

# Target Market Determination

## Assurance of Support Term Deposit

**Start date:** 28<sup>th</sup> April 2023

**Next review due:** 28<sup>th</sup> April 2026

**Review period:** At least every 36 months from the start date of this Target Market Determination

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### What is a Target Market Determination?

A Target Market Determination (TMD) describes the cohort of customers that the product is targeted at (the Target Market) and any conditions around how the product is distributed to customers (the Distribution Conditions).

It also describes the events or circumstances where we are required to review the Target Market Determination for a financial product (the Review Triggers).

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### Why does CommBank need to have Target Market Determinations?

We're required to have Target Market Determinations under law. The purpose of the law is to make sure customers are at the centre of our approach when designing and distributing our financial products. This document is not a substitute for the product's terms and conditions or other disclosure documents.

When making a decision about this product, customers must refer to the relevant Product Disclosure Statement (PDS), Terms and Conditions or other disclosure documents.

# Target Market

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The table below matches the Product Attributes to the Objectives and Needs of the Target Market for this Product. CBA has assessed that the Product including its Key Attributes are likely to be consistent with the Objectives and Needs of the Target Market.

Objectives and Needs	Product Attributes
Require a facility to be used as security for immigration visa purposes as set out by the Commonwealth Government of Australia (“Commonwealth Government”) in relation to their requirement for an assurance of support.	<ul style="list-style-type: none"><li>• The facility acts as security for a bank guarantee required by the Commonwealth Government in relation to their requirement for an assurance of support.</li><li>• The facility is a term deposit that holds customer funds for a specified term set out by the assurance of support letter issued to the customer by the Commonwealth Government.</li><li>• The customer's funds held in the Term Deposit can only be accessed in whole or in part if CBA receives a written notification from the Commonwealth Government either calling on the bank guarantee (to be paid to the Commonwealth Government) or approving the release of the funds to the customer.</li><li>• The funds can only be withdrawn by providing CBA with 31 days' notice.</li><li>• Any credit interest earned on the funds are deposited into the customer's nominated bank account.</li><li>• At maturity of the term, funds will be automatically be re-invested for an identical term until a written notification from the Commonwealth Government is received.</li></ul>

## Financial Situation

The Financial Situation of the Target Market are customers that have the available funds for the Assurance of Support Term Deposit for the amount specified by the letter of assurance of support from the Commonwealth Government.

CBA views that its processes in place will mean that the product will likely be consistent with the Financial Situation of the Target Market.

## Eligibility criteria for the Product

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To hold this product, customers will need to satisfy certain eligibility criteria, including that the customer must produce to CBA a letter from the Commonwealth Government requesting that the customer provide a bank guarantee in relation to the assurance of support.



# Distribution Conditions

CBA will have oversight over how the product is promoted and issued. In addition, the below table identifies the distribution channels which the product can be sold through and sets out the conditions that apply to each channel. CBA views that the conditions specified are appropriate and are of a nature that it will be likely that the product will be distributed to the target market.

## Proprietary:

Distribution Channels	Conditions that make product distribution through the channel appropriate
Staff assisted channels (in a branch).	CBA staff that distribute this product: <ul style="list-style-type: none"> <li>• are appropriately trained and accredited to meet CBA’s qualification requirements;</li> <li>• understand and are able to discuss the features, rates and fees of the product;</li> <li>• must follow mandatory procedures including guidelines and scripting; and</li> <li>• the customer must produce to CBA a letter from the Commonwealth Government requesting that the customer provide a bank guarantee in relation to the assurance of support.</li> </ul>

## Third Party:

Distribution Channels	Conditions that make product distribution through the channel appropriate
Not applicable. This product is only available through CBA’s proprietary channels.	

# Review Triggers

If any of the below review triggers occur, or if an event or circumstance has occurred that would reasonably suggest that the TMD may no longer be appropriate, CBA will undertake a review of this TMD.

Information Type	Description
Customer Outcomes	Unexpected trends in customer outcomes which are significantly inconsistent with the intended product performance and design, including: <ul style="list-style-type: none"> <li>• Newly opened assurance of support term deposits where there is no evidence of a Commonwealth Government letter.</li> </ul>



<b>Information Type</b>	<b>Description</b>
Complaints	<p>Unexpected trends or significant changes in volumes or nature of complaints received from customers which relate to the customer's purchase or use of the product, for example:</p> <ul style="list-style-type: none"> <li>• Distribution (e.g. misrepresentation or mis-selling by staff);</li> <li>• Product suitability (e.g. origination of standard term deposit instead of an assurance of support term deposit.); and</li> <li>• Product attributes (e.g. Customer is not receiving the credit interest in their nominated account).</li> </ul>
Incident Data	A material incident or significant number of incidents in relation to the product's design or distribution that identify potential breaches of our legal or regulatory obligations.
Changes to the Product	The material alteration of the product or product terms and conditions (e.g. adding to, removing or changing a key product attribute; significant change to distribution channel and distribution strategy).
Significant Dealings	Any significant dealing of the product to customers who are outside of the Target Market.
Notification from ASIC	The receipt of a product intervention power order from ASIC requiring CBA to immediately cease retail product distribution conduct in respect of the product.

## Review Trigger Information Reporting Requirements

The following information must be provided to CBA by all third parties responsible for the retail product distribution conduct of this product in accordance with this TMD, within the required timeframes:

<b>Information Type</b>	<b>Description</b>	<b>Time Frame for Reporting</b>
Product complaints data	Information relating to complaints received including number of complaints, third party name, product name and complaint verbatim.	Quarterly and in any case no later than 10 business days from the end of the quarter



**Product Issuer:** Commonwealth Bank of Australia ABN 48 123 123 124 AFSL  
and Australian credit license 234945

