Target Market Determination

Product Name:
Salute

Product Description:	An at-call savings account that offers a bonus interest rate for a specified period to eligible members who have achieved a qualifying Australian Defence Force (ADF) milestone. Bonus interest is subject to the member meeting the required monthly deposit conditions into an Everyday Access Account.
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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:

- Access to funds at call when required.
- A savings account to help build and manage savings for a specific purpose or goal.
- A competitive return on the saving while retaining access to their funds.

Objectives:

- Earn a competitive rate of interest on savings.
- Grow savings through regular deposits and ongoing account engagement.

Financial situation:

- Have surplus funds available for saving.
- Are able to make regular deposits into their Everyday Access Account.
- Seek to maximise returns on savings while maintaining access to their funds if required.

This product is not designed for retail clients who:

- Do not meet the eligibility criteria associated with the qualifying Australian Defence Force (ADF) milestone.
- Are unable or unwilling to meet the required monthly deposit condition for bonus interest eligibility.
- Require a guaranteed or fixed rate of interest beyond the 12-month bonus interest period.
- Require advanced transactional or everyday banking functionality as their primary banking need.
- Intend to hold savings balances significantly above the bonus interest cap and expect bonus interest to apply to their entire account balance.
- Require an account that provides a consistently high interest rate without specific eligibility criteria or ongoing conditions.

2. Key Attributes

Key Attribute Details

This is a Salute account, and the key features of the product are:

- No minimum opening balance or ongoing balance requirement.
- No monthly account keeping, domestic transaction or overdrawn fees.
- At-call access to funds.
- Variable interest rate, including a bonus interest rate available for a specified 12-month period subject to eligibility and deposit conditions.
- Internet banking access.
- Mobile banking app access.
- Eligibility linked to a qualifying Australian Defence Force (ADF) milestone.
- Fixed bonus interest available on balances up to $250,000 for a period of 12 months from account opening.
- The base variable rate applies for any amount after 12 months.
- Requires monthly deposits of at least $1,500 into an Everyday Access Account to maintain eligibility for bonus interest.
- Accepts Round Up deposits from an eligible Everyday Access Account.

Eligibility

To open and maintain a Salute account, you must:

- Have achieved a qualifying Australian Defence Force (ADF) milestone within the applicable anniversary year.
- Can meet the required monthly deposit condition of at least $1,500 into their Everyday Access Account during the first 12 months.

3. Distribution Conditions and Restrictions

Details

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

- Branches
- Call centres

Distribution conditions for this product include:

- Ensuring retail clients meet the eligibility requirements for the product.
- Ensuring distribution is limited to customers who have achieved a qualifying Australian Defence Force (ADF) milestone within the applicable anniversary year.
- Ensuring customers are informed of the bonus interest conditions, bonus period and applicable balance cap.
- Ensuring distribution through branches and call centres is undertaken by appropriately trained staff.

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
9 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