

BUSINESS WEBSAVINGS ACCOUNT (INVESTMENT TRUST ACCOUNT AND CONTROLLED MONEY ACCOUNT)

Target Market Determination

30 September 2023

Prepared by Bank of Queensland Limited (BOQ) ABN 32 009 656 740
Australian Credit Licence and AFSL 244616, the issuer of this product.



BUSINESS

What is a Target Market Determination?

A Target Market Determination (TMD) describes:

- the class of customers that comprise the Target Market for the product
- any conditions or restrictions on how the product is distributed to retail customers
- events or circumstances where we will review the TMD for the product.

Why does BOQ need to make this TMD publicly available?

We are required to produce this TMD by law. The law is intended to help customers obtain appropriate financial products by requiring issuers and distributors to have a customer centric approach to the design and distribution of products.

This document is not a substitute for the product's terms and conditions or other disclosure documents. Customers must refer to these documents when making a decision about this product. These documents can be found on our website or you can obtain a copy upon request.

The TMD will undergo a periodic review as follows:

EFFECTIVE DATE
30 September 2023
NEXT REVIEW DUE
Before 30 September 2026
REVIEW
At least two years from when this TMD was made and then every three years thereafter

Target Market

The Target Market for this product is business customers who want a safe place to grow their savings, or

- solicitors, property agents, motor dealer agents and property stock business agents looking for an interest-bearing Investment Trust Account to hold clients' money in trust, or
- solicitors looking for an interest-bearing Controlled Money Account to hold clients' money in trust.

These customers are likely to have the following objectives, needs and financial situation and meet the eligibility criteria for this product.

Objectives

The customers' likely objective is to grow their business savings or to hold clients' money in trust with an interest-bearing savings account, which can pay a

higher introductory interest rate* without being locked into a fixed term. They want an account separate from their everyday banking account that meets legislative requirements if applicable.

Needs

The customers' likely need is a secure place to store money with access to the account at any time. Depending on their objectives, this account can meet their needs to have:

- a dedicated interest-bearing savings product with a higher introductory interest rate* of return when opening the account, or
- a dedicated investment trust account to hold clients' money in trust for solicitors, property agents, motor dealer agents or property stock business agents, or
- a dedicated controlled money account to hold clients' money in trust for solicitors.

Financial situation

This product is suited to customers with a wide range of financial situations. This product may not be suitable for customers who do not have at least \$10,000 to deposit, as balances under this amount do not earn any interest with this product.

Eligibility criteria for this product

Customers must satisfy the following criteria to acquire this product:

- be an Australian citizen, permanent resident, or resident with acceptable residency status, or
- be an Australian registered corporation or association, or
- be a trustee of an Australian family, statutory, unit, or hybrid trust (the beneficiary and the trustee must meet the eligibility criteria of an individual or a corporation).

For solicitors, property agents, motor dealer agents or property stock business agents wanting to open this account as an Investment Trust Account to hold clients' money in trust:

- **QLD solicitors and NSW solicitors** – hold a relevant practicing certificate as legal practitioners
- **QLD property agents and motor dealers** – hold a relevant industry license as agents
- **NSW property stock business agents** – hold a relevant industry license as agents.

For solicitors wanting to open this account as a Controlled Money Account to hold clients' money in trust:

- **QLD and NSW solicitors** – hold a relevant practicing certificate as legal practitioners

To open a Controlled Money or Investment Trust Account, solicitors must give BOQ a copy of the written direction from their client.

Product description

A savings account that allows customers to earn a variable interest rate and a higher introductory interest rate* for the first four months.

* Introductory interest rate

As part of the introductory special offer, customers can receive an additional interest rate on top of the standard variable interest rate on their funds for the first four months. The introductory special offer is only available to new BOQ customers.

This product can be opened as an investment trust account for solicitors, property agents, motor dealer agents or property stock business agents to earn interest on behalf of their clients when holding their money under trust.

This product can be opened as a controlled money account for solicitors to earn interest on behalf of their clients when holding their money under trust.

Key attributes of this product

- physical access to BOQ branches to withdraw and deposit money**
- online banking access to view account balance and make transfers**
- a variable interest rate paid on account balances of \$10,000 and over
- new-to-bank customers can earn the higher introductory interest rate* when they have more than \$10,000 deposited for the first four months
- no monthly account fees (see 'Business Banking Guide to Fees and Charges' for fees).

** Certain transfers and withdrawal restrictions exist for controlled money and investment trust accounts depending on whether the customer is registered in QLD or NSW.

Why the product is likely to be consistent with the likely objectives, needs and financial situation of the Target Market

The product's attributes are designed to support the Target Market's objectives, needs and financial situation:

- the customer's need to grow their business savings or earn interest when holding clients' money in trust can be met by the higher introductory interest rate*, when they open the account and have at least \$10,000 deposited
- customers will continue to earn variable interest rate after the introductory period.

Distribution conditions

This product can only be distributed through the BOQ branch network or BOQ Business bankers.

When this product is distributed to retail customers, it must be distributed in accordance with BOQ's customer acceptance requirements.

Why the distribution conditions will make it likely that the customers who acquire the product are in the Target Market

BOQ considers that the distribution conditions and restrictions support BOQ's assessment that the product will likely be distributed to the Target Market because of the following key controls:

- appropriate training of staff to ensure adequate understanding of product features and aligning this to the customer's need
- customers satisfying BOQ's eligibility requirements
- quality assurance to monitor compliance with customer on-boarding and account origination processes
- customer needs analysis is applied to align customer needs with this product.

Review triggers

We will review this TMD if any of the following trigger events and information being monitored reasonably suggest that the TMD may no longer be appropriate:

- there is an increase in complaints received in relation to the product and its features that exceeds internally set tolerances
- we identify a material adverse customer experience in relation to product appropriateness
- there is a material change to the product attributes, fees, charges, terms and conditions or the manner of distribution
- there is a Significant Dealing in this product which is inconsistent with the Target Market.

Information reporting requirements

All distributors who distribute this product must provide the following information to BOQ:

TYPE OF INFORMATION	DESCRIPTION	REPORTING PERIOD
Customer complaints received in relation to this product	Customer complaints (including number of complaints, complaints record verbatim, product name and distributor name) in relation to this product that may indicate the TMD may no longer be appropriate for this product	As well as agreed in writing, quarterly and in any case within 10 business days from the end of the reporting period
Significant Dealings	The date or date range of when the Significant Dealing occurred and a description of why it may not be consistent with this TMD	As soon as practicable, and in any case within 10 business days after becoming aware
Incidents/Issues (including regulatory breaches)	Incidents and breaches that may indicate product is no longer appropriate for the Target Market or is being distributed outside the Target Market	As soon as practicable, and in any case within 10 business days after becoming aware

Note: Record keeping

BOQ and its distributors will keep records of the reasonable steps they have taken to ensure that this product is sold in a manner consistent with this TMD.

BOQ will also keep complete and accurate records of our decisions, and the reasons for those decisions about:

- all Target Market determinations for this product
- identifying and tracking review triggers
- setting review periods, and
- the matters documented in this TMD.

