



Target Market Determination

Commonwealth Direct
Investment Account

Start date: 1st June 2024

Next review due: 1st June 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

Commonwealth Direct Investment Account is a cash management account used to settle trades whilst gaining access to discounted brokerage, and/or to manage investment cash flows.

Target Market and Key Product Attributes

CBA and CommSec 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, Needs and Financial Situation of the Target Market for this Product.

Objectives, Needs and Financial Situation	Key Product Attributes	Negative Target Market
<p>The Commonwealth Direct Investment Account is designed for customers who require:</p> <ul style="list-style-type: none"> • a cash management account to link to a CommSec Share Trading Account to manage investment cash flows and settle trades whilst gaining access to discounted brokerage; and/or • a standalone cash management account for investment purposes. <p>The product is designed for customers who:</p> <ul style="list-style-type: none"> • are likely to have funds available now or in the future to deposit into the account for investment purposes; • want to earn variable interest on the account balance; and • want no monthly account keeping fee. 	<ul style="list-style-type: none"> • Settle trades automatically by linking the cash account to a CommSec Share Trading account • Eligible for discounted brokerage on CommSec Share Trading account (required to trade online, be CHESS sponsored and have your Commonwealth Direct Investment Account linked for settlement) • Customers can deposit, withdraw or transact on the account via a broad range of channels including: <ul style="list-style-type: none"> - Online banking including NetBank and CommBank App (for electronic transfers including BPAY) - Phone Banking - Direct Debit Facility - Periodical Payment - PayID - PayTo - Staff assisted channels –including Commonwealth Bank of Australia (CBA) Branch and Contact Centre • At call access to deposited funds which earn variable interest • No monthly account keeping fee 	<ul style="list-style-type: none"> • Not suitable for customers who want a fully featured transaction account which offers cheque access at account opening.



Eligibility Criteria for the Product

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

- Be individuals aged 18 years or older; and
- For personal/joint accounts, have an Australian residential and postal address (limited exceptions apply); or
- Be an Australian registered or incorporated company; or
- Be an Australian trust or self-managed super fund (SMSF).

Distribution Conditions

CBA and CommSec 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 and CommSec views that these distribution conditions are appropriate and are of a nature that it is 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 (e.g. in branch, with a relationship manager or Commonwealth Private Banker)	CBA staff who distribute this product: <ul style="list-style-type: none">• must take reasonable steps to ensure 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 features, benefits, interest rates and fees of the product including key differences between deposit products;• 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.
CommSec and CommBank digital channels in conjunction with a CommSec Share Trading Account	CommSec's online channels provide customers with access to information regarding the product's key features, benefits, interest rates and fees.



Third Party:

Distribution Channels	Conditions that make product distribution through the channel appropriate
Not applicable. This product is only available through CBA and CommSec'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, including the following: <ul style="list-style-type: none">• A significant change in the number of customers that have opened an account and closed their account within a set period of time from origination.• Customers are not using their account as a linked settlement account for trading or for investment purposes.
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 (e.g. sale of the product to a customer who requires a transaction account)• Product attributes (e.g. account is not paying credit interest)
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	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 CBA to immediately cease retail product distribution conduct in respect of the product.



Review Trigger Information Reporting Requirements

A Target Market Determination for a financial product must:

- specify the kinds of information needed to enable the person who made the target market determination to identify promptly whether a review trigger for the determination, or another event or circumstance that would reasonably suggest that the determination is no longer appropriate, has occurred and, for each kind of information, specify:
 - the regulated person or regulated persons that, under subsection 994F(5), are required to report the information to the person who made the determination; and
 - a reporting period for reporting the information under subsection 994F(5).

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

