

Term Deposit

(Premier Investment Account)
for Personal and Business
Customers (Investment
Trust and Controlled Money
Accounts)

Target Market Determination
13 October 2023

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



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
13 October 2023
Next Review Due
Before 30 November 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 customers who want a low-risk, secure place to grow their deposits without withdrawing it during the term period 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 funds or earn interest for clients when holding their money in trust, by fixing their deposits for a period of time in a term deposit account.

Needs

The customers' likely need is a secure place to store money and a low-risk product they can rely on to grow their deposits. Depending on their objectives, this account can meet their needs to have:

- a dedicated interest bearing fixed-term deposit 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 who have at least \$1,000 to invest, and have access to funds elsewhere so they will not need to withdraw their term deposit early.

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 with an Australian address, and
- be 18 years or older, or
- be an Australian registered corporation or association, or
- be a trustee of an Australian family, statutory, superannuation, 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 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 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.

This product can also 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
- 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

- fixed terms and interest rates ranging from one month to five years, deposits over \$5,000 may earn a higher interest rate
- minimum deposit of \$1,000
- flexible interest payment methods – re-invest or transfer to another bank account, choose to have interest payments paid periodically throughout the term or at the end of the term*
- flexibility to re-invest - funds are automatically reinvested at maturity for the same term as the previous investment, unless otherwise nominated**
- physical access to BOQ branches to withdraw and deposit money**
- online banking access to view account balance and provide term deposit instructions
- 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.

*Interest will be paid annually for term deposits greater than 12 months. Interest rate for periodical payments will be different from published term deposit rate

** Additional deposits and withdrawals to the term deposit can be made during the renewal grace period. See Business Transaction and Investment Accounts Terms and Conditions or Deposit Products 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:

- the customer's need to grow their investment or earn interest when holding clients' money in trust can be met by earning the fixed interest rate when fixing their funds for a period of time in the term deposit
- customers depositing more than \$5,000 in the term deposit may be rewarded with a higher fixed interest rate.

Distribution conditions

This product can only be distributed through:

- staff-assisted channels through BOQ branches, business bankers or over the phone
- online channels through the BOQ website or internet banking
- third-party comparison sites.

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:

- appropriate training of staff to ensure adequate understanding of product features to align with 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 when going through staff-assisted channels.

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
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- 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 give the following information to BOQ:

TYPE OF INFORMATION	DESCRIPTION	REPORTING PERIOD
Consumer 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, in relation to:

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

