

Target Market Determination (TMD)

For Everyday Account

Effective from 5 October 2021

About this document

This TMD applies to the Everyday Account issued by Newcastle Permanent Building Society (ACN 087 651 992, AFSL / 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 Everyday Account is designed for personal customers who:

- Seek a transaction account to manage their income and everyday spending.
- Want the flexibility of unlimited free everyday transactions, so they can transact frequently without incurring excess transaction charges.
- Value the flexibility to be able to access their money whenever and wherever they are, via a range of channels.
- Expect to make multiple withdrawals per week, and therefore see value in paying a \$4 flat monthly account keeping fee to access unlimited free withdrawals; OR qualify for a waiver of the monthly fee, as they:
 - Are under 25 years old; or
 - Deposit at least \$1,800 per month; or
 - Hold a NPBS home loan.
- As an optional feature, want to link to their eligible home loan as an offset account, to reduce the interest charged on their loan.

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 Everyday Account is generally not suitable for customers who:

- Want help to grow their savings or to earn interest on their funds.
- Either do not qualify for the monthly account keeping fee waiver or expect to make a very small number of withdrawals per month, making the monthly fee uneconomical.
- Wish to use the account for business purposes.

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
- Mortgage Brokers (in person, via phone or video conferencing) that are authorised credit representative of the aggregators listed below.

This product is approved to be distributed by Newcastle Permanent and the following aggregators (the Distributor):

- AFG
- Connective
- Mortgage Choice
- Plan

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, through the Newcastle Permanent website where a customer can apply online, or by accredited lenders, as an offset account linked to a home loan product.

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?

Distributors will provide reporting on the below areas on a quarterly basis as agreed with Newcastle Permanent.

Distributors of this product will need to provide reporting to Newcastle Permanent on the following to determine whether the TMD and product continues to be appropriate:

- Information about the nature and number of complaints about the product
- Information about sales of the product that have occurred outside of this TMD

Additionally, this product will be subject to Newcastle Permanent 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 Everyday 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.