

31 January 2020

CMC Markets Cash Account Product Disclosure Statement

This is a Product Disclosure Statement (PDS) for the CMC Markets Cash Account (Cash Account). It is made up of the Product Schedule, Cash Account Interest Rate Reference Guide and the Cash Account Terms and Conditions. You should read the PDS carefully and retain it for future reference.

IMPORTANT INFORMATION

The offer of the Cash Account has been reviewed and a decision has been made that the Cash Account will in the future cease to be part of the Bankwest product offering. As at the date of this PDS, it is expected that all Cash Accounts will be closed under a staged closure program, anticipated to take place during the second half of the 2020 calendar year (Product Closure). The Cash Account is therefore not a suitable product for persons seeking an account product for medium or long term use. In deciding whether to acquire a Cash Account, you should consider whether the Cash Account is appropriate for you, on the basis of the information set out in this PDS, including this statement as to the Product Closure of the Cash Account.

The Cash Account is a deposit product of Bankwest, a division of Commonwealth Bank of Australia ABN 48 123 123 124 AFSL/Australian credit licence 234945. Bankwest has appointed Colonial First State Investments Limited (CFSIL), ABN 98 002 348 352 AFSL 232468 to collect information, administer and otherwise deal with matters relating to the Cash Account. BWA Managed Investments (BWAMI) is a specialist cash management business and forms part of CFSIL.

The information contained within this PDS is current as at the date noted above. The information in this PDS is subject to change from time to time. You can request a copy of the most current PDS from your Broker, or by calling our Client Services Team on 1300 663 117 or emailing support@bwami.com.au. If you are printing an electronic copy of this PDS, you must print all pages. A paper copy of this PDS can also be obtained free of charge on request by calling our Client Services Team on 1300 663 117 or by contacting your Broker.

The information contained in this PDS is general information only and does not take into account your individual objectives, financial situation or needs. You should read this PDS carefully and assess whether the information is appropriate for you before making an investment decision.

We may change any of the terms and conditions contained or referred to in the PDS and, where a change is material, we will notify you via your Broker within the timeframes provided for in the relevant legislation.

The name and address of the administrator is:

*Colonial First State Investments Limited (Colonial First State)/BWA Managed Investments (BWAMI)
PO Box 2515
Perth WA 6001
Telephone: 1300 663 117
Facsimile: 1300 853 628
Email: support@bwami.com.au
Website: bwami.com.au*

The contact details for Bankwest are:

*Bankwest (a division of Commonwealth Bank of Australia ABN 48 123 123 124 AFSL 234945)
GPO Box E237
Perth WA 6841
Website: bankwest.com.au.*

Product Schedule

1. About the Cash Account

This account earns a competitive rate of interest and is operated on your behalf by your Broker to facilitate the provision of securities trading and/or investment portfolio management services, or like services.

This account is used to assist your Broker in providing their services to you.

As the account is operated by your Broker we, the administrators of the account, are limited in the actions that we can take on this account. For example, we cannot change contact details on your account or make any transactions on your account.

2. Fees and Charges

The following fees and charges may become payable in relation to the account:

Statements: Additional statements printed with the original - \$4 per statement (includes faxes); Copy of a previously issued statement - \$7.50 per statement; A fax of a previously issued statement - \$4 per statement.

Search for transaction record: When you wish to confirm a transaction you may request a copy of the transaction record document or voucher. Fees may be charged on the following scale: One voucher requested - \$12; More than one voucher requested - \$8 per voucher.

3. Interest

Credit Interest: Interest on your account is calculated daily by multiplying the amount of the end of day credit balance of your account by the interest rate, and then dividing the result by the number of days in the year. For the purposes of calculating credit interest, the end of day credit balance on a non-business day will be taken to be the end of day credit balance of your account of the immediately preceding business day. Interest is credited monthly in arrears. The credit interest rate tiers are set out in the Cash Account Interest Rate Reference Guide,

Debit Interest: The account must not be overdrawn, however if the account does fall into overdraft, then debit interest will apply to the overdrawn balance. Debit interest is calculated daily by multiplying the overdrawn balance of your account by the debit interest rate, and then dividing the result by the number of days in the year. Debit interest is calculated up to the second-last business day of the month and will be debited to your account on the last business day of the month. The debit interest rate is set out in the Cash Account Interest Rate Reference Guide.

