

Target Market Determination Spend Account

Start date	06/06/2023
Issuer	National Australia Bank Ltd ABN 12 004 044 937 AFSL and Australian Credit Licence 230686 (NAB).
First and ongoing review period	NAB will complete the first review of the Target Market Determination (TMD) no later than 2 years from the Start Date. Ongoing reviews will then be performed no later than 2 years from the date of the previous review.
Product	<p>The ubank Spend product is a fully digital, low-cost basic transaction account for everyday use, allowing customers to make and receive payments through various methods (including through the linked Visa debit card).</p> <p>The ubank Spend product is unsuitable for persons wanting cheque account functionality or who require face-to-face support or via a branch.</p>

Target Market

Target market & key product attributes	Target market objectives, financial situation and needs	Key product attributes
	<p>A person that wants the convenience of being able to conduct their banking when they want.</p>	<p>The ubank Spend product offers the convenience of digital only banking via the ubank mobile app and online banking.</p> <p>This product is not suitable for customers who want to withdraw or deposit cash via face-to-face support or via a branch.</p>

<p>A person that wants an everyday transaction account that allows flexible methods of transacting with the ability to make and receive payments through various methods.</p>	<p>The Spend product offers the ability to make and/or receive payments using:</p> <ul style="list-style-type: none"> • Ubank Visa Debit Card, including at ATMs; • BPAY for outgoing bill payments; • Perform PayID (when registered with ubank); • PayTo payment agreements; • Direct Debits; • Scheduled payments; and • Digital wallets including Apple Pay, Google Pay, Samsung Pay, Fitbit Pay and Garmin Pay.
<p>A person that wants flexible, low-cost everyday banking.</p>	<p>The Spend product allows unlimited transactions with no monthly account fees, no overdrawn fees and no transaction fees.</p>
<p>A person wanting an account that offers other features and benefits through the app or online banking.</p>	<p>Through the app and online banking, Spend account holders can access other features and benefits such as automatic predictions of upcoming bills and subscriptions, and enriched transaction information (e.g. the ability to track spending).</p>
<p>A person wanting to offset against the amount owing on their ubank variable Own Home loan.</p>	<p>The Spend account can be linked to the ubank variable rate Own Home Loan as an offset account.</p>
<p>A person who will be using the account for personal use.</p>	<p>The Spend account is designed for personal use (and not for business purposes).</p>

Eligibility

You need to be:

- 16 years or older
- an Australian citizen or permanent resident with an Australian residential address

And have:

- an unique Australian mobile number; and
- the ubank app installed on your smart device.

Appropriateness statement

NAB has considered that the product including its key attributes is appropriate for the target market including the likely objectives, financial situation and needs of consumers in the target market.

Distribution conditions

Condition 1:

Authorisation

- Distributors providing general advice and/or services on the Spend product must hold an Australian Financial Services Licence (AFSL) or be an authorised representative of a AFSL holder, and/or
- Distributors must comply with the terms and conditions of any relevant distribution agreement or arrangement.

This condition ensures distributors are appropriately authorised to provide the relevant regulated financial products/services and will comply with the commercial terms.

Condition 2:

General Advice including Marketing

Distributors must only provide general advice (such as marketing) on this product if:

- there is a published TMD;
- the general advice is consistent with the needs, objectives and financial situation of the products' defined target market;
- ASIC has not issued a Product Intervention Power restricting the publication of general advice for these products by distributors.

Only general advice will be provided on this through public channels, such as:

- ubank's Contact Centre;
- ubank's website, online banking or mobile app;
- television, radio, the internet (including streaming services and social media), billboards and physical banners, brochures, and other marketing material available to the general public;
- direct electronic communication including SMS, push notification or email; and
- advertising through comparison sites and rating agencies.

This condition is appropriate as the target market is wide.

These channels may be available to persons outside the target market, however the Spend product can only be acquired by persons meeting **Eligibility**.

Condition 3:

Distribution conduct

Distribution of the Spend product can only occur when there is a published TMD and ASIC has not imposed any distribution restrictions on these products. Distribution can occur through:

- ubank's Contact Centre;
- ubank's website, online banking or mobile app;
- television, radio, the internet (including streaming services and social media), billboards and physical banners, brochures and other marketing material available to the general public;
- direct electronic communication including SMS, push notification or email; and
- advertising through comparison sites and rating agencies.

This condition is appropriate and of a nature that it will be likely that the product will be distributed correctly.

Review triggers

NAB will review the TMD within 10 business days if an event or circumstance occurs that reasonably suggests that the TMD is no longer appropriate. NAB will notify ASIC as soon as practicable (within 10 business days) if it is found that a significant dealing has occurred that is inconsistent with the TMD and must also cease distribution of this product.

The events and circumstances described below will trigger a review of the TMD where they reasonably suggest that the TMD is no longer appropriate and having regard to ubank's internal policies. A notice of any relevant review will be published on ubank's website.

Material complaints	Customer complaints indicate a systemic issue regarding the design and distribution of this product.
Substantial product change	A substantial change to the product terms, conditions or key attributes is made.
Product performance	Customer uptake and/or usage is significantly different from NAB's expectations of the target market indicating that the products no longer meet the financial situation, needs and objectives of the defined target market.
Significant dealings	Evidence that dealings in the product or distributor conduct is significantly different to the TMD.
Significant change to the external environment	Changes in economic and market conditions, law, regulation, or regulatory guidance that materially affects the design or distribution of this product (or class of products to which this product belongs) reasonably indicate that the TMD is no longer appropriate.
External notification	NAB receives feedback, regulatory orders or directions from an Australian regulator or Australian Financial Complaints Authority (AFCA) that suggest this TMD is no longer appropriate.

TMD assessment and reporting

NAB will periodically assess information it has compiled or been provided with to ensure that the TMD for this product continues to be appropriate. Distributors must provide any required information as soon as practicable, or within 10 business days after the reporting period (unless otherwise specified).

The reporting period for this TMD is quarterly during each calendar year:

- First reporting period ending on 31 March;
- Second reporting period ending on 30 June;
- Third reporting period ending on 30 September;
- Fourth reporting period 31 December.

NAB will keep records of distribution information in relation to currently issued products for up to 7 years.

Types of reporting information

Product review outcomes	<p>Information assessed as part of ongoing product governance activities in line with ubank internal policies including:</p> <ul style="list-style-type: none">• Product performance considering market conditions and other relevant economic factors to the extent these are reasonably known;• The fees and charges connected to the product; and• The way in which the product operates.
Complaint information	<p>Complaint information includes:</p> <ul style="list-style-type: none">• Nature of the complaint;• Number of complaints received;• Circumstances giving rise to complaints;• Complaint outcomes;• Possible systemic issues;• Steps taken by a distributor (if any) to address the customer concern.
Significant dealings outside of TMD	<p>Information that the product or distributor conduct is significantly different to the TMD including:</p> <ul style="list-style-type: none">• Date of significant dealing;• Description of significant dealing and why it is not consistent with the target market;• Why the dealing is significant;• How the significant dealing was identified;• Steps taken or that will be taken (if any) in relation to the significant dealing.
External notification	<p>NAB receives feedback, regulatory orders or directions from an Australian regulator or AFCA regarding the products, the distribution of the product or the TMD.</p>