

# Helping our customers understand the options available to them.

## Coronavirus: Here's What You Can Do.

Coronavirus is a serious health issue, with a substantial societal response required to contain the risk.

A range of measures have been designed to effectively pause parts of the economy, helping individuals and businesses do their part to limit the spread of coronavirus and then restart quickly once the coronavirus is under control.

Financial support is available to help impacted individuals and businesses through this time, so that we can get back to normal. Here are the available options, effective 24 March 2020.



### Has your business been forced to shut down or seen a significant decrease in revenue? Here's what you can do.

**You can defer loan repayments:** You can defer your repayments on your eligible small business loans and home loans for up to six months. For CommBank small business and community customers with lending limits up to \$5 million, repayments on business loans will be automatically deferred for April-June 2020 and you can receive a further three-month deferral if needed. Depending on your repayment type, we will either extend the term of your loan or the capitalised interest will become payable at the maturity of your loan contract.

**You can take measures to look after your employees:** You are going to need them once the current crisis passes. This means taking steps to keep them safe and maintain essential services. It also means continuing to pay them if you can afford to. If you do not have enough work for your employees and can't afford to keep paying them you may be able to stand them 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. Once they have exhausted their leave entitlements, employees can start to receive a Jobseeker Payment, which has been increased by \$550 per fortnight. If you can afford to, you can pay an additional \$104 per fortnight without impacting your employees on their ability to claim. This will in many cases be preferable to redundancy, because it will help keep your employees connected to your business so that you can start up more quickly afterwards.

**You can boost cash flow:** From 28 April 2020, the Australian Taxation Office will begin automatically crediting your BAS with a payment equal to 100% of your salary and wages withheld, between \$10,000 and \$50,000 with a further payment available in the July-October period. For CommBank small business and community customers with less than \$50 million annual turnover, you can apply for an unsecured loan of up to \$250,000\* (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 deferred and capitalised at a reduced variable rate of 5.5% p.a., reducing to 4.5% p.a. on the 3 April 2020. From six months, principal and interest repayments will be required.

**You can reduce rates and fees:** For CommBank small business and community customers we're providing additional flexibility by reducing interest rates by 1.00% p.a. on small business loans, which will come into effect on 3 April 2020. You can also access a range of other options available to businesses most affected, including waiving merchant terminal fees, early redraw fees on business term deposit accounts, and establishment fees and excess interest on Temporary Excess products.

**You can seek rent and utility relief:** Many utility providers have also launched relief measures. Speak to your specific provider about temporary relief. Talk to your landlord about what may be possible for rental relief.

**You can be assured that your personal liability won't be impacted:** Legislation has been relaxed so Directors will not be personally liable for insolvent trading where debts are incurred in the ordinary course of business. You will still need to repay debts taken out, but can take steps to protect your business through this period.

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### Have you been stood down by your employer or had your income significantly reduced? 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. You continue to accrue annual leave but will not earn the wage from your employer.

**You can seek JobSeeker support:** If your income has fallen below a certain level, you may be eligible for support from the Government. Apply for immediate income support from the revamped JobSeeker support at my.Gov.au. Payments will be made immediately with full information required later. Payments have been increased by \$550 per fortnight meaning you will earn up to \$1,115.70-\$1,340.10 per fortnight.

**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 this will not require you to resign from your original job. Your Government support will be adjusted based on the income you receive (if this is above \$104 per fortnight).

**You can defer any home loan repayments:** All customers will be able to free-up cashflow by deferring home loan repayments for up to six months. You will still accrue interest and fees, however, after the six months your loan term will be extended so your repayments don't increase. Any available redraw will be used for repayments during the six months, so you can transfer your redraw to another account if you need access to that money now. Your account will not go into default and you will not incur penalties.

**You can seek certainty with our fixed home loan repayments:** 2.29% p.a. interest rate (3.99% p.a. comparison rate) available to any owner occupier customer – including existing customers who switch – for a one, two, or three year fixed term paying principal and interest with Wealth Package, effective 30 March. Fixed rates have fallen by up to 70 basis points in the past two weeks, which may be substantially lower than your current variable rate. Investors also have access to attractive rates that are lower than the current variable rate. Bear in mind that fixing your rate means that you are signing up for that period and a fee is payable if you need to repay your loan early.

**You can 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. 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.

**You can consider accessing superannuation:** As a last resort, if you require further cash during this period, you will be able to access up to \$10,000 of your superannuation in both 2019-20 and 2020-21. You will not need to pay tax on these amounts and they will not impact on Centrelink or Veterans' Affairs payments. Consider getting advice before doing this – stock markets have fallen substantially recently, and you may be selling your investments well below previous valuations.

**You can access additional benefits:** Through Benefits Finder in the CommBank app, we may be able to find government or other benefits you may be eligible for. We have also recently increased some of our term deposit rates, providing several options to earn a return well above the cash rate. In addition to increasing our 12-month term deposit rate for personal customers for a limited time, CommBank is taking steps to help free up household cashflow for our personal customers.

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### Are you a retiree who has seen their income fall? Here's what you can do.

**You can seek additional payments from the government:** You should update your income details online at <https://www.servicesaustralia.gov.au/individuals/subjects/affected-coronavirus-covid-19/older-australians-coronavirus-covid-19> or call the Older Australians line on 132300.

**You can reduce your minimum drawdown rate:** Your minimum drawdown rate on any account-based pension you own will be reduced by 50% and you should consider whether this is right for you given your circumstances. If you have sufficient cash resources this would mean that fewer assets would need to be sold in your superannuation account now, during a time of stock market volatility.

**You can access our increased 12-month term deposit rate:** Go into a CommBank branch (or call 13 2221 for renewing customers) to take advantage of our 12-month term deposit rate. 1.7% p.a. interest rate for personal customers for a 12-month term with interest paid at maturity for balances from \$5,000 to less than \$2,000,000 available from 20 March for a limited time.

**You can make changes to your asset allocations but please think carefully before doing so:** While your income may have reduced significantly, you should think carefully and seek advice prior to making any decisions to alter your overall asset allocation given current market and economic conditions.

**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 and we will keep you updated via our branch locator tool at [commbank.com.au/digital/locate-us](http://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](http://commbank.com.au/passbook).

**You can increase your online safety and awareness of scams:** We want you to remain safe and secure online as well. 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 that contacts you directly.

## There is much that we can do together.

For further information and links to applications, please go to [commbank.com.au/coronavirus](http://commbank.com.au/coronavirus)



**Things you should know:** As this information has been prepared without having regard for your objectives, financial situation or needs, you should, before acting on this information, consider its appropriateness to your circumstances. Comparison rate calculated on a \$150,000 secured loan over a 25-year term. WARNING: Comparison rate is true only for the examples given and may not include all fees and charges. Different terms, fees or other loan amounts might result in a different comparison rate

\* 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. For current interest rates, visit Business banking rates and fees.

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