

HERBERT SMITH FREEHILLS ADVISES COMMONWEALTH BANK OF AUSTRALIA ON ITS A\$1.75 BILLION ISSUE OF PERLS XIV

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Deals and cases

Herbert Smith Freehills is pleased to be advising Commonwealth Bank of Australia (**CBA**) on its offer of CommBank PERLS XIV Capital Notes to raise approximately A\$1.75 billion (with the ability to raise more or less) (**Offer**). The Offer was announced on 1 March 2022, and is CBA's fourteenth retail hybrid offering.

CBA is one of the leading providers of financial services in Australia, providing retail and commercial banking services predominately in Australia, and in New Zealand through its subsidiary ASB.

CommBank PERLS XIV Capital Notes are subordinated, unsecured notes. The proceeds from the issue will raise Tier 1 Capital to satisfy CBA's regulatory capital requirements and maintain the diversity of CBA's sources and types of funding. The net proceeds of the Offer will be used to fund CBA's business. The Offer is one of the first retail offers of bank hybrid securities to be made in compliance with the new Product Design and Distribution Obligations (**PDDO**) regime.

Herbert Smith Freehills' capital markets team was led by partners [Philippa Stone](#), [Fiona Smedley](#) and [Patrick Lowden](#), supported by senior associate Charlotte Cameron, [Yorick Ng](#) and Michael Burrell, and solicitors [Jennie Bian](#), [Adrian Palladino](#) and David Tilley.

Herbert Smith Freehills has worked closely with CBA, including Group General Counsel and Group Executive Carmel Mulhern, Acting EGM General Counsel Corporate and Governance Mark Alexander and Acting General Manager Corporate and Treasury Legal Kirsty Cox and with the CBA Legal and Treasury team.

[Ms Stone](#) said: “We are delighted to be acting for our valued client, Commonwealth Bank of Australia, on its issue of CommBank PERLS XIV Capital Notes. We are proud of our work with the CBA team on various PERLS transactions over years, and it was an absolute pleasure to work with the CBA team again.”

The arranger for the Offer is Commonwealth Bank of Australia (Capital Markets Division) (**CBA Markets**). The joint lead managers are CBA Markets, ANZ Securities Limited, Bell Potter Securities Limited, Morgans Financial Limited, National Australia Bank Limited, Ord Minnett Limited, Shaw and Partners Limited, UBS AG, Australia Branch and Westpac Institutional Bank, a division of Westpac Banking Corporation.

The arranger and joint lead managers were advised by Allens.

This transaction is another example of Herbert Smith Freehills’ market-leading capital markets work, and follows recent roles on a number of significant bank hybrids. Herbert Smith Freehills is also acting for the arranger and joint lead managers of Australia and New Zealand Banking Group Limited’s current A\$1.31 billion retail offer of Capital Notes 7, which is also being made under the PDDO regime.

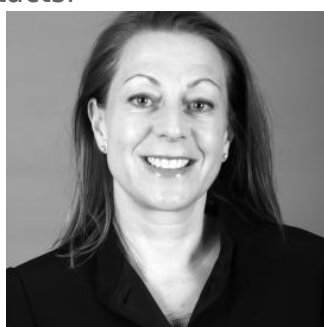
KEY CONTACTS

If you have any questions, or would like to know how this might affect your business, phone, or email these key contacts.



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