The interest rates disclosed in this PDS are subject to change from time to time. You will be notified of any change of interest rate in accordance with clause 11 of the Terms and Conditions. Information on current interest rates is also available via your Broker.

4. Risks

What is risk?

All investments are subject to risk. This means that you can lose money on your investments or that they may not meet your objectives. When deciding whether to acquire a Cash Account, you should carefully consider the risks and whether the Cash Account is a suitable product for you.

What risks affect the Cash Account?

The main risks which affect the Cash Account are:

Market risk

Your return on investment in your Cash Account is directly affected by changes to the official cash rate, as determined by the RBA. Factors that may affect the official cash rate include Australian and overseas interest rates, the economic, legislative and political environment, exchange rates and market liquidity.

Inflation risk

Over the long term it is important that your investments perform at a level equal to or greater than inflation. Otherwise, in real terms, the value of your investment is falling. There is a higher risk of this occurring with cash investments due to their historically lower returns over the longer term.

Interest rate risk

Also associated with cash investments, this is the risk that interest rates (before fees and costs) will not be equivalent to the official cash rate set by the RBA.

Return of capital risk

Although we believe there is a low risk of capital loss, repayment of capital invested in the Cash Account is not guaranteed. This means you may not get back all of the money you invest in the Cash Account. We may also suspend withdrawals until the amount of any negative income or capital loss is determined and at any other times that we consider it to be in the best interest of Cash Account holders.

Risks of giving third party access

By opening your account you are authorising your Broker or other Authorised Operator (as defined in section 1 of the Cash Account Terms and Conditions) to have access to and operate your Cash Account, there is a risk that your account may be transacted upon in a way that you do not want. For example, your money may be invested in products that are not suitable for you, or the arrangements may facilitate fraud being committed against you (even if this is a remote risk). You can limit these risks by understanding the level of authority that you have given to the third party, by regularly checking your account transactions and

by talking to Bankwest if something doesn't seem right. More information about the different types of third party access and authority that you can grant in relation to the Cash Account is set out in section 18 of the Cash Account Terms and Conditions.

Are there any other risks you should be aware of?

When investing, there is the possibility that your investment goals will not be met. This can happen because of the risks discussed previously. It can also happen if your investment strategy is not aligned to your objectives.

5. What is paid to your Broker

Your Broker may receive from the Bank certain non-monetary benefits allowed under law (soft dollar). Under our obligations pursuant to the Corporations Act 2001 and the Financial Services Council Code of Practice, we keep a record of soft dollar payments which we are entitled to make to Brokers or advisers. Please contact us if you would like to view this register.

Adviser/Broker Service Fee

If you have agreed to pay your Broker a fee from your account for the services they provide to you, we will pay that fee to your Broker on your behalf. Note that, in some circumstances, we may choose not to pay amounts to your Broker (such as where we have reason to believe that your Broker's payment details are not correct, or we have chosen not to deal with your Broker). We will notify you if we do not pay an amount on your behalf to your Broker.

Fees paid to your Broker on your behalf are fees agreed between you and your Broker (they are not Bank fees). Contact your Broker if you would like to discuss these fees.

6. Financial Claims Scheme

The Financial Claims Scheme, under the Banking Act, covers deposit amounts you hold in a bank in aggregate up to a statutory prescribed limit (please note that for the purposes of calculating this total joint accounts are considered to be held in equal shares). You may be entitled to a payment in some circumstances. Payments under the scheme are subject to a limit for each depositor. Information about the Financial Claims Scheme can be obtained from the APRA website at www.apra.gov.au and the APRA hotline on 1300 55 88 49.

