the notice or communication); or
- (b) (if available) issued to Subordinated Holders through a Clearing System in accordance with any applicable rules and regulations of that Clearing System.

An accidental or inadvertent failure to give notice to a particular Subordinated Holder will not invalidate a notice otherwise properly given to Subordinated Holders.

### **15.2 To the Issuer and Registrar from a Subordinated Holder**

All notices and other communications by a Subordinated Holder to the Issuer or the Registrar must be in writing and sent by prepaid post (airmail if appropriate) to or left at the address of the Issuer or the Registrar (as shown in the “Directory” in the Information Memorandum).

### **15.3 When effective**

Notices and other communications take effect from the time they are taken to be received unless a later time is specified in them.

### **15.4 Receipt**

- (a) If sent by post, notices or other communications are taken to be received 3 Business Days after posting (or 7 Business Days after posting if sent to or from a place outside Australia);
- (b) If left at the address, notices or other communications are taken to be received when given unless received after 5:00pm in the place or receipt or on a non-Business Day, in which case they are taken to be received at 9:00am on the next Business Day;
- (c) If issued through a Clearing System, notices or other communications are taken to be received on the date on which they are deemed to have been received in accordance with the applicable rules and regulations of that Clearing System.

### **15.5 Non-Viability Trigger Event notification**

Nothing in Condition 15 affects the operation of Condition 4.



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## 16 Governing Law and jurisdiction

- (a) These Conditions are governed by and must be construed according to the law applying in New South Wales.
- (b) The Issuer irrevocably submits, and each Subordinated Holder is taken irrevocably to submit, to the non-exclusive jurisdiction of the courts of New South Wales and the courts competent to determine appeals from those courts, with respect to any proceedings which may be brought at any time relating to these Conditions.
- (c) The Issuer irrevocably waives, and each Subordinated Holder is taken irrevocably to waive, any objection it may now or in the future have to the venue of any proceedings, and any claim it may now or in the future have that any proceedings have been brought in an inconvenient forum, if that venue falls within Condition 16(b).





## Schedule 2 – Description of the commercial details of the Subordinated Securities

### PRICING SUPPLEMENT

#### COMMONWEALTH BANK OF AUSTRALIA ABN 48 123 123 124 PROGRAM FOR THE ISSUE OF MEDIUM TERM NOTES AND SUBORDINATED SECURITIES

Issue of A\$1,750,000,000 Fixed to Floating Rate Subordinated Securities due 15 March 2038 (the **Securities**).

#### NOTIFICATION UNDER SECTION 309B(1)(C) OF THE SECURITIES AND FUTURES ACT

**2001 OF SINGAPORE** - In connection with section 309B of the Securities and Futures Act 2001 of Singapore, as amended or modified from time to time (the **SFA**) and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the **CMP Regulations 2018**), Commonwealth Bank of Australia (the **Issuer**) has determined the classification of the Securities to be “prescribed capital markets products” (as defined in the CMP Regulations 2018) and “Excluded Investment Products” (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

This Pricing Supplement is issued to give details of the Tranche of Securities. It is supplementary to, and should be read in conjunction with the Information Memorandum dated 4 May 2021 (**Information Memorandum**) for the Program for the issue of Medium Term Notes and Subordinated Securities (**Program**) and the Fourth Deed Poll (Subordinated Securities) made by the Issuer dated 9 May 2019 (the **Deed Poll**), each issued in relation to the Program.

This Pricing Supplement does not constitute, and may not be used for the purposes of, an offer of solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such an offer or solicitation, and no action is being taken to permit an offering of the securities or the distribution of this Pricing Supplement in any jurisdiction where such an action is required.

Terms used but not otherwise defined in this Pricing Supplement have the meaning given in the Deed Poll. A reference to a “Condition” in this Pricing Supplement is a reference to the corresponding Condition as set out in the Deed Poll.

#### Overall Security Details

Issuer	:	Commonwealth Bank of Australia (ABN 48 123 123 124)
Series No	:	104
Tranche No	:	1
Specified Currency of Securities (if not Australian Dollars)	:	N/A
Aggregate Outstanding Principal Amount ( <i>principal amount</i> )		
(a) Tranche	:	A\$1,750,000,000
(b) Series	:	A\$1,750,000,000
Issue Price	:	100 per cent of the Aggregate Outstanding Principal Amount
Net Proceeds	:	A\$1,750,000,000



Specified Denomination : A\$10,000

For the avoidance of doubt, the minimum aggregate consideration payable (disregarding monies lent by the Issuer or its associates) will be:

i) A\$500,000 within Australia unless the Securities are otherwise issued in a manner that does not require disclosure to investors in accordance with Part 6D.2 or Part 7.9 of the Australian Corporations Act; and

ii) A\$200,000 outside of Australia, subject to the Selling Restrictions set out in the Information Memorandum.

