

## Target Market Determination

**Product Name:**  
Business Term Deposit

**Product Code:**  
201

**Product Description:** A fixed rate cash deposit, invested for an agreed rate of interest over a fixed amount of time, or term.

**Date Published:** October 31, 2023

**Version:** 3

**Effective From:** October 31, 2023

**Issuer Details:** **Defence Bank Limited**  
ABN 57 087 651 385 AFSL/Australian Credit Licence 234582  
PO Box 14537  
Melbourne VIC 8001

## 1. Target Market

### Details

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

Needs:

- the certainty of a fixed rate of interest on their savings, subject to credit interest rates offered by Defence Bank, for an agreed term
- the ability to lock in a rate;
- and does not require access fund during the period of investment.
- need regular monthly income (where negotiated) even if that means a lower rate of interest/need to maximise the interest rate payable and will accept interest at maturity

Objectives:

- fix a rate of interest for a predetermined period
- preserve savings and earn a rate of interest at the end of the term

Financial situation:

- have additional funds to cover immediate expenses
- have a minimum of \$2,000 to invest

## 2. Key Attributes

### Key Attribute Details

This is a BusinessTerm Deposit and the key features of this product are:

- a fee and an interest rate adjustment applies if access is required prior to maturity.
- automatic renewal, or paid to an account of your choice if required.
- interest monthly (upon request)/on maturity
- various interest rates relevant to the term of investment
- various terms
- minimum \$2,000 deposit
- fixed interest rates for the selected term
- fixed terms from 1 month to 24 months, or for a term otherwise at the Bank's discretion.
- funds are locked in for agreed fixed term for up to 24months, access maybe granted.

## 3. Distribution Conditions and Restrictions

### Details

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

There are no other distributors for this product.

- branches
- call centres
- online
- brokers

Distribution conditions for this product include:

- ensuring that commercial clients meet the eligibility requirements for the product
- ensuring that distribution through branches, brokers and call centres is 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   | Threshold  |
|--|--|--|
| A significant number of complaints is received from members in relation to their purchase or use of the product that reasonably suggests that the TMD is no longer appropriate | Complaints reporting   | Three complaints per quarter in favour of the member |
| A material change to the secured personal loan 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 | As material changes are made.                        |
| A significant dealing of the product to retail clients outside the target market occurs  | Product reporting  | 10% of members                                       |

#### 5. Review Frequencies

##### Initial Review

30 September 2022

##### Subsequent Reviews

At least every two years.

## 6. Distributor Information

The following information must be reviewed in relation to distribution of this product:

| Information type                | Details   | Reporting period       |
|---------------------------------|---|------------------------|
| Significant dealings            | Date or date range of significant dealing/s and description of the significant dealing/s (for example why the dealing is not consistent with the TMD) | as soon as practicable |
| Complaints                      | Number of Complaints  | quarterly              |
| Sales outside the target market | The number and \$value of sales   | quarterly              |
| Sales inside the target market  | The number and \$value of sales   | quarterly              |