

- 1 Capital protection will only apply at the Maturity Date and is subject to risks, limitations and conditions. Please refer to the PDS for more information.
- 2 The Underlying Portfolio in respect of Strategy 1 is the shares representing 20 of the largest listed companies in Australia by market capitalisation. The Underlying Portfolio in respect of Strategy 2 is the S&P/ASX 200 Index.
- 3 At maturity, you'll receive the performance of the S&P/ASX 200 Index, capped at 50% multiplied by the Participation Rate. The Participation Rate is the rate at which you will participate in any return on the Underlying Portfolio. Assuming a minimum Participation Rate of 165%, this gives you a potential for capital growth up to 82.5%. If the Participation Rate is set higher than 165% on the start date, this growth potential increases even further.
- 4 The Capital Investment Loan and Interest in Advance Loan are not available to superannuation funds.

Important Information

Capital Series *Cornerstone* is issued by Commonwealth Bank of Australia ABN 48 123 123 124 (Commonwealth Bank) administered by its wholly owned but non-guaranteed subsidiary Commonwealth Securities Limited ABN 60 067 254 399 (CommSec). A PDS for Capital Series *Cornerstone* is available by calling 1300 786 039 and should be considered before making any decision about this product. Investments in Capital Series are not deposits with Commonwealth Bank. They are contracts entered into between Investors and Commonwealth Bank on the terms set out in the Terms of Sale as contained in the PDS. Capitalised terms in this document have equal meaning to the capitalised terms in the PDS. Potential investors should refer to the PDS for risks and costs involved with an investment in Capital Series *Cornerstone*. Commonwealth Bank and its subsidiaries, including CommSec, do not guarantee the performance of Capital Series *Cornerstone*.

The information in this document should not be taken as a recommendation to invest in Capital Series *Cornerstone*. As the information has been prepared without considering your objectives, financial situation or needs, you should, before acting on the information in this document, consider its appropriateness to your circumstances. Past performance is not a reliable indicator of future performance. The Capital Investment Loan and the Interest in Advance Loan are provided by Commonwealth Bank and are subject to the Bank's normal credit approval.

We believe that the information herein is correct and any opinions, conclusions or recommendations contained in this document are reasonably held or made as at the time of its compilation, but we make no warranty as to the accuracy, reliability or completeness of that information. Except to the extent that any liability under any law cannot be excluded, no liability for any loss or damage which may be suffered by any person, directly or indirectly, through relying upon any information or statement in this document is accepted by the Commonwealth Bank or CommSec or any of their directors, employees or agents, whether that loss or damage is caused by any fault or negligence on their part or otherwise. Potential investors should consult their professional tax adviser about the tax implications of this product with regard to their own particular circumstances.

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Capital Series *Cornerstone*



Determined to be different

The offer

Introducing Capital Series *Cornerstone*

Capital Series *Cornerstone* is the latest investment opportunity from Commonwealth Bank, giving you exposure to the performance of the Australian share market with 100% capital protection at maturity.¹

If you are looking for an investment that gives you the potential of earning returns without risking your initial investment amount, Capital Series *Cornerstone* is definitely worth considering.


In simple terms, Capital Series *Cornerstone* works as follows:

- you select the Strategy you wish to invest in – there are two to choose from
- returns are linked to the performance of the Underlying Portfolio²
- you will receive guaranteed income during the investment for Strategy 1 fixed at 5% p.a. (starting at year 1.5) plus the potential for up to 45% capital growth, based on the performance of 20 of the largest listed companies in Australia.
- in Strategy 2, there is capital growth potential of up to 82.5%, based on the performance of the S&P/ASX 200 Index.³
- Both strategies offer 100% capital protection at maturity.

If you choose to redeem your investment **BEFORE** the maturity date, capital protection will not apply. In addition, break fees and an early termination fee will be charged and you may receive less than your initial investment amount. Capital Series *Cornerstone* is a hold to maturity investment and should not be considered an index-tracking investment during the investment term.

Offer opens	Monday, 14 February 2011
Offer closes	Monday, 11 April 2011

The strategies

	Strategy 1	Strategy 2
Underlying portfolio²	A basket of 20 of the largest companies, by market capitalisation, on the ASX.	S&P/ASX 200 Index
Capital protection¹	100% at maturity	
Risk profile of capital invested (if held to maturity)	 Low High	
Borrow to invest⁴	Borrow up to 100% of your Capital Series <i>Cornerstone</i> investment using a Capital Investment Loan and/or Interest in Advance Loan	
Investment Term	5.5 years	
Minimum investment	From A\$10,000	
Availability	Individuals, companies, trusts and Self Managed Super Funds	
Maturity date	25 October 2016	
Application Fee	Nil. However, other costs are applicable and are referred to in the PDS and Frequently Asked Questions.	

Next steps

To invest or to find out more, speak to your Financial Adviser.

1. Read the Product Disclosure Statement	<p>Before you invest, it's important to read the Capital Series Product Disclosure Statement (PDS). The PDS includes detailed information about the risks, costs and benefits of investing in Capital Series.</p> <p>For a copy of the PDS, please contact your Financial Adviser.</p>
2. Apply on or before 11 April 2010	<p>Complete the application form included in Part 2 of the PDS and return it to:</p> <p>Capital Series <i>Cornerstone</i> Commonwealth Securities Locked Bag 34 Australia Square NSW 1214</p> <p>Applications close on 11 April. To accept your investment, we must receive your application on or before this date.</p>
3. Receive confirmation	<p>We will write to confirm your investment in Capital Series <i>Cornerstone</i> by 2 May 2011.</p>

About us

The Commonwealth Bank is one of Australia's leading providers of integrated financial services.

Positioned within the Institutional Banking and Markets division, the Tailored Investment Solutions team works closely with the financial planning industry to deliver investments designed to meet the needs of retail and wholesale investors, including self-managed super funds.

Established in 2000, the team has extended and evolved its product offering, including best-of-breed investments such as the Capital Series and the Protected Loan.