7. Enquiries

Broker Name: CMC Markets Stockbroking Limited, ABN 69 081 002 851

Broker Street Address: Level 20, Tower 3, International Towers, 300 Barangaroo Avenue Sydney, NSW 2000

Broker Postal Address: PO Box 5351, Sydney NSW 2001

Broker Contact Details: Ph: 1300 360 071

Fax: (02) 9221 9355

Website: www.cmcmarkets.com.au

Email: brokingservice@cmcmarkets.com.au

Cash Account Terms and Conditions

1. Definitions

The following expressions have the following meanings:

Account Information means information relating to accounts which we have agreed to make available to Authorised Operators from time to time.

Authorised Operator means the Broker, and any other officer or employee or representative of the Broker, authorised and nominated in writing to us by the Broker, to have access to and operate the account.

Broker means the stockbroker you have authorised to open and operate your account on your behalf.

Business day means a day (other than Saturday, Sunday or public holiday) on which banks are open for general banking business:

- if a place is specified in the relevant provision, in that place; or
- if no place is specified, in the place where the relevant act is to be undertaken;

Cash Account means the CMC Markets Cash Account.

Product Schedule means the "Product Schedule" relevant to the Cash Account.

Terms and Conditions mean these Bankwest Cash Account Terms and Conditions relevant to the Cash Account.

We, us, the Bank or Bankwest means Bankwest, a division of Commonwealth Bank of Australia ABN 48 123 123 124 AFSL / Australian credit licence 234945 and its successors and assigns.

You means the account holder nominated in the Cash Account opening instructions delivered by the Broker to us and, if more than one person comprises the account holder, means each of them separately and all of them jointly.

2. Your Agreement

When you open a Cash Account with us, you agree that your account comprises:

- the Terms and Conditions; and
- the Product Schedule

You should read the Terms and Conditions, Product Schedule carefully. If there is any inconsistency between these Terms and Conditions and the Product Schedule, the Product Schedule prevails.

3. Banking Code of Practice

The Banking Code of Practice applies to your Cash Account.

General descriptive information about Bankwest's banking services is available on the website bankwest.com.au in the form of **Bankwest's Banking Services Rights and Obligations** brochure. It includes, in particular, information about account opening procedures and on the advisability of you reading the terms and conditions applying to Bankwest's services.

4. Privacy

Privacy Statement and Consent to Use your Information

This Statement explains how Bankwest and subsidiaries of Commonwealth Bank of Australia ("we" or "us") collect, use and disclose personal information.

Personal information is information about, and which identifies an individual (such as name and contact details). Your personal information includes information about who you are and your interactions with us such as transactions on your account. It may also include information about you that is publicly available, for example from public registers or made available through social media. When you give us personal information about another person, you represent that you are authorised to do so and agree to inform that person of the contents of this Statement as it relates to them.

Purposes for which we collect and use personal information

We collect your personal information because we are required to identify you in accordance with the Anti-Money Laundering and Counter-Terrorism Financing Act. You are not required to provide your Tax File Number. However, if we do not collect your Tax File Number as permitted by the Taxation Administration Act 1953 and the Income Tax Assessment Act 1936, we may be required to withhold amounts from you and remit them to the Australian Taxation Office. Under the Taxation Administration Act 1953 we are required to collect and report to the Australian Taxation Office certain information about an account holder's tax residency and we collect this information from you so that we may comply with these reporting obligations.

We also collect your personal information to assess and process an application for any product or service that you make or for which you are a signatory, for internal processes including risk management and pricing, to administer our relationship with you, to meet our obligations in relation to external payment systems, Government bodies and funding arrangements, to identify and comply with regulatory requirements.

If you use our website or online applications we may collect information about your location or activity (including whether you have accessed third party sites) to customise your experience.

Exchange of personal information

We may exchange personal information about you with: our related bodies corporate, assignees, agents, contractors and external advisers, organisations for verifying your identity, your agents, advisers, referees, executors, administrators, trustees, beneficiaries (if you are a trustee), guardians, attorneys, law enforcement, regulatory and government bodies, anyone who introduces you to us, reward program providers, third parties providing fraud detection services, your franchisor, payment system operators, your and our insurers or prospective insurers and their underwriters, any person we consider necessary to execute your instructions, other organisations for the supply of services, other persons where this is permitted by law, persons with whom you make a joint application for a product or service with us, participants in a funding scheme, and any financial institution to or from which a payment is made in relation to any account you have or operate.

