

Update on support available to Commonwealth Bank customers affected by the pandemic

July 2020

As the challenges posed by Covid-19 continue to evolve, we have augmented and refined support measures available to our customers.

Following a three-month check-in on the circumstances of those financially affected by the pandemic, many of our personal and business customers whose loans were deferred have begun to recommence payments, either completely or partially.

At the same time, we recognise that with the worrying events unfolding in Victoria, and a range of restrictions remaining in place in other jurisdictions, a significant group of customers will continue to need our help, and this is where our strongest focus must be.

Our move to target support where most needed is underpinned by an arrangement with the Australian Prudential Regulation Authority (APRA), which will allow customers to keep their loans in deferral for up to a further four months, on a case by case basis and depending on their individual circumstances.

Customers aiming to restart home loan repayments can choose to make minimum or higher repayments, switch to interest-only payments for a specified period, or fix some or all of their loan to an all-time low of 2.29% for 1, 2 and 3 years.

During the pandemic, Commonwealth Bank has also more than doubled the size of its Financial Assistance Solutions team to about 1,500 frontline staff, to have conversations with our retail customers experiencing hardship.

This next phase of our support reinforces the strong collaboration and effective cooperation between Federal and state governments, regulators and the banking industry, which has allowed so much to be achieved in such a short time.

To date in response to the pandemic, we have:

- Provided repayment deferrals on over 150,000 home loans, comprising a total balance of over \$55 billion, with an estimated cash flow impact of \$1.6 billion.
- Made changes to how minimum repayments operate for Principle and Interest variable rate home loan customers with a direct debit arrangement in place, to further free up cash flow.
- Reduced the rate on our fixed package home loan to its lowest advertised level ever.
- Provided repayment deferrals on over 20,000 personal loans, with a total balance of over \$339 million.
- Provided repayment deferrals on over 17,000 credit cards.
- Cancelled credit card interest and late fees for March 2020 for those unable to meet their repayments.
- Offered auto-deferred repayments for over 72,000 small business loan accounts.
- Reduced interest rates by 1.00% p.a. on small business loans.
- Approved over 8,700 SME Guarantee Scheme loan applications, totalling more than \$790 million.
- Promptly processed over 170,000 requests for early release of superannuation funds under the Government's program.

We've also confirmed our participation in the Government's Show Starter Loans package, which will provide concessional loans to assist creative economy businesses to fund new productions and events that stimulate job creation and economic activity.

Coronavirus support for personal customers

CommBank personal customers can access a range of support options and get more certainty during difficult times.

Digital features

We have sent approximately 250 million personalised in-app messages to customers letting them know about COVID-19 support available from Commonwealth Bank.

We launched a Coronavirus Money Plan feature in our Commbank mobile app, which points our customers to practical, simple, relevant and actionable guidance and tools, to better plan and manage their finances. This service suggests actions and tasks relevant to a customer's circumstances, and based on the severity of financial impacts they have experienced.

We have also used digital channels to promote widely our Benefits finder feature, which helps to connect our customers with benefits, rebates, and concession payments that they may be eligible for, but which they may either be unaware of, or are unsure how to apply for. This has helped to unlock funds for customers in a time of need.

Home loan customers

There are several options available to assist customers, including:

- Arranging, or extending, a loan deferral;
- Considering the option of moving to Interest Only payments;
- Accessing any additional money customers have in redraw;
- Reducing repayments to the minimum monthly repayment amount;
- Utilising funds customers may have in their offset accounts.

As outlined above, guidance from APRA means that customers who need additional support to keep their loans in deferral for up to a further four months will be able to do so, on a case-by-case basis and depending on their individual circumstances.

We have also reimbursed customers for any interest on interest charged in the deferral period.

Credit card customers

We are supporting credit card customers in difficulty with a range of measures tailored to their circumstances, to help them get back in control of payments, even through a period of reduced income. These can include:

- Help managing monthly repayments by moving onto a SurePay® instalment plan, which allows customers to pay off their balance in instalments like a loan;
- Access to a range of tools to help customers understand if they are on the best card for them;
- Switching to an Autopay arrangement, to ensure minimum repayments are met;
- Managing caps on spending in line with customer's requirements; or
- Deferrals of repayments for a two-month period.

