

STRATACASH TERM DEPOSIT ACCOUNT

Target Market Determination

18 October 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
18 October 2023
NEXT REVIEW DUE
Before 18 October 2025
REVIEW
At least two years from when this TMD was made and then every two years thereafter

Target Market

The Target Market for this product is body corporates (including strata corporations), agents and managers of body corporates, and related industries who provide ancillary services such as utilities, who want a low-risk, secure place to grow their deposits without withdrawing it during the term period. 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 funds by fixing their deposits for a period of time in a term deposit account.

Needs

The customers' likely need is a simple, low-risk product they can rely on to grow their deposits. This may include:

- a secure place to store money
- a dedicated interest-bearing fixed-term deposit account
- the ability to view their account through StrataCash/MaxSoft management software or online banking.

Financial situation

This product is suited to customers who have at least \$1,000 to invest and have access to funds elsewhere so that they will not need to redeem their term deposit early.

Eligibility criteria for this product

Customers must satisfy the following criteria to acquire this product:

- satisfy requirements of StrataCash Management Pty Ltd to acquire the product
- have a strata registration number and state or territory
- provide the full address of the Body Corporate's principal place of administration or registered office (if any)
- for customers in a related industry providing ancillary services, be an Australian registered corporation or association.

Product description

A deposit account that enables customers to earn a fixed interest rate over a specified term on their funds. Customers can choose the term they want to invest for between one month and five years.

Key attributes of this product

- fixed terms and interest rates ranging from one month to five years
- minimum deposit of \$1,000
- flexible interest payment methods – reinvest or transfer to another bank account*
- flexibility to re-invest – funds are automatically reinvested at maturity for the same term as the previous investment, unless otherwise nominated**
- online account access via StrataCash/MaxSoft management software to view account balance
- physical access to BOQ branches to withdraw and deposit money**
- interest adjustment and break fees apply if term deposit is redeemed earlier than the fixed term, unless approved for financial hardship
- 31 days notice required to redeem term deposit early, unless approved for financial hardship
- online banking access (optional).

*Interest will be paid annually for term deposits greater than 12 months and at the end of term.

** Additional deposits and withdrawals to the term deposit can be made during the renewal grace period. See BOQ StrataCash Management Accounts Terms and Conditions for further details.

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 because the customer's need to grow their investment can be met by earning a fixed interest rate when fixing their funds for a period of time in the term deposit.

Distribution conditions

This product can only be distributed through StrataCash Management Pty Ltd.

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 consumers 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:

- monitoring and supervision of StrataCash Management Pty Ltd controls and processes to ensure adherence with agreement in place with BOQ
- customers satisfying BOQ's eligibility requirements.

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

Distributors who distribute this product must give 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.