Important notice for St.George, Bank of Melbourne and BankSA business customers.

For business customers with facility agreements that include one or more of the following business facility types ("Affected Facilities"):

- **Bank Bill Business Loan;**
- **Bill Acceptance/Discount Facility; and**
- **Construction Loan.**

Effective 31 August 2020, the terms and conditions for your existing facility agreements (**Facility Agreement**) are amended to insert a zero rate floor for external reference rates, as described below.

This amendment impacts all Affected Facilities except facilities that are:

- currently subject to a fixed rate, but it will take effect from the end of a fixed rate period; or
- documented on 'Business Finance Agreements' (where a zero rate floor for Bank Bill Swap Yield is already included in that agreement); or
- documented on 'Facility Offers' that existed before 12 May 2020 (which are the subject of our previous important notices as announced on 24 March 2020 and 12 May 2020, available on our websites listed below).

If you have a standalone derivative (such as an Interest Rate Swap), please contact your Financial Markets specialist for more information.

What is changing?

Each Facility Agreement will have the following changes apply:

Changes to Bill Acceptance/Discount Facility and Construction Loan

Section	Effect of the change
References in your facility offer documents to "Floating Rate Bills" where calculated by reference to "BBSY".	The following is inserted at the end of the existing wording in that section: "If, in either case, the rate is less than zero, BBSY will be taken to be zero."

Changes to Bank Bill Business Loan

Section	Effect of the change
References to the additional definition of "**BBSY**".	The existing definition of ""BBSY"" is amended to include the following at the end of the existing wording in that definition: "If, in either case, the rate is less than zero, BBSY will be taken to be zero."

Please refer to one of the websites below for more detailed information about the change, including examples:

stgeorge.com.au/business/business-loans/base-rate-notice
banksa.com.au/business/business-loans/base-rate-notice
bankofmelbourne.com.au/business/business-loans/base-rate-notice

St.George Banking Group

st.george   bankSA   Bank of Melbourne