Coronavirus support for business customers

CommBank business customers can access a range of support options to help them deal with reduced revenue and other pressures.

Merchant fees

Customers can request to have refunded a range of merchant fees, including the Simple Merchant Plan fee, Merchant terminal rental fees, minimum monthly Merchant Service Fee, and Monthly Access Fee (as applicable) for up to 90 days. They can also lodge requests for these refunds online, or by contacting us directly.

Loan repayment deferrals

Having auto-enrolled eligible business for repayment deferrals on their loans from April through to September 2020, we are now providing extensions and other support to customers on a case-by-case basis and depending on their individual circumstances.

New low rate loans

CBA offers three year, unsecured BetterBusiness Loans of up to \$250,000 to eligible customers, at a reduced variable rate from 4.5% p.a.

We are also preparing to welcome applications under the Government's extension to its SME Guarantee Loan scheme, which will allow for large secured and unsecured loans (up to \$1 million) for a wider range of purposes (beyond working capital) and up to 5 years (extended from 3 years under the initial scheme). This is in addition to the loans CBA has already approved under the Scheme to date.

Supporting customers to access their banking digitally

We are working with our business customers to help them access a wide variety of functionality that is available from our digital tools, ranging from managing business loan accounts, merchant functions; account security; staff payroll, and organising the payment of invoices and related accounting.

We launched a JobKeeper hotline to support SME customers needing bridging finance including a new, simple e-application form to access temporary overdraft facilities.

Our branch network

The majority of Australia's largest branch network remains open for customers to access, with some temporary changes to opening hours, and subject to appropriate guidelines around safe operation to protect our people and customers. These changes have included arrangements to help customers with visual and other impairments adhere to social distancing guidelines.

For customers who use passbooks as their primary means to withdraw funds, we delivered around 150,000 debit cards, as part of an industry-wide response to ensure customers have alternative banking options.

We have taken the decision to close a small number of branches, so that staff can be re-deployed to areas of high customer demand in our business, including temporarily deploying around 500 branch staff to call centres and online teams, to respond to customers contacting us with requests for support.

Customers also have access to over 3,500 Bank@Post enabled Australia Post outlets, as well as our extensive national fleet of ATMs.

Helping customers navigate their options

Early on in the pandemic, we published the Commonwealth Bank Financial Support Guide, to help customers navigate what relief is available, both from the bank and other organisations.

We then undertook a national advertising campaign to promote this service. We also communicated with over 5 million of our customers via our Commbank app, directing them to the Guide.

Since then, we have made regular updates to the Guide, as Government programs and bank support measures have evolved.

We have also created a simplified version of the Guide, which has been translated into multiple languages, as well being available for customers with limited literacy or cognitive impairment.

The Guide is available at <https://www.commbank.com.au/content/dam/commbank-assets/latest/docs/coronavirus-financial-support-guide.pdf> and the version as at 28 July is appended to this submission.

Understanding your options during coronavirus.

A Financial Support Guide for
business owners, employees,
job seekers and retirees.

Effective 04 August 2020



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You can count on CommBank in uncertain times.

As you'll be aware, coronavirus is a serious health issue that has rapidly affected almost every aspect of our lives. And our society has responded in substantial, often unprecedented, ways to help contain the risk.

The measures put in place are designed to help individuals and businesses do their part to limit the spread of coronavirus. They have effectively paused parts of the economy for now, while ensuring that it can restart quickly once coronavirus is under control. Many of these measures may have already affected you.

We're committed to doing all we can to help support our customers during these uncertain times.

We've designed this guide to highlight the support available for affected businesses and individuals, including employees, job seekers, and retirees. It also includes some general information and advice for managing during this period.

The guide is current at 04 August 2020.



There is much that we can do together.

For further information and links to applications, please go to commbank.com.au/coronavirus



Support for Business Owners

Has your business been forced to shut down or seen a significant decrease in revenue?



