

# Changes to the Terms and Conditions for Business Finance products



On 5 December 2024, changes to CBA's Current *Terms and Conditions for Business Finance* (current version issued 20 October 2023) will take effect (the **Changed Terms**). The Changed Terms reflect changes to the *Banking Code of Practice* taking effect from 28 February 2025.

## Key changes

1. In clause A11.3, the definition of 'Large Business Customer' has been amended for the purposes of the following clauses:
  - A2.3 (Conditions you must meet before funding)
  - A6.3 (Obligations to comply with Financial Covenants)
  - A7.3(f) (Default event as a result of breaching a Financial Covenant)
  - A10.5.1(e) (When the Bank may refuse to serve you immediately and without giving a reason to you if we believe on reasonable grounds that you are or will soon be a resident or visitor of a Sanctioned Jurisdiction).

For the purposes of the above clauses:

- In relation to a Facility obtained on or after 9 November 2023 but before 5 December 2024, you are a 'Large Business Customer' if the total Limits of all your Facilities and the business debts owed to the Bank by Related Entities are \$3 million or more (including the Facility applied for)
- In relation to a Facility obtained on or after 5 December 2024, you are a 'Large Business Customer' if the total Limits of all your Facilities and the business debts owed to the Bank by your Business Group are \$5 million or more (including the Facility applied for).

2. A new definition of 'Business Group' has been added to clause A11.3:

For the purposes of the 'Large Business Customer' definition, the following entities are considered part of your Business Group:

- (a) you;
- (b) each entity you control;
- (c) each entity which controls you; and
- (d) each other entity which is controlled by an entity referred to in (c).

An entity includes a natural person, corporation, trust, partnership and joint venture. For the purpose of this definition of Business Group only, an entity controls another entity if it:

- is a director or trustee of the entity;
- is a partner or joint venturer in the entity, and there are no more than 4 partners or joint venturers in that entity; or
- has a shareholding, voting interest, unit holding, partnership, joint venture, or other interest in the entity of 25% or greater.

Control includes direct control, and indirect control through other controlled entities.

3. In clause A4.2 (Changes we can make without your agreement), we have amended the wording of how we will notify you about the change at (i) to (vii) in the Table to read as "As set out in clause A9.2".
4. In clause A9.2.1 (Notice methods), we have amended the ways we can give you a notice to also include:
  - in a digital message given in an online banking platform of ours (for example NetBank or CommBiz) or in or through our app; and
  - any other way agreed with you.
5. In clause A9.2.2 (When a notice takes effect), we have added that digital message (in an online banking platform for example NetBank or CommBiz or in or through our app) takes effect on the day that the digital message appears on the online banking platform or appears on or through our app.

A copy of the Changed Terms showing all of the changes are available for download at [commbank.com.au/businessfinancetandc](http://commbank.com.au/businessfinancetandc). You can ask for an electronic or paper copy by contacting your Relationship Manager, Business Banker or Broker, or by calling 13 1998.