

Commercial Advance

Customer Fact Sheet



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

! **NOTE:** Bankwest has recently announced it will cease offering business products and services. In deciding whether to acquire this product, you should consider that in the future, Bankwest will offer, and look to transition customers of this product to CBA's products and services.

Bankwest Commercial Advance

1 About the Commercial Advance

A Commercial Advance is a loan. The interest rate is fixed with the loan being rolled between 30 -180 days during a contractual term. At the end of each roll period, the interest will be reset based on the market rates current for the day.

The product allows for two interest raising periods:

1. *Monthly Interest*
2. *Interest at Maturity*

1.1 Benefits of the Commercial Advance

As a short term fixed rate product, the Commercial Advance offers a number of benefits:

- *Ability to take advantage of interest rate risk management*
- *Advantage of short term interest rates by not fixing debt for long periods*
- *Ability to select an interest raising period aligned to support cash-flow management*

2 Account Restrictions

- *Loans must be a minimum of \$1,000,000*
- *A Commercial Advance loan is limited to a maximum term of 180 days but may be rolled over a number of times, dependent on the borrowing needs*
- *Changes to the interest rate can only be made at maturity/ rollover*
- *Payments of the principal can only be made at maturity*

3 Features

This account offers the following features:

- *Fixed interest terms of 30 – 180 days, with ability to rollover for subsequent terms*
- *Interest only or Principal reductions (only at rollover) in conjunction with interest payments*
- *A choice of monthly interest or interest at maturity payments*

4 Fees and Charges

4.1 Early Repayment Adjustment

An Early Repayment Adjustment may apply in the event of an early full or partial termination of a Commercial Advance Loan.

4.2 Establishment Fees

Notified on application

4.3 Search Fees

Before opening an account in a business or company name, we will require evidence of the registration of the business or company name. Where you are able to provide us with the appropriate documentation we will not charge you any Search Fees. If however we need to conduct either a Business Name Registration or Company Search then you will be charged. These Search Fees are listed in our "Your Guide to Banking Fees" brochure.

4.4 Government Charges

Government charges applicable to this product will be outlined in the Offer Letter provided to you during the application process.

4.5 Rollover Fee

An administration fee of \$150 is charged where an existing Commercial Advance loan is rolled over for the same or modified period.

4.6 Unused Limit Fee

Calculated daily and raised in arrears at rollover based on a 0.50% calculation on the difference between the balance of the account and the "Maximum Limit" value.

4.7 Other Fees

Additional fees which may be incurred will be outlined in the Offer Letter provided to you during the application process. We can also discuss those fees with you at the time of loan application.

Other fees which the Bank charges for its services not specific to this loan but for which you may be charged are listed in our "Your Guide to Banking Fees" brochure.

5 Interest Calculations and Raising Periods

The applicable interest rate is the sum of the cost of funds to the Bank and a risk margin determined by the Bank from the application received.

Interest is calculated daily by multiplying the balance of your account by the interest rate and dividing the result by 365 days (regardless of a leap year). Interest is then debited to the account in line with the chosen interest raising option.

Please note: The first interest raising date is calculated from the day the loan is disbursed.

6 Variations in Product Details

The above benefits, features, rates, fees, charges and restrictions are current as at 20th April 2021 and are subject to change from time to time.

If you have any questions about these benefits, features, rates, fees, charges or restrictions, or would like further details about any of our accounts and services, please contact your Business Relationship Manager or Bankwest Business Support Team on 13 7000, or visit www.bankwest.com.au.

7 General

This product information sheet does not constitute an offer for the loan facility. Lending criteria apply. Terms and conditions are available on request. Bankwest, a division of Commonwealth Bank of Australia ABN 48 123 123 124 AFSL/Australian credit licence 234945, is the issuer of the payment product(s) referred to in this brochure.