

Target Market Determination

Capital Growth 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 Capital Growth Account is a deposit account, that offers:

- a variable rate of interest paid on funds in the account with ability to add additional funds to the account at any time but not withdraw until the selected notice period is served;
- no specified term and, unlike a term deposit, there is no maturity date and account continues to pay interest, at the applicable rate, until the funds are withdrawn; and
- a choice of notice periods to be served before the funds can be accessed at call (and a notice can be provided at any time). The notice period has to be selected at account opening.

While the notice period is being served the interest rate may be lower. Funds which are accessible at call may not be paid interest.

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>A business customer (including charities, not for profits and self-managed super funds) that:</p> <ul style="list-style-type: none">• needs an investment option with a variable interest rate with flexibility to make additional deposits;• needs flexibility to choose, at origination, the notice period required to be served prior to accessing the funds; and• does not anticipate needing access to the funds before serving their chosen notice period.	<ul style="list-style-type: none">• The Capital Growth Account provides a variable rate of interest.• Customers can choose:<ul style="list-style-type: none">◦ the amount to invest and are able to add funds to the account at any time;◦ a suitable notice period to be served before funds can be accessed at call (subject to minimum initial deposit requirements below); and◦ to raise and delete notices of withdrawal online.

Financial Situation	Key Product Attributes
<p>A business customer that:</p> <ul style="list-style-type: none">• does not anticipate needing access to deposited funds until they have served the notice period; and• has \$500,000 (minimum) to invest if they need or want a notice period of 35 days or more.	<ul style="list-style-type: none">• The deposited funds are only accessible once the notice period has ended.• Capital Growth Accounts with notice period of 35 days and above require minimum initial deposit of \$500,000.



Eligibility criteria for the Product

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

- 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.
- be relationship managed for notice periods of 35 days and longer.

2 and 7 day notice period accounts are not available to Financial Institutions.

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. <p>This product will not be distributed by Mobile and Premier Bankers.</p>



Distribution Channels	Conditions that make product distribution through the channel appropriate
Online channels (once ABN/ACN is confirmed) (e.g. CommBank website).	<p>Eligible sole traders, Australian private companies (Pty Ltd) and self-managed superannuation funds can establish this product 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	<p>Unexpected trends in customer outcomes which are inconsistent with the intended product performance, including:</p> <ul style="list-style-type: none"> • a significant number of customers who require immediate withdrawals due to bank error.
Complaints	<p>Unexpected trends in complaints received from customers who acquired the product, which show that the TMD may no longer be appropriate, for example:</p> <ul style="list-style-type: none"> • distribution (e.g. misrepresentation or mis-selling from staff); • product suitability; and • product attributes.
Incident Data	<p>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.</p>
Changes to the Product	<p>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).</p>



Information Type	Description
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