In some cases, these persons or organisations may disclose your personal information for the purposes of any relationship they have with you or performing functions in relation to you.

Verifying your identity using a credit reporting body (CRB)

In order to verify your identity, we and our Agents may provide your name, residential address and date of birth to a CRB, which may use that information and corresponding information in credit information files of individuals to prepare and provide an assessment of whether your information matches information on a credit information file held by that CRB. You agree to us and our Agents requesting an assessment and providing your personal information for such an assessment.

Transfer of personal information overseas

Sometimes it may be necessary to send your information overseas – for example where we outsource functions overseas, send information to related bodies corporate, where we need to complete a transaction on your behalf or where this is required by laws and regulations in Australia or in another country. These countries include New Zealand, United Kingdom and Ireland. Please refer to Bankwest's Privacy Policy for more information.

Access to your personal information, contacting us and contacting you

This Statement should be read in conjunction with Bankwest's Privacy Policy, which provides more information on how we collect, use and disclose personal information. Bankwest's Privacy Policy is available on our website at www.bankwest.com.au You can also contact your Broker.

You have rights to access your personal information from us, to request us to correct the information, and to make a complaint to us about a breach of your privacy rights in relation to the information. The Privacy Policy includes further information about how you may do this.

Consent

You agree to the terms of our Privacy Policy and consent to us collecting, using, exchanging and transferring overseas, your personal information as described and as set out above and in Bankwest's Privacy Policy. Bankwest's Privacy Policy is available on our website at www.bankwest.com.au. By applying for the Cash Account you agree to the terms of Bankwest's Privacy Policy and consent to Bankwest collecting, using, exchanging and transferring overseas your personal information as described and set out above and in Bankwest's Privacy Policy.

5. EPayments Code

We warrant that we will comply with the requirements of the EPayments Code, where those requirements apply to your dealings with us.

6. Anti-Money Laundering and Counter-Terrorism Financing Act (2006) and Tax Residency Information

When you open an account you and each signatory to the account will be asked for proof of identity. Government legislation requires Bankwest to identify you before you open a new account or become a signatory to a new or existing account. Information about our identification requirements is set out in our Banking Services Rights and Obligations booklet.

Under the Taxation Administration Act 1953, we are required to collect and report to the Australian Taxation Office certain information about an account holder's tax residence. You must provide us with this information when you are opening the account and you must agree to notify us if the information that you have provided changes in the future. If you are a non-resident for taxation purposes, you must provide us with your overseas residential address. Tax may be withheld on the interest that you earn on your account if you are a non-resident of Australia.

7. Deposits and Withdrawals

We will not accept deposits nor allow withdrawals of cash or currency in connection with your account.

Deposits can only be made to the account electronically by you or your Broker by direct electronic credit from an account with a financial institution. Withdrawals can only be made electronically by your Broker (including on closure of the account) or by Direct Debit (where your Broker offers the Direct Debit Facility)

8. Credit Interest

The Product Schedule will state whether credit interest is payable in respect of your account and, if so, the applicable interest rate. The interest will be credited directly to your Cash Account.

Interest on your account is calculated daily by multiplying the amount of the end of day credit balance of your account by the interest rate and dividing the result by the number of days in the year. For the purposes of calculating credit interest, the end of day credit balance on a non-business day will be taken to be the end of day credit balance of your account of the immediately preceding business day. Interest is credited monthly in arrears. Interest will be paid with the frequency stated in the Product Schedule and on closure of your account.

If you do not lodge your Tax File Number (TFN), your ABN (if you have one), or an appropriate exemption with us, by law we must deduct withholding tax at the highest marginal tax rate plus the Medicare Levy from the interest payable to you. If you are not an Australian resident for tax purposes, we are required by law to deduct non-resident withholding tax from the interest payable to you.

9. Overdrawn Accounts

An overdraft facility is not available with your account.