Coronavirus has had a rapid impact on many businesses, but there are various measures in place to provide support. Here's what you can do.

Loan repayment deferrals

We automatically enrolled business and community customers for a three month repayment deferral on all eligible BetterBusiness loans and Equipment Loans from April 2020. We then extended this deferral for all eligible customers for an additional three months through to September 2020.

In July 2020, the Government announced a further repayment deferral of up to four months on eligible business loans, for customers impacted by coronavirus. We're offering this and other support to customers on a case by case basis, depending on their individual circumstances.

That means customers who are able to recommence repayments at the end of their current repayment deferral period are unlikely to be eligible for a further extension.

We'll contact all customers before their payments recommence in October 2020. And we'll also be in touch with customers who we consider may be in need of further financial support over the next few months with the options available to them. This may include an additional deferral period or other measures.

For more information including the implications of repayment deferral arrangements visit: commbank.com.au/latest/coronavirus/business-support

You can take measures to look after your employees

As you know, your employees are among your most valuable assets, and being prepared to hit the ground running once the crisis passes is critical. This means taking steps to keep them safe and to maintain essential services. It also means continuing to pay them if you can afford to. There are two alternatives by which employers may provide financial support to their employees:

JobKeeper Measures

On 21 July, the Federal Government announced an extension to the JobKeeper Payment from 27 September 2020 to 28 March 2021, for eligible businesses.

If your business revenue has declined by 30% or more due to coronavirus, you may be eligible to apply for the JobKeeper Payment. The eligibility rules for employees remain unchanged.

From 28 September 2020, businesses and not-for-profits seeking to claim the JobKeeper Payment will be required to demonstrate they have suffered an ongoing significant decline in turnover using actual rather than projected GST turnover.

The payment rate of \$1,500 per fortnight for eligible employees and business participants will be reduced to \$1,200 per fortnight from 28 September 2020, and then to \$1,000 per fortnight from 4 January 2021.

From 28 September 2020, lower payment rates will apply for employees and business participants that work fewer than 20 hours per week.

The JobKeeper Payment will continue to remain open to new recipients, provided they meet the eligibility requirements.

Full details are available online: treasury.gov.au

Stand Down Measures

Under certain conditions you may be able to **stand employees down**, allowing them to stay on the books and accrue annual leave without you having to pay a wage. This will assist in allowing you to quickly restart your business when the coronavirus passes. If you are eligible, you can still apply for the JobKeeper Payment. Otherwise, once employees have exhausted their leave entitlements, they be eligible to receive a JobSeeker Payment or other Government income support. This may be preferable to redundancy, because it can help keep your employees connected to your business so that you can start up quickly in the future.

Support for: Business Owners



Key resources for business owners

- CommBank's Coronavirus Support for Business Customers: commbank.com.au/latest/coronavirus/business-support
- ATO resources – JobKeeper Payment: ato.gov.au/general/gen/JobKeeper-payment
- Fair Work Commission – Standing down employees: fwc.gov.au
- CommBiz – Support for business customers: commbank.com.au/business/online-banking/commbiz
- CommBank's dedicated JobKeeper helpline: **13 26 07**

You can access our dedicated JobKeeper helpline

To help make sense of the support available for your business, we have introduced a dedicated CommBank JobKeeper helpline. Our Australian-based helpline is available to you 24/7 on **13 26 07**.

You could boost cash flow

From 28 April 2020, the Australian Taxation Office will begin automatically crediting your business activity statement (for businesses and NFPs with <\$50m revenue), with a payment equal to 100% of tax withheld on your salary and wages, between \$10,000 and \$50,000 with a further payment available in the July-October period.

If you're a CommBank small and medium-sized business customer with less than \$50 million annual turnover, you can apply for an unsecured loan of up to \$250,000¹(lending criteria applies) with no establishment fees, no account fees, and no repayments required for up to six months. For the first six months, interest will be deferred² and capitalised at a reduced variable rate starting from 4.5% p.a. From six months, over the remaining term of the loan, amortising principal and interest repayments will be required to be made.