Issue Date : 15 March 2023

Interest Commencement Date : N/A  
(If different to Issue Date)

Maturity Date : The Interest Payment Date falling on or nearest to 15 March 2038

Redemption/Payment basis : Outstanding Principal Amount calculated at the relevant date of redemption

Change of Interest basis : Applicable

Fixed Rate in respect of each Interest Period comprised in the period from and including the Interest Commencement Date to but excluding the Interest Payment Date falling on 15 March 2033 (the Interest Reset Date) and Floating Rate in respect of each Interest Period comprised in the period from and including the Interest Reset Date to but excluding the Maturity Date

Status : Subordinated Security

## Interest Calculation and Payment, Redemption

### Interest

**Fixed Rate Securities:** : Applicable from (and including) the Issue Date to (but excluding) the Interest Reset Date

Interest Rate(s) : 6.704 per cent per annum payable semi-annually in arrear



Interest Payment Dates	:	15 March and 15 September in each year, commencing on 15 September 2023 up to and including the Interest Reset Date
Business Day Convention	:	Following Business Day Convention
Day Count Fraction	:	RBA Bond Basis
<b>Floating Rate Securities</b>	:	Applicable from (and including) the Interest Reset Date to (but excluding) the earlier of the Maturity Date and the Optional Redemption Date
Interest Periods	:	Quarterly in arrear
Interest Payment Dates	:	15 March, 15 June, 15 September, 15 December in each year, commencing 15 June 2033 up to and including the earlier of the Maturity Date and the Optional Redemption Date
Interest Period Date if not an Interest Payment Date	:	N/A
Manner of determination		
(a) <i>BBSW Determination</i>	:	Applicable
<ul style="list-style-type: none"> <li>Interest Determination Date</li> </ul>	:	As per the Conditions
<b>or</b>		
(b) <i>ISDA Determination</i>	:	N/A
Margin(s) to Floating Rate Basis	:	+2.45 per cent per annum
Minimum Interest Rate	:	N/A
Maximum Interest Rate	:	N/A
Fall back provisions, rounding, denominator and any other terms if different from Conditions	:	N/A
Business Day Convention	:	Modified Following Business Day Convention
Day Count Fraction	:	Actual/365 (Fixed), adjusted
<b>Zero Coupon Securities</b>	:	N/A
<b>Indexed Securities</b>	:	N/A
<b>Dual Currency Securities</b>	:	N/A
<b>Provisions relating to Redemption</b>		
<b>Issuer Call Option</b>	:	Applicable



Option Exercise Date(s) (if other than set out in Conditions)	:	N/A
Optional Redemption Date(s)	:	Subject to APRA's approval, the Interest Payment Date falling on or nearest to 15 March 2033 and each Interest Payment Date thereafter up to but excluding the Maturity Date
Option Notice Period	:	At least 20 Business Days (and no more than 60 Business Days) before the Optional Redemption Date  <i>Subordinated Holders should not expect that APRA's approval will be given for any redemption of the Securities.</i>
Optional Redemption Amount(s) and method of calculating (if any) such amount(s)	:	Redemption at Outstanding Principal Amount calculated at the relevant date of redemption
Partial redemption	:	No
Minimum Redemption Amount	:	N/A
Maximum Redemption Amount	:	N/A
<b>Holder Put Option</b>	:	N/A
<b>Final Redemption Amount</b>	:	Outstanding Principal Amount calculated at the relevant date of redemption
<b>Early Redemption Amount</b> payable on redemption for taxation or regulatory reasons and or method of calculating same (if required or if different from that set out in the Conditions)	:	Outstanding Principal Amount calculated at the relevant date of redemption
<b>Provisions relating to Subordinated Securities</b>		
Subordinated Securities	:	Applicable
Exchange or Write Down without Exchange	:	Exchange applies
P	:	0.99
Clearing System Cut-off Date	:	Within 10 Business Days of the Non-Viability Trigger Event
<b>General Provisions</b>		
Form of Securities	:	Registered



Payment Business Day Convention (Fixed Rate Securities) : Following Business Day Convention

Payment Business Day Convention (Floating Rate Securities) : Modified Following Business Day Convention

Additional Financial Centre(s) (*for the purposes of the "Business Day" definition*) or other special provisions relating to Interest Payment Dates : Sydney

