

Target Market Determination (TMD)

For Special Monthly Interest Account

Effective from 5 October 2023

About this document

This TMD applies to the Newcastle Permanent Special Monthly Interest Account issued by Newcastle Greater Mutual Group Ltd (ACN 087 651 992, Australian Financial Services Licence/Australian credit licence 238273) (the **Issuer**).

The purpose of this TMD is to describe who a product is appropriate for (the target market), and any conditions around how the product can be distributed to customers.

This TMD is not intended to provide any financial product advice, and does not take into account any individual customer's objectives, financial situation or needs. Examples used in this TMD are illustrative only, and are not intended to be exhaustive.

This TMD does not replace the Terms and Conditions applicable to this product. Before deciding to acquire a product from Newcastle Permanent, you should consider the relevant Terms and Conditions, which are available from newcastlepermanent.com.au/terms-and-conditions, at any branch or by calling 13 19 87.

Who is this product suitable for?

The Special Monthly Interest Account is designed for pensioners or retirees who:

- Seek a transaction account to manage their spending needs, whilst also earning interest.
- Seek no ongoing account keeping fees to minimise their costs.
- Value the flexibility to be able to access their money whenever and wherever they are, via a range of channels.
- Generally make a small number of withdrawals via branch, to minimise excess transaction charges.

To qualify for this account, all account holders must be either:

- Aged 55 and over; or
- Members of the Association of Independent Retirees; or
- Receive a Department of Human Services/Veterans' Affairs pension or allowance which is subject to deeming.

This product is likely to be consistent with the objectives, financial situation and needs of the class of consumers in the target market. This is based on an assessment of the key terms, features and attributes of the product and a determination that these are consistent with the identified class of consumers.

The Special Monthly Interest Account is generally not suitable for customers who:

- Wish to use the account for business purposes.
- Expect to make frequent withdrawals in branch, in excess of their free Everyday Transactions allowance.
- Want the certainty of a fixed interest rate for a term they select, in return for locking away their funds.
- Are not a pensioner or retiree and therefore do not meet the eligibility criteria to open the account.

How is this product distributed?

This product is designed to be distributed through:

- Newcastle Permanent representatives (in person, via phone or video conferencing)
- Newcastle Permanent website (to apply online)
- Newcastle Permanent Financial Planners when providing personal advice
- Conversion from an existing product, in line with our Terms and Conditions.

What conditions or restrictions are there on the distribution of this product?

This product is designed to be distributed by Newcastle Permanent's internally accredited staff members who are aware of the product and its attributes, or through the Newcastle Permanent website where a customer can apply online.

Distribution of this product by staff is to follow from a conversation with the customer on their banking needs, and whether these appear to be met by the product's key attributes. This conversation involves factual information and/or general advice only, as personal advice is not provided by Newcastle Permanent branch representatives.

Customers applying directly on the website will be presented with a summary of the purpose of the product and what needs it is designed to meet, before they proceed. They are also required to declare they have read the applicable Terms & Conditions.

Potential customers may also be referred to the website via links from third-party comparison websites that Newcastle Permanent has partnered with. These customers are able to apply for the product in the same manner as described above (i.e. no different distribution conditions apply).

Newcastle Permanent has assessed the distribution conditions and restrictions will make it likely customers acquiring the product are in the target market. Newcastle Permanent has considered the distribution conditions and restrictions are appropriate and will facilitate distribution of the product to be directed towards the class of customer for whom the product has been designed.

What monitoring will be undertaken on this product?

This product is not distributed by any entity other than Newcastle Permanent.

This product will be subject to internal reporting and monitoring on:

- Sales performance and TMD adherence on a monthly basis,
- Customer complaints and remediation, on a monthly basis,
- Staff feedback, either ad hoc or via internal forums and surveys,
- Product portfolio and performance measures such as account closure patterns, on a monthly and quarterly basis, and,
- Incidents, on a monthly basis,

How will Newcastle Permanent review this document?

Newcastle Permanent will review this document at a minimum of once every two years from the effective date to ensure it remains appropriate, or earlier as required or if other circumstances occur which trigger the need to review the TMD.

The specific review triggers (events that reasonably suggest the TMD may no longer be appropriate) for the Special Monthly Interest Account that may result in an earlier review of the TMD are:

- Any distribution or sales activity, outside the TMD or to ineligible customers, that meets the definition of a significant dealing,
- A material change in the nature and number of customer complaints and underlying complaint trends,
- Regulatory change that materially impacts the manufacture or sale of this product, and
- Material customer remediation events and incidents in relation to this product.