You could reduce rates and fees

For CommBank small business, we're providing additional flexibility by reducing interest rates by 1.00% p.a. on small business loans where the interest rate is calculated based on the RBA cash rate plus a margin, which came into effect on 3 April 2020.

If you're facing financial difficulty, you can ask us to refund your Merchant terminal rental fees, minimum monthly Merchant Service Fee, Monthly Access Fee, and Simple Merchant Plan fee (as applicable) for up to 90 days. If you have a Relationship Manager they will be able to assist you with this, or you can complete your request using our **online form**. If you would like any further support, you can speak with our dedicated Business Financial Assistance team on **13 26 07**, who are available 24/7.

You could seek rent and utility relief

Many utility providers have also launched relief measures. Speak to your specific provider about temporary relief. The Code of Conduct for commercial tenancies was released on 7 April 2020 and aims to provide a range of rent relief measures for small and medium businesses with an annual turnover of less than \$50 million and eligible for the JobKeeper Payment (30% or greater loss in revenue).

You can find out more at: business.gov.au

Your personal liability may not be impacted

Legislation has temporarily been relaxed will not be personally liable for insolvent trading where debts are incurred in the ordinary course of business. Debts will still need to be paid, but steps can be taken to protect businesses through this period.

You can find out more at: business.gov.au

Support for Victorian businesses

Businesses in Victoria: you could apply for a grant

If your business suffers significant losses or needs to close as a result of the current restrictions in Victoria, you may be able to access a one-off grant through the Victorian government's expanded Business Support Fund. Businesses in regional Victoria can apply for a \$5,000 grant. Businesses in Melbourne and Mitchell Shire can apply for up to \$10,000. To be eligible, your business must employ people and have an annual payroll of less than \$3 million and be participating in the Commonwealth Government's Jobkeeper payment scheme. Applications are open until 14 September, 2020

Further information on the program including eligibility criteria here: business.vic.gov.au

Apply here: businessvic.secure.force.com

If you are a Victorian regional accommodation provider

If you are an accommodation business in regional Victoria and have been impacted by cancellations due to the Victorian Government Stay at Home restrictions

announced on 8 July 2020, you may be eligible for direct financial support. Accommodation providers across regional Victoria with an Australian Business Number (ABN) will be able to make a claim for a payment of up to \$225 per night up to a maximum of \$1125 per bookable accommodation offering for the period of the Stage 3 'Stay at Home' restriction period. You must have refunded in full the booking to a person who can no longer travel as a result of restrictions in metropolitan Melbourne and Mitchell Shire, or from state border restrictions. Applications are open until the end of the lockdown period or until funds are exhausted.

More information available here: business.vic.gov.au

If you operate a small business in Melbourne CBD

You may be able to get financial support from the Victorian Government's CBD Business Support Fund, to help small businesses in Melbourne's CBD faced with significant shock to their trading environments.

You can register your interest for the scheme here: business.gov.au

^{1,2} Please see back cover for footnote details.



Many businesses are having to react quickly to a new trading environment. If your income or employment circumstances have significantly changed, here's what you can do.

You can seek clarity

Being stood down is a temporary measure that means you remain employed but unpaid for the period of time that you do not perform your duties, but are not paid your usual wage. You will continue to accrue annual leave.

You can learn more on the Fair Work Commission website: fwc.gov.au

You can seek JobKeeper or JobSeeker support

If you have been a full-time, part-time, or long-term casual employee (over 12 months from March), contact your employer to check whether they are going to or have registered for the JobKeeper Payment. If they register, then they should be able to continue paying you a wage (see payment rates above in the JobKeeper measures section). Otherwise, if your income has fallen below a certain level you may be eligible for the JobSeeker Payment or other Government income support.

If you have already made a JobSeeker application and may now be eligible for the JobKeeper Payment, do not withdraw your application. The relevant Government agencies will contact you if your JobSeeker claim needs to be stopped in favour of the new JobKeeper allowance from your employer.

Full details are available online: treasury.gov.au

You can continue to seek employment

Many businesses have increased demands at this time. If you have been stood down or had your hours reduced and you find other work, you can take that job. As long as you are not employed as a full-time permanent employee, you will not be required to resign from your original job. Your Government support will be adjusted based on the income you receive.

