

Target Market Determination

1. Target Market Determination – Notice of Withdrawal Accounts

Notice of Withdrawal Accounts are a financial product for the purposes of the design and distribution obligations set out in Part 7.8A of the Corporations Act 2001 (Cth).

The purpose of this Target Market Determination is to provide consumers information about the key attributes and target market for Notice of Withdrawal Accounts, and the distribution and monitoring arrangements of Baptist Financial Services Australia Ltd ('BFS').

This document is not to be treated as a full summary of the product's terms and conditions and is not intended to provide financial advice. When making a decision about this product you should refer to the 'Terms and Conditions' of Notice of Withdrawal Accounts, within the Product Information Statement - Offer Document (for Individuals and Retail Clients) available at www.bfs.org.au/savings-investments or by contacting the BFS Client Services Team at clients@bfs.org.au.

Date from which this Target Market Determination is effective

5 October 2022 (annual review)

2. Target Market

Notice of Withdrawal Accounts are a debenture product offered by BFS to retail investors. The information below summarises the overall class of consumers that fall within the target market for Notice of Withdrawal Accounts, based on the product key attributes and the objectives, financial situation and needs that it has been designed to meet.

(a) Class of consumers that fall within the target market

Notice of Withdrawal Accounts are for retail investors who are an Australia resident or have a right to reside in Australia, who are looking for an investment opportunity to:

- i) earn an interest rate on their funds,
- ii) have access to their funds at a minimum 31 days' notice, and
- iii) resource and help Christian ministries including Churches, schools, and other Christian organisations.

(b) Description of Notice of Withdrawal Accounts and key attributes

Notice of Withdrawal Accounts provide an interest return at the current variable interest rate published on the BFS website. This debenture product can be added to at any time but requires notice to be given before funds can be withdrawn.

The key attributes of Notice of Withdrawal Accounts are that:

- It enables lodgement of additional funds into the account at any time.
- No fixed term, but 31 days' notice is required for any withdrawal.
- One or more notices to withdraw funds can be given at any one time provided there is sufficient available balance to fund all notices.
- The interest rate is variable. Interest is calculated at the rate of interest determined from time to time. The rate of interest may be varied by BFS from time to time without prior notice.
- Interest is calculated daily and credited at the end of each calendar month.
- Interest may be credited to your Notice of Withdrawal Account or to an account you hold with an Australian Authorised Deposit-taking Institution (ADI).

(c) Excluded class of consumers

Notice of Withdrawal Accounts are available to retail investors who are an Australian resident or have a right to reside in Australia (Eligible Applicant).

If you are not a retail client per the definition set out by the Corporations Act, you are an excluded class of consumer for the purposes of this Target Market Determination. Product and Services Information (for Wholesale Clients) is available at www.bfs.org.au/savings-investments.

(d) Consistency between target market and likely objectives, financial situation and needs

Notice of Withdrawal Accounts are consistent with the likely objectives, financial situation and needs of consumers in the target market as:

- They provide a way to invest funds to earn an interest return, while supporting the work of Christian ministries.
- They offer no minimum investment amount which is in accordance with the objective to encourage consumers to invest any amount to support the work BFS.
- They offer a variable term, where additional funds can be invested at any time, with a minimum notice period for withdrawal of 31 days, consistent with a low-risk tolerance and access to funds within short time frames.

It should be noted that as BFS is not an ADI, all debenture products with BFS are unsecured, and investors are advised that neither the performance of/return on investment nor repayment of capital is guaranteed.

3. Distribution Conditions and Restrictions

(a) Distribution channels

Notice of Withdrawal Accounts are designed to be distributed to consumers directly by BFS upon the acceptance of an application form that is available:

- on the BFS website www.bfs.org.au;

- from the BFS client services team at clients@bfs.org.au; or
- from one of the BFS Relationship Managers whose contact details are published on the BFS website.

(b) Distribution conditions and restrictions

- Notice of Withdrawal Accounts should only be distributed upon the receipt of an application from an Eligible Applicant who: is over 16 years of age and is an Australian resident or has rights to reside in Australia; and
- has been provided with a copy of the current Product Information Statement – Offer Documents: Debentures, the Product Disclosure Statement and Terms & Conditions – BFS Non-Cash Payment Products Retail Clients Only, the BFS Financial Services Guide and relevant application.

(c) Adequacy of distribution conditions and restrictions

The distribution channels and conditions that define the eligibility of applicants for Notice of Withdrawal Accounts ensure that the consumers of Notice of Withdrawal Accounts fall within the target market.

4. Reviewing this Target Market Determination

We will review this Target Market Determination in accordance with the below:

Initial review	Within the 12 months of the effective date.
Periodic reviews	At least every 2 years from the initial review.
Review triggers or events	Any event or circumstances arise that would suggest the Target Market Determination is no longer appropriate. This may include (but is not limited to): <ul style="list-style-type: none"> • a material change to the design or distribution of Notice of Withdrawal Accounts, including related documentation, • occurrence of a significant dealing, • distribution conditions found to be inadequate, • change in legal or regulatory requirements, • external events such as adverse media coverage or regulatory attention, and • significant changes in metrics, including, but not limited to 25 complaints in any 3-month period.

Where a review trigger has occurred, this target market determination will be reviewed within 10 business days.

5. Reporting and monitoring this Target Market Determination

We will collect and report the following information in relation to this Target Market Determination:

Complaints	BFS will report all complaints and their resolution in relation to the Notice of Withdrawal Accounts covered by this Target Market Determination to the Audit, Risk and Compliance Committee of the BFS Board and to the BFS Board where appropriate.
Significant dealings	BFS will report to ASIC and the BFS Board if they become aware of a significant dealing that is not consistent with this Target Market Determination within 10 business days.