Public Offer Test Compliant : Yes

Instalment Date(s) : N/A

Instalment Amount : N/A

Calculation Agent if different to Program : N/A

Governing law : New South Wales

Other terms or special conditions : N/A

#### **Distribution**

If syndicated, names of Lead Manager(s) and the Dealer(s) : N/A

If non-syndicated name of Dealer : Commonwealth Bank of Australia

Additional selling restrictions : N/A

#### **Operational information**

ISIN : AU3CB0297653

Common Code : 259711690

Clearing System : Austraclear

Euroclear

Clearstream Banking

#### **CONFIRMED**

**For and on behalf of Commonwealth  
Bank of Australia**

By:

[Redacted Signature]

Authorised Officer Date:

9 March 2023



## Schedule 3 – Rights and liabilities attaching to Ordinary Shares

Ordinary Shares (ISIN: AU000000CBA7) may be issued to holders of Subordinated Securities by way of an Exchange. Ordinary Shares may also be issued to a nominee to hold for sale for the benefit of a holder of Subordinated Securities if an Exchange occurs and the holder of Subordinated Securities has notified CBA that it does not wish to receive Ordinary Shares or is an Ineligible Subordinated Holder.

The rights and liabilities attaching to Ordinary Shares are set out in the constitution of CBA, which was approved by shareholders at the Annual General Meeting on 16 October 2019 (the **Constitution**).

### Rights attaching to Ordinary Shares

Any Ordinary Shares issued to holders of Subordinated Securities by way of an Exchange will be fully paid and will rank equally with Ordinary Shares already on issue in all respects.

### Transfers

Subject to the Constitution, Ordinary Shares may be transferred by a proper transfer executed in accordance with the ASX Settlement Operating Rules, or by a written transfer in any usual form or in any other form approved by CBA's board of directors (the **Board**) and permitted by the ASX Listing Rules, ASX Settlement Operating Rules and Corporations Act. CBA can only defer or refuse to register a share transfer in limited circumstances.

Unless otherwise required by law or the Constitution, CBA is entitled to treat the registered holder as the absolute owner of a share and need not recognise a person as holding a share on trust, even if CBA has notice of a trust.

Except in limited circumstances, CBA is not bound to register more than three persons as joint holders of an Ordinary Share. Where two or more persons are registered as the holders of an Ordinary Share, they hold it as joint tenants with rights of survivorship and on the conditions set out in the Constitution.

Restrictions apply in respect of persons who become entitled to Ordinary Shares by reason of a holder's death or bankruptcy. In the case of the death of a holder, the survivor or survivors jointly registered as holders and the legal personal representatives of a sole holder are the only persons CBA will recognise as having title to the holder's interest in the shares or any benefits accruing on those shares.

### Dividends

Holders of Ordinary Shares may receive dividends if the Board determines that a dividend is payable. The Board may determine to pay any dividends that, in its judgement, the financial position of CBA justifies, subject to the Corporations Act. Dividends on Ordinary Shares may be subject to the preferential dividend rights of any preference shares on issue. The Board may rescind a decision to pay a dividend as set out in the Constitution.

The Board may decide the method of payment of any dividend and different methods may apply to different shareholders, such as overseas shareholders. If the Board decides that payments will be made by electronic transfer but no bank account is provided by the shareholder, CBA may hold that amount until a valid account is provided and no interest will accrue on such amount. CBA also has a dividend reinvestment plan for eligible holders. The Board determines whether or not the dividend reinvestment plan operates for each dividend and who is eligible to participate.





## **Winding up**

On winding up of CBA, holders of Ordinary Shares will participate in the division of any surplus assets of CBA (subject to the Constitution and the rights of any preference shares on issue).

## **Meetings**

Subject to the Constitution, holders of Ordinary Shares are entitled to receive notice of, attend and vote in person, by body corporate representative, attorney or proxy at general meetings of CBA.

On a show of hands, each holder (regardless of the number of shares held) has one vote. On a poll, each holder has one vote for each fully paid Ordinary Share held. Voting rights are subject to the Constitution, Corporations Act and ASX Listing Rules, including any applicable voting exclusions.

## **Issue of further shares**

The Board has the power to issue shares and decide the rights and restrictions attached to those shares. Subject to the Corporations Act and ASX Listing Rules, the Board may issue further shares or options over shares on such terms as they think fit.

## **Restrictions of ownership of Ordinary Shares**

Australian laws including financial sector and foreign ownership and takeover laws impose certain limitations on the right of persons to hold, own or vote on Ordinary Shares.

## **Variation of the Constitution**

CBA may seek approval by special resolution of holders of Ordinary Shares (passed by at least 75 per cent. of the votes cast by members entitled to vote on the resolution) to vary the Constitution.

