

# Kids Savings Account



## Target Market Determination (TMD)

### Kids Savings Account

Issued by Suncorp-Metway Ltd ABN 66 010 831 722; Australian Credit Licence 229882; Australian Financial Services Licence 229882 (**Suncorp Bank**).

#### What is a Target Market Determination?

A Target Market Determination (**TMD**) is a determination that Suncorp Bank has made to:

- describe the class of customers this product has been designed for;
- specify product distribution conditions;
- specify review periods and triggers; and
- set out reporting requirements.

A TMD is not a product disclosure statement and is not a full summary of the product features or the terms of the product. It is not intended to be a customer disclosure document and does not take into account any person's individual objectives, financial situation or needs.

If you are interested in acquiring this product, please carefully read the relevant Product Information Document (PID) and terms and conditions before making a decision. This information is available on request.

#### What is a Kids Savings Account?

A Kids Savings Account is an at call savings account with no fixed term which offers customers a standard variable interest rate on the savings held in the account and the ability to earn bonus interest where the customer has met certain criteria (see Key Attributes).

There are limited payment and access methods with this account namely:

- move money out of the account to another Suncorp Bank account via face to face branch service, over the phone customer service or automated telephone banking, internet banking, and mobile banking services;
- move money into the account from another Suncorp Bank account or an account held with another financial institution through the same services;
- direct credit into the account from a Suncorp Bank account or an account held with another financial institution through the same services; and
- transfers into the account with Osko®.

#### What are the key attributes of a Kids Savings Account?

A Kids Savings Account has the following Key Attributes:

- bonus interest is earned when:
  1. a customer deposits \$20 or more in a calendar month; and
  2. there has been no more than 1 withdrawal per calendar month;
- there are a limited range of payment methods;
- there are a restricted range of abilities to access and use the account (e.g. no ATM access);
- withdrawals are restricted if bonus interest is to be earned (see (2) above), deposits are unrestricted; and
- no ongoing monthly account keeping fees or Suncorp Bank transaction fees.

# Who is the Target Market for a Kids Savings Account?

The Target Market is the class of customers who meet the criteria below.

<b>Section 1 - Type of Customer</b>	<p>A personal customer. This type of customer typically needs:</p> <ul style="list-style-type: none"> <li>– a sole account;</li> <li>– a joint account with separate or joint signatory authority; or</li> <li>– the ability to delegate signing authority to someone else.</li> </ul> <p>A customer who is in <b>any one or more</b> of the following life stages:</p> <ul style="list-style-type: none"> <li>– a child under 11 who opens the account with a parent/guardian; and/or</li> <li>– a child between the age of 11-17 who opens the account either with a parent/guardian or independently.</li> </ul>
<b>Section 2 - Objectives and Needs</b>	<p>A customer with <b>all</b> of the following short-term and long-term objectives:</p> <ul style="list-style-type: none"> <li>– to grow their money by earning more than the standard variable rate interest; and</li> <li>– to protect their money.</li> </ul> <p>A customer with <b>all</b> of the following needs:</p> <ul style="list-style-type: none"> <li>– to earn a higher interest rate than standard variable rate interest;</li> <li>– access to their money should they need it;</li> <li>– an incentive to save;</li> <li>– to receive money electronically; and</li> <li>– to access and use their account through <b>any one or more</b> of the following services: <ul style="list-style-type: none"> <li>– face-to-face in branch;</li> <li>– over the phone through customer services or automated telephone banking;</li> <li>– online through internet banking; and/or</li> <li>– in an app through mobile banking.</li> </ul> </li> </ul>
<b>Section 3 - Financial Situation</b>	<p>A customer with a regular income (from any source) and \$20 excess every month from that income.</p>
<b>Section 4 - Dependencies</b>	<p>A customer will need to have a transaction account with any provider or Suncorp Bank if they wish to perform regular transactions as this is not a transaction account.</p>
<b>Explanation</b>	<p>The Kids Savings Account is likely to be consistent with the objectives, financial situation and needs of the class of customers in the target market because:</p> <ol style="list-style-type: none"> <li>1. the bonus interest rate is designed to support the target market's objectives of personal customers growing their balance and receiving incentives to save;</li> <li>2. restrictions of 1 withdrawal per calendar month and limited payment methods while having the funds at call is designed to support the target market's objectives, being incentives to grow the balance, promote savings behaviour while maintaining flexibility of using their savings as required;</li> <li>3. the requirement to deposit \$20 per calendar month is an achievable goal for customers under the age of 18; and</li> <li>4. no account keeping or transaction fees support customers who wish to grow their balance</li> </ol> <p>Suncorp Bank continuously monitors the customer outcomes with this product and analyses that the terms, features and attributes are consistent with the identified target market.</p>

# What conditions/restrictions are there on how a Kids Savings Account is distributed?

This product can be sold only through the following channels with the following conditions/restrictions:

Channel	Distribution Conditions/Restrictions
Suncorp Bank branches	By representatives who must be appropriately trained, follow an approved conversation framework and direct products towards the likely target market.
Agencies	Who must be appropriately trained, associated with an Agency partner of Suncorp Bank and accredited by Suncorp Bank.
Comparison Websites	Where click-through links direct customers to a URL at <a href="http://www.suncorp.com.au">www.suncorp.com.au</a> as advised by Suncorp Bank.
All channels	All marketing must be approved by appropriately trained representatives consistent with this TMD.

These distribution conditions make it likely customers who acquire the product are in the target market because they are supported by reasonably appropriate platform controls, training and scripting designed to avoid and minimise the risk of likely customer harm if the product is otherwise distributed outside of its target market.

## When will this TMD be reviewed?

This TMD is effective from 5 October 2021 and will undergo an initial review 12 months later, with subsequent reviews occurring 24 months thereafter. We will also review this TMD if, in Suncorp Bank's view, any of the following Review Triggers occur.

### Review Triggers

A review will be triggered if, in Suncorp Bank's view, there is a:

- Change to the method in which Bonus Interest is calculated;
- Material change in the total interest rate which can be earned by a customer;
- Substantial change in the percentage of customers who receive bonus interest;
- Material change to the product design and strategy;
- Fee is introduced and the product was previously fee free;
- Material and unexpected change in the number of account applications and sales via a certain channel;
- Material or unexpected change in the number or nature of complaints received;
- Significant dealing outside the target market; and/or
- Circumstance where the distribution conditions have in Suncorp Bank's view been found to be inadequate.

An earlier review will also be conducted when other events or circumstances reasonably suggest that the TMD is no longer appropriate.

## What information will the bank review?

### Internal sources (for direct distribution)

To monitor the review triggers, Suncorp Bank will review the following information every quarter from internal sources:

- product and distribution monitoring metrics including customer demographic, complaints information, number of accounts opened and transaction data;
- variation of interest rates;
- usage details for key product features;
- proportion of customers who are not in the target market who have acquired the product during the reporting period;
- material changes to product documentation.

### External sources

Type of information to be reported	Reporting Period
Customer complaints relating to the product	Quarterly
Significant dealings not consistent with this TMD	As soon as is practicable but within 10 business days