You can talk to us about your loan and credit card repayments

If you're concerned about making repayments on your credit card, personal loan or home loan, we have options to help you manage. Call us on 13 30 95 to speak to our Financial Assistance team to find out more about the options that suit your individual situation. They're open 8am-9pm Monday to Friday and 9am – 2pm on Saturday (Sydney/Melbourne time).

You could seek rent and utility relief

You may be eligible for rental assistance from the Government. Talk to your landlord about what else may be possible for further rental relief. The States and Territories have agreed to a 6 month moratorium on the eviction of commercial and residential tenants if they can't pay their rent due to the ongoing crisis. Please continue to speak with your landlord and try to work on measures to help you both during this time. You may also be eligible for an energy subsidy. Many utility providers have also launched relief measures. Speak to your specific provider about temporary relief.



Support for Employees and Job Seekers

Have you been stood down by your employer or had your income significantly reduced?

Support for: Employees and Jobseekers

You can consider accessing superannuation

The Government has announced that if you're eligible, you can withdraw up to \$10,000 of your super, from 1 July 2020 until 24 September 2020. The first step is to check eligibility requirements on the ATO website. If you're eligible, you can submit your application directly to the ATO via your My Gov account. You will not need to pay tax on these amounts and they will not affect Centrelink or Veterans' Affairs payments. Before you apply, consider how withdrawing your super might affect your retirement savings. You can find out more by using the super withdrawal estimator on the **Moneysmart website**

You may benefit from discussing your situation and possible financial planning needs with one of our qualified financial planners. Your first meeting is obligation-free and may be over the phone or at your local branch (subject to social distancing measures). You can get in touch by visiting the **Commonwealth Financial Planning webpage** or calling us on **1800 138 713** from 8.30am to 5.30pm, Monday-Friday (Sydney/Melbourne time).

You can access additional benefits

Through Benefits finder in the **CommBank app**, you may be able to find government or other benefits that you may be eligible for. We offer some special term deposit rates, providing several options to earn a return well above the cash rate. CommBank is also taking steps to help free up household cash flow for our personal customers.

You can seek additional support for your overall wellbeing

This period of uncertainty may cause stress for many individuals, families, community groups and businesses. It is critically important that you look after your mental wellbeing, as well as your overall financial wellbeing. If you are suffering from heightened stress or any other mental health condition, consult your regular doctor about the appropriate course of care, as you may be eligible for Medicare rebates on psychological services, with additional telehealth services being put in place to ensure they are available for all people requiring them.



You can seek help as a vulnerable community member if you are at risk of domestic violence

If you or your family are impacted by family or domestic violence, support is available to you. **1800RESPECT (1800 737 732)** is a free national counselling and referral service. All of these calls are confidential and can help provide guidance during a difficult time.

If you're unable to call, you can also visit: **1800respect.org.au** for more information.

If you're a CommBank customer experiencing a domestic or family violence situation, you can speak to our specialist Community Wellbeing team about your financial needs.

For information about 'Next Chapter': independence for survivors of domestic and financial abuse: **commbank.com.au/dv-assistance**



Key resources for employees and job seekers

- Fair Work Commission: **fwc.gov.au**
- myGov: **my.gov.au**
- CommBank – Superannuation and Pension Payment Changes: **commbank.com.au/latest/super-access**
- CommBank app for Benefits finder: **commbank.com.au**
- Medicare: **servicesaustralia.gov.au**
- 1800RESPECT: **1800respect.org.au**
- CommBank's Community Wellbeing Team: **commbank.com.au/support/dv-assistance**





Support for Retirees

Are you a retiree who has seen their income or superannuation fall?



Maintaining a source of income is more important than ever in retirement. If coronavirus has affected yours, here's what you can do.

You can seek additional payments from the government

To begin, call the Older Australians line on **13 2300** or update your income details online at Services Australia.

Visit: servicesaustralia.gov.au

You can reduce your drawdown rate

To provide retirees with more flexibility in managing their retirement incomes, the Government has reduced the minimum drawdown rates for account based pensions and similar products by 50% from 1 July 2020. You should consider whether this is right for you given your circumstances. To get an idea of how long your account-based pension will last, please visit the [Moneysmart website](#).

