Target Market Determination

Product Name:
iSaver

Product Description:	A savings account that offers an introductory fixed interest rate for the first six months on balances up to $250,000, with a variable interest applying thereafter.
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Issuer Details:	**Defence Bank Limited** ABN 57 087 651 385 AFSL/Australian Credit Licence 234582 PO Box 14537 Melbourne VIC 8001

Purpose of this document

This Target Market Determination (TMD) is prepared under Part 7.8A of the Corporations Act 2001 and ASIC Regulatory Guide 274 (RG 274). It describes the class of retail clients who the product is appropriate for, distribution conditions, reporting requirements, and review triggers to ensure ongoing appropriateness. This is not a disclosure document and does not take into account individual objectives, financial situation or needs. The design and distribution obligations are intended to help members obtain appropriate financial products by requiring issuers and distributors to have a consumer centric approach to the design and distribution of products.

1. Target Market

Details

This product is designed for retail clients who are likely to have the following:

Needs:

- The ability to access and withdraw funds at call when required.
- A savings account that offers an introductory fixed interest rate period
- A separate account to assist with savings and budgeting goals.
- Convenient access to funds through digital banking channels.

Objectives:

- Earn a higher return on savings than an everyday transaction account.
- Build and maintain short to medium-term savings while retaining access to funds.
- Separate savings from day-to-day transaction banking for budgeting purposes.

Financial situation:

- Have surplus funds available for saving.
- Require access to their savings without locking funds away for a fixed term.
- Value liquidity and flexibility while seeking to earn interest on their savings.

This product is not designed for retail clients who:

- Not suitable for members seeking a savings product with restricted access or notice period requirements, as funds can be withdrawn at call without restriction.
- Not suitable for individuals seeking a guaranteed fixed rate of return for a medium-to-long-term investment horizon, as the introductory interest/fixed interest rate only applies for six months after which a variable rate applies.
- Not suitable for consumers seeking to lock away funds for a fixed term in exchange for rate certainty.
- Not suitable for consumers wanting consistently higher returns on balances above $250,000, as the introductory rate applies only up to this balance threshold.
- Not suitable for members needing a transactional account for frequent day-to-day banking activities, such as making payments or accessing linked payment facilities.
- Not appropriate for people who rely on withdrawal restrictions or other behavioural features to support disciplined savings habits.

2. Key Attributes

Key Attribute Details

This is an iSaver account, and the key features of the product are:

- No minimum deposit or ongoing balance requirement.
- No monthly account-keeping fees, domestic transaction fees or overdrawn fees.
- A variable interest rate applies to the account balance.
- An introductory fixed interest rate is available for a specified period on balances up to $250,000, after which the standard variable rate applies.
- No interest rate penalties apply when funds are withdrawn.
- Supports automated savings behaviour through the acceptance of Round Up deposits transferred from an eligible Defence Bank transaction account.
- Funds can be accessed through digital banking channels, including Defence Bank Online Banking and Defence Bank App.
- Additional support through staff-assisted service channels.

3. Distribution Conditions and Restrictions

Details

This product is distributed by the issuer through the following channels:

- Branches
- Call centres
- Online

Distribution conditions for this product include:

- Ensure that retail clients meet the eligibility requirements prior to account opening.
- Distribution through branches and call centres must be undertaken by appropriately trained staff.
- A maximum of one iSaver account may be held per individual or joint relationship.

4. Review Triggers

The review triggers that would reasonably suggest that the TMD is no longer appropriate are:

Details	Required data points
A significant number of complaints is received from members in relation to their opening or use of the product that reasonably suggests that the TMD is no longer appropriate	Complaints reporting
A material change to the product or the terms and conditions of the product occurs which would cause the TMD to no longer be appropriate	Notification of proposed material change/s to key product design, key attributes and or fees
A significant dealing of the product to retail clients outside the target market occurs	Product reporting
A notification from ASIC	Requiring immediate cessation of product distribution or particular conduct in relation to the product

5. Review Frequencies

Initial Review
30 September 2022

Date of Superseded TMD
1 November 2024

Subsequent Reviews
At least every two years and earlier if a review trigger occurs.

Current Review Date
1 September 2026

6. Distributor Information

The following information must be reviewed in relation to distribution of this product to ensure it is in accordance with this TMD:

Information type	Details	Reporting period
Significant dealings	Any significant dealing which is not consistent with the TMD reporting must be within 10 business days of becoming aware of such dealing	As soon as practicable
Product related complaints	Number of member complaints received each quarter	Quarterly
Sales data	The number of accounts opened and closed on a quarterly basis	Quarterly