If the account becomes overdrawn, debit interest will be charged to the account. We calculate debit interest daily by multiplying the overdrawn balance of your account by the debit interest rate stated in the Product Schedule and by dividing the result by the number of days in the year. Debit interest is calculated up to the second-last business day of the month and will be debited to your account on the last business day of the month.

If a Direct Debit from the account causes the account to become overdrawn the payment may be dishonoured and a fee will be charged as stated in the Product Schedule.

10. Statements of Account

We will provide a statement of your account at least every six months, but there may be circumstances where we are not able to do so (such as where you have not provided us with your new address or particulars). Your Broker may have a special agreement in place to issue statements more frequently. You may request statements be provided to you more frequently and you may also request any additional statements at any time from your Broker. If you request extra copies of a statement previously issued we may charge you a fee. As at the date of this PDS, the fee payable is \$ 7.50 per additional copy. If we change the amount of this fee, we will notify you in accordance with clause 11 of the Terms and Conditions.

You must check your statements of account carefully and immediately notify your Broker or us of any errors, omissions or unauthorised transactions. You are required to keep copies of all records of instructions to your Broker, transaction records and receipts so that you can do this.

11. Changes to Terms and Conditions

We may at any time change the Terms and Conditions applying to your account. We will notify you of such changes via your Broker in accordance with the timeframes set out in the table below.

Introduce or increase a fee or charge	30 days	In writing or by advertising in the national or local media.
Change the method of calculating or paying interest	30 days	In writing or by advertising in the national or local media.
Change to Interest Rate (including any change to applicable margin)	No later than the day of change to the interest rate unless we are not able to do so because the interest rate is calculated according to: <ul style="list-style-type: none">• a money market or some other external reference rate ; or• a rate otherwise designated as a variable or floating rate	In writing or by advertising in the national or local media
Other changes	No later than the day of change	In writing or by advertising in the national or local media
If we believe the change is unfavourable to you	30 days, or a shorter period: <ul style="list-style-type: none">• if it is reasonable for us to do so to manage a material and immediate risk; or• if there is a change to a government fee or charge, in which case we will tell you reasonably promptly after we are notified, unless the government has publicised the same.	In writing or by advertising in the national or local media

12. Joint Accounts

If your account is in more than one name, the following applies:

- Each of you must fully comply with the Terms and Conditions applying to the account as if the account were in one name alone.
- Instructions in respect of the account may only be given in accordance with the election made to your Broker and advised to us in the Cash Account opening instructions.
- Should one of you die, we will treat the survivor(s) as the account holder(s) unless you have specified otherwise.
- We can send notices, statements and other documents by mailing them to any of you and they will be taken to have been given to all of you.

13. Trust Accounts

If you open the account as a trustee (using your Broker as your agent), you represent and warrant that you have the necessary power and authority to open and operate the account, that you are the sole trustee of the trust, that no action has been taken to remove or replace you as trustee of the trust and that you have an unrestricted right to be fully indemnified out of trust assets in respect of any liability that you may incur as trustee.

14. Changes in your Particulars

You must inform your Broker immediately of a change in your name or address and ensure that the Broker informs us.

We will not be responsible for any errors or losses associated with a change in your particulars if we do not receive notice or adequate notice of the change.

15. Service of Notices

Where, by these Terms and Conditions, we have agreed to write to you or send you a notice or statement, or should we otherwise seek to communicate with you, the communication may be sent to you by mail addressed to you at your last known address or business address as the case may be. For joint account holders, see clause 12(d).

If you agree to us doing so, we may provide such communications to you by:

- electronic communication to your nominated electronic address; or
- making the information available on our website after first notifying you by electronic communication to your electronic address that the information is available for retrieval by you.

Should you agree, you may at any time by notice to us terminate your agreement to receive information by electronic communication or change your electronic address.

16. Closing the Account

We may close the account for any reason at any time. We will notify your Broker in writing should we do so. The account may also be closed at any time by written notice to us (closure request) from you or your Broker.

If the account has a credit balance at the time that it is closed, that balance will be paid electronically into your Broker's trust account. However to the extent that the balance comprises any funds which have not been cleared, the funds will be unavailable to you until they are cleared.

