

Target Market Determination

Term Deposit

Start date: 25th June 2024

Next review due: 25th 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.

Target Market

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
<p>Require a facility that earns a fixed rate of credit interest, subject to credit interest rates offered by CBA, for an agreed term.</p>	<ul style="list-style-type: none"> • The facility is a low risk investment option, that provides a fixed rate of credit interest, on funds deposited for a fixed term. • The rate of credit interest depends on the term and amount of funds invested, with set minimum and maximum deposit amounts being applicable. • Funds can be invested for the following terms: <ul style="list-style-type: none"> ○ Term in months - 1 month to 60 months; ○ Term in days - 30 days to 990 days; or ○ For a term otherwise at the Bank's discretion. • Funds are locked in for the agreed term and if customers need to withdraw before maturity, they must either provide 31 days' notice, or request withdrawal on hardship grounds. An interest rate reduction and a fee applies if funds are withdrawn before maturity.
<p>Require a facility where there are options for how the credit interest earned is paid.</p>	<ul style="list-style-type: none"> • Credit Interest earned can either be credited to the customer's eligible nominated account during the term or added to the current Term Deposit balance for the remaining term, i.e. compounded to the principal invested. • Credit Interest payments can be selected for the following frequencies: <ul style="list-style-type: none"> ○ 4 weekly – every 28 days and at maturity; ○ 6 monthly and/or at maturity; or ○ Annually and/or at maturity.



Objectives and Needs	Product Attributes
Require a facility that has investment options at maturity (e.g. reinvestment for another fixed term or withdraw all or part of the funds).	At maturity of the term, funds invested may be renewed into another term, withdrawn, or placed into a holding facility to give customers more time to decide what to do with their money.

Financial Situation

The Financial Situation of the Target Market are customers that require a fixed interest rate and have sufficient funds to open the account and do not anticipate requiring at call access to funds for the duration of the agreed term.

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

To hold this product, customers will need to satisfy certain eligibility criteria, including that customers must:

- Be individuals;
- Be aged 18 years or older;
- Have an Australian residential address, or otherwise subject to exception; or
- Be one of the following entity types, with at least one signatory aged 18 or older and a residential address in Australia:
 - A domestic business, e.g. a sole trader, partnership, company, trust, with an ABN or ACN;
 - A trust, superannuation fund, association, registered co-operative, body corporate or government body;
 - A foreign company that:
 - Carries on business in Australia, and is registered with ASIC; or
 - Owns property in Australia, but does not carry on a business in Australia.

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 (e.g. in branch, over the phone, with a relationship manager or mobile banker)	CBA staff that distribute this product: <ul style="list-style-type: none">• are appropriately trained and accredited to meet CBA's qualification requirements;• understand and are able to discuss the features, rates and fees of the product and the key differences between deposit products; and• must follow mandatory procedures including sales guidelines and scripting.
Online channels (e.g. CommBank website, NetBank and the CommBank app)	CBA's online channels provide customers with access to clearly presented information in an easy to understand and navigate format which is designed to assist customer select the most suitable product for their circumstances, including: <ul style="list-style-type: none">• product information pages which include a summary of the product's key features and benefits;• side by side comparisons with other products; and• applicable 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'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">• Customers who break their term deposit



Information Type	Description
	<p>within 31 days for hardship requirements; and</p> <ul style="list-style-type: none"> • Customers who break their term deposit.
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"> • Distribution (e.g. misrepresentation or mis-selling by staff); • Product suitability (e.g. sale of a term deposit to a customer who required at call access to their funds); and • Product attributes (e.g. account does not earn credit interest).
Incident Data	<p>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.</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>
Significant Dealings	<p>Any significant dealing of the product to customers who are outside of the Target Market.</p>
Notification from ASIC	<p>The receipt of a product intervention power order from ASIC requiring CBA to immediately cease retail product distribution conduct in respect of the product.</p>

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:

Information Type	Description	Time Frame for Reporting
Product complaints data	Information relating to complaints received including number of complaints, third	Quarterly and in any case no later than 10 business days from the end of the quarter.



Information Type	Description	Time Frame for Reporting
	party name, product name and complaint verbatim.	

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