You can make changes to your asset allocations, but please think carefully before doing so

With changes in market and economic conditions, you could consider seeking financial advice prior to making any decisions to alter your overall asset allocation. You may benefit from discussing your situation with one of our qualified financial planners. You can get in touch by visiting the [Commonwealth Financial Planning webpage](#) or calling us on **1800 138 713** from 8.30am to 5.30pm, Monday-Friday (Sydney/Melbourne time).

Make an appointment to speak with a financial planner

You may benefit from discussing your situation and possible financial planning needs with one of our qualified financial planners. Your first meeting is obligation-free and may be over the phone or at your local branch (subject to social distancing measures). You can get in touch by visiting the [Commonwealth Financial Planning webpage](#) or calling us on **1800 138 713** from 8.30am to 5.30pm, Monday-Friday (Sydney/Melbourne time).

You can take measures to remain safe and secure during this time

The risk of serious illness from coronavirus increases with age. It is important that you do everything you can to reduce your chances of catching the virus, which includes maintaining safe social distance and limiting your exposure to any non-essential environments or groups of people.

We understand that some of our customers prefer to come into the branch to do their banking. In light of the Government's announcement around essential services, we are committed to keeping as many of our branches open as possible and also ensuring that our customers and staff are kept healthy and safe.

Some of our branches may need to close from time to time. We will keep you updated via our branch locator tool at commbank.com.au/digital/locate-us. Social distancing will be observed in branch, and added measures have been put in place to ensure the branch is kept clean and safe for all.

If you have questions about using your Passbook during this time, visit commbank.com.au/passbook.

Support for: Retirees

You can increase your online safety and awareness of scams

We want you to remain safe and secure online. Unfortunately, there are some online scammers that will be seeking to take advantage of the current situation and access your personal information. Please do not share your personal bank details with anyone who contacts you directly.

Learn more about how to protect yourself online at:
commbank.com.au/support/security/how-to-spot-hoax-scam

You can access support through the National COVID Older Persons Information Line

Council on the Ageing, National Seniors Australia, Older Persons Advocacy Network, and Dementia Australia have banded together, supported by the Commonwealth Government to launch a new support service. You can call **1800 171 866** to get the critical information you need to stay healthy and safe during coronavirus.



Key resources for retirees

- Older Australians Line: **13 2300**
- CommBank: **13 2221**
- CommBank Branch Locator:
commbank.com.au/digital/locate-us
- CommBank Passbook:
commbank.com.au/latest/coronavirus/faqs.html#passbook
- CommBank's Guide to Protecting Yourself from Scams:
commbank.com.au/support/security/how-to-spot-hoax-scam
- National COVID Older Persons Information Line: **1800 171 866**



There is much that we can do together.



For further information and links to applications, please go to commbank.com.au/coronavirus

Things you should know: As this information has been prepared without having regard for your individual and/or business objectives, financial situation or needs, you should, before acting on this information, consider its appropriateness to your circumstances. This information is current as at 04 August 2020 and is prepared without taking into account your individual and/or business needs and objectives. CommBank has the right to change or cancel this offer at any time without notice. The statements and content of this fact sheet have been sourced from various government publications and summarised. CommBank disclaims, to the extent permitted by law, all warranties, representations or endorsements, express or implied, with regard to the material and does not accept any liability in relation to the quality, operability or accuracy of the material.

1. These products are only available to approved business customers and for business purposes only. This offer cannot be used to refinance existing debt or purchase an asset. Applications for finance are subject to the Bank's eligibility and suitability criteria and normal credit approval processes. View our current Terms and Conditions for Business Finance and consider them before making any decision about these products. Offer ends 30 September and are subject to change. .
2. There are implications associated with repayment deferrals including that interest and any fees will be added to the outstanding balance in accordance with the contract and capitalised over the remaining term of the facility. This may mean that the total amount of interest payable will be more than it would have been under the original contract term if payments are deferred.

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