If the account has a debit balance at the time it is closed that balance including any debit interest or outstanding fees will be due and payable by you to us upon demand.

Upon the closure of the account, all liabilities owing to us in relation to the account will become immediately due and payable and these Terms and Conditions will continue in full force and effect until those liabilities have been discharged in full.

17. Fees and Charges

You must pay us the fees and charges that are or become payable in connection with the account in the amounts and at the times set out in the Product Schedule or in these Terms and Conditions and you authorise us to debit them to the account.

If we incur any government tax, duty or other charge imposed by law in respect of the account or its operation, you must pay us an amount equal to the charge calculated in accordance with the methods prescribed from time to time by the relevant legislation. You authorise us to debit any such amount to the account.

Current information on fees and charges in respect of services which you may seek in relation to the account (for example, a copy of a statement) is available by contacting your Broker.

18. Authorised Operators

You authorise Authorised Operators to do all or any of the following acts and transactions in respect of your account:

- open and operate the account;
- close the account;
- deposit to and withdraw from your account; and
- act fully and effectively with Bankwest in all dealings, matters and transactions connected with your account

You remain responsible for all transactions made by an Authorised Operator until we are notified in writing that their authority is cancelled.

Each Authorised Operator is authorised to access the Account Information and to effect transactions without the need for prior notice to you. For such purpose you hereby appoint each Authorised Operator as your duly authorised attorney with the power to sign all instruments, to authorise and give effect to transactions, and to access Account Information at the discretion of the Authorised Operator, and you ratify and agree to ratify all that an Authorised Operator may do pursuant to the authority conferred by this clause.

We may rely on an instruction or authority given or purported to be given by an Authorised Operator without having to verify the authority of the Authorised Operator to act on your behalf. We and our officers, employees and agents are released from all claims, actions, liabilities and demands whatsoever of you or any person claiming in right or title of you, arising in respect of or incidental to the operation or purported operation of your account, including any transactions or the accessing of any Account Information.

We are not responsible for monitoring operations, transactions, or the provision of access to any Account Information, and to the extent permitted by law we expressly disclaim any liability in connection with the operation of or access to your account by the Authorised Operators.

Instructions in relation to your account or any transaction on an Account must be sent to us by an Authorised Operators in the manner and form specified by us from time to time, and will be effective only when received by us.

19. Procedures for Handling Complaints

If you wish to make a complaint in relation to your account, please contact your Broker in the first instance. If you are still not satisfied with the way your Broker has handled your complaint, you can contact us directly in the following ways:

- verbally or in writing to BWA Managed Investments; or
- by calling our Customer Services Team on 1300 663 117

We will ensure that any complaint is properly considered and responded to swiftly; in most cases this will be within 21 days. If you would like more details on our complaints procedure, please contact us.

If you are dissatisfied with the handling or outcome of your enquiry or complaint, or if we are unable to provide a final response to your complaint within 45 days, you may lodge a complaint, free of charge, with the Australian Financial Complaints Authority (AFCA):

AFCA Contact Details:

Online:	www.afca.org.au
Email:	info@afca.org.au
Phone:	1800 931 678
Mail:	Australian Financial Complaints Authority GPO Box 3 Melbourne VIC 3001

20. Additional Obligations

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

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

21. Direct Debit Facility (only available where your Broker offers this Facility)

You may authorise and request a business or organisation (a 'Merchant') to debit funds from your account by executing a Direct Debit Request.

Where you wish to cancel a Direct Debit Request please provide notice to your Broker. Your Broker will inform us and we will act on that instruction promptly informing the appropriate parties in the direct debit system. We will ensure, as far as possible, that no further direct debits under the cancelled Direct Debit Request are processed.

We will also take and promptly process any complaint by you that a direct debit to your account was unauthorised or was otherwise irregular.

Whilst we can assist you and contact the Merchant on your behalf, we suggest that you also contact the Merchant with your query, complaint or cancellation instruction.

Bankwest, a division of Commonwealth Bank of Australia ABN 48 123 123 124 AFSL/Australian credit licence 234945.

For any further information visit bankwest.com.au or call the Customer Help Centre on **13 17 19**.