

Target Market Determination

Business Investment Account

Start date: 31 October 2024

Next review due: 31 October 2026

Review period: At least every 24 months from the start date of this Target Market Determination

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).

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.

Product Description

The CommBank Business Investment Account is a fixed term deposit account with two options:

1. Business Investment Account
2. Flexi Business Investment Account

The Business Investment Account is a business term deposit that offers a fixed rate of interest for an agreed period of time, ranging from 8 days to 5 years.

The Flexi Business Investment Account is a business term deposit that offers a fixed rate of interest for an agreed period of time ranging from 3 to 12 months, with the additional flexibility to be able to access a set portion of the funds (currently 20%) if required, without incurring the usual prepayment adjustment or fees.

The Business Investment Account and Flexi Business Investment Account have no set-up fees or monthly account fees.

Target Market and Key Product Attributes

CommBank has assessed that the Product, including its Key Product Attributes, is likely to be consistent with the Objectives, Needs and Financial Situation of the Target Market.

The table below matches the Key Product Attributes to the Objectives and Needs of the Target Market for this Product.

Objectives and Needs	Key Product Attributes
<p>For the Business Investment Account, a business customer (including charities, not for profits and self-managed super funds) that:</p> <ul style="list-style-type: none">• needs a low-risk investment option;• needs a fixed rate of return; and• does not anticipate needing access to the entire balance of funds during the fixed term. <p>For the Flexi Business Investment Account, a business customer (including charities, not for profits and self-managed super funds) that:</p> <ul style="list-style-type: none">• needs a low-risk investment option;• needs a fixed rate of return;• does not anticipate needing access to the funds during the fixed term but would like flexibility to be able to	<ul style="list-style-type: none">• The Business Investment Account and Flexi Business Investment Account provide a fixed rate of interest.• Customers can choose the duration of the fixed term, either:<ul style="list-style-type: none">◦ 8 days to 5 years for a Business Investment Account, or◦ Up to 12 months for a Flexi Business Investment Account.• Customers can choose how much to invest (\$5,000 is minimum).• If a customer has a Flexi Business Investment Account, they will be able to withdraw a set portion of their funds without the usual prepayment adjustment or fees.• The funds in a Business Investment Account, or Flexi Business Investment Account (beyond the set portion available for withdrawal), are only



Objectives and Needs	Key Product Attributes
access a portion, if required.	accessible upon maturity unless withdrawn earlier with 31 days' notice. Early withdrawal may incur fees and prepayment adjustment reducing returns.

Financial Situation	Key Product Attributes
<ul style="list-style-type: none"> A business customer that needs a fixed rate of return on the funds invested and either: <ul style="list-style-type: none"> Does not anticipate needing access to the balance of the deposited funds for the duration of the fixed term, or Does not anticipate needing access to the balance of the deposited funds for the duration of the fixed term, but would like the flexibility to withdraw a small portion of the funds without any prepayment adjustment or fees, if required. has a minimum of \$5,000 or more to invest; has an eligible transaction account to deposit funds into a Business Investment Account or Flexi Business Investment Account. 	<ul style="list-style-type: none"> The Business Investment Account has two investment options to choose from: <ul style="list-style-type: none"> A Business Investment Account where the entire balance has a fixed rate and term; or A Flexi Business Investment Account, where a set portion of the funds are available for withdrawal without the usual prepayment adjustment or fees, if required. The Business Investment Account and Flexi Business Investment Account have a minimum deposit amount of \$5,000. In exchange for access to a portion of the funds, the Flexi Business Investment Account may have a lower interest rate than the Business Investment Account. The funds in a Business Investment Account, or Flexi Business Investment Account (beyond the set portion available for withdrawal), are only accessible upon maturity unless withdrawn earlier with 31 days' notice. Early withdrawal may incur fees and prepayment adjustment reducing returns.

Eligibility criteria for the Product

To hold this product, customers will need to satisfy the following eligibility criteria:

- have a minimum of \$5,000 or more to deposit;
- have an eligible transaction account in the same business name;
- in the case of domestic businesses (e.g. a sole trader, company, etc.) have an ABN and/or ACN as applicable; and
- in the case of foreign companies that carry on business in Australia, be registered with ASIC. The eligibility of other foreign companies will be subject to review on a case by case basis.

This product is not available for personal customers.



Distribution Conditions

CommBank views that the Distribution Conditions specified are appropriate and are of a nature that it will be likely that the product will be distributed to the target market.

The below table identifies the distribution channels which the product can be sold through and sets out the conditions that apply to each channel.

Distribution Channels	Conditions that make product distribution through the channel appropriate
Staff assisted channels (e.g. by relationship managers); and	<p>CommBank staff who distribute this product:</p> <ul style="list-style-type: none"> • must take reasonable steps to ensure that the product is distributed to eligible customers within the Target Market; • must follow procedures that outline application eligibility and processes; • are provided training and resources to understand and discuss the benefits, fees and rates of the product and the key differences between deposit accounts; • have access to product resources such as internal product information pages; and • are monitored through quality assurance or sales conduct incidents to ensure proprietary distribution adheres to procedures.
Online channels (once ABN/ACN is confirmed) (e.g. CommBank website).	<p>Eligible sole traders, single director Australian private companies (Pty Ltd) and self-managed superannuation funds who hold an eligible CommBank business transaction account can establish the Business Investment Account and Flexi Business Investment Account online (on NetBank) once identification has been completed.</p> <p>CommBank's online channels provide customers with access to the following:</p> <ul style="list-style-type: none"> • information that assists customers with selecting the right products; and • information about the products with a summary of key benefits, rates and fees, in an easy to navigate format.
Third Party	This product cannot be distributed through third parties.



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, CommBank will undertake a review of this TMD:

Information Type	Description
Customer Outcomes	Unexpected trends in customer outcomes which are inconsistent with the intended product performance, including: <ul style="list-style-type: none">• a significant number of customers who request prepayment before maturity (with 31 days' notice); and• a significant number of customers who require immediate withdrawal due to bank error.
Complaints	Unexpected trends in complaints received from customers who acquired the product, which show that the TMD may no longer be appropriate, for example: <ul style="list-style-type: none">• distribution (e.g. misrepresentation or mis-selling from staff);• product suitability; and• product attributes.
Incident Data	Any incidents that indicate unanticipated distribution to a cohort of customers outside the target market 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	A significant dealing of this product to customers who are outside the Target Market.
Notification from ASIC	The receipt of a product intervention power order from ASIC requiring CommBank to immediately cease retail product distribution conduct in respect of the product.



Review Trigger Information Reporting Requirements

The following information must be provided to CommBank by all third parties who provide advice on the product to retail clients within the required timeframes:

Information Type	Description	Time Frame for Reporting
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

