

## Target Market Determination - Overseas Student Account

This is the target market determination (**TMD**) for the purposes of section 994B of the *Corporations Act 2001* (Cth) (**Corporations Act**) for the Overseas Student Account (**Product**).

The issuer of the Product is Bank of China (Australia) Limited ABN 28 110 077 622 AFSL 287322 ACL 287 322 (**Bank**). This TMD sets out certain information relevant to the Bank's compliance with the design and distribution (**DDO**) framework in the Corporations Act, including the:

- class of consumers that makes up the target market for the Product;
- conditions that will be imposed on the distribution of the Product;
- requirements for the Bank to review the TMD; and
- requirements for distributors to report certain information to the Bank.

This TMD does not provide a complete list of the features and terms and conditions of the Product. This TMD should be read in conjunction with the Transaction and At Call Accounts Terms and Conditions, the Account Access Methods Conditions of Use and the Schedule of Fees and Charges and other information available on the Bank's website in relation to the Product. A copy of these documents can be accessed on the Bank's website at [www.bankofchina.com/au](http://www.bankofchina.com/au) or from the Bank's retail branches in Australia during business hours (free of charge). If an application for the Product is approved, the particular Product will be governed by the Transactional and At Call Accounts Terms and Conditions.

This TMD has been prepared without taking into account any person's individual needs, objectives, or financial situation. If you are considering an Overseas Student Account, we encourage you to understand how it may affect your personal circumstances and seek professional advice (such as, independent legal and financial advice).

Capitalised terms have the meaning given to them in the Transactional and At Call Accounts Terms and Conditions, unless otherwise defined.

<b>Product</b>	Overseas Student Account
<b>Issuer</b>	Bank of China Australia Limited ABN 28 110 077 622 AFSL 287 322 ACL 287 322 ( <b>Bank</b> )
<b>Date of TMD</b>	5 October 2021

<p><b>Target Market</b></p>	<p><b>Description of target market</b></p> <p>Individual customers, who are 16 years or older and who hold a valid and current student visa entitling the holder to study in Australia, who are looking for a transaction account denominated in AUD that is accessible for day to day transactions and in respect of which the balance is available for withdrawal on demand.</p> <p><b>Description of product, including key attributes</b></p> <p>An Overseas Student Account is a transaction account that provides a flexible and convenient way to maintain and access AUD funds on demand with the ability to earn interest.</p> <p>The key attributes of an Overseas Student Account include:</p> <ul style="list-style-type: none"> <li>• this account can be opened and held by eligible individual customers who are 16 years of age or older and who hold a valid and current student visa entitling the holder to study in Australia;</li> <li>• this account can be denominated in AUD only;</li> <li>• payments to this account in currencies other than AUD will be converted to AUD, with fees and exchange rates applying to currency conversions;</li> <li>• this account has the ability to be linked to a debit card (please refer to the Target Market Determination for the Bank's Debit Cards);</li> <li>• a customer may access their account by using one or more of the following methods: <ul style="list-style-type: none"> <li>○ over the counter at any retail branch of the Bank in Australia during business hours by presenting their personal identification that is acceptable to the Bank;</li> <li>○ using internet banking, including BPAY;</li> <li>○ using mobile banking;</li> <li>○ using a passbook facility or using a debit card, including to using an ATM or EFTPOS facilities within Australia and at worldwide ATM and POS terminals branded with the UnionPay logo;</li> </ul> </li> <li>• funds in this account can be received or transferred via telegraphic transfer remittance through SWIFT;</li> <li>• AUD funds in this account can be transferred via RTGS;</li> <li>• AUD funds in this account can be transferred using a bank cheque facility;</li> <li>• no minimum opening balance requirement applies;</li> <li>• maximum daily and yearly deposit and withdrawal limits apply. From February 2019, a maximum of AUD 50,000 in physical cash (or its foreign currency equivalent) may be deposited per customer across all accounts owned jointly or separately by a customer per financial year;</li> <li>• interest is payable half-yearly by the Bank if certain requirements are met, including that the specified minimum balance requirement is satisfied;</li> <li>• no account keeping fee applies;</li> <li>• other fees may be payable in respect of this account depending on the service required by customer including for example remittance fee, cheque issuing fee, additional copy of account statement;</li> <li>• except where an account has a passbook facility, a statement of account is provided to customers at least every 6 months (or more frequently at the request of the customer) where transactions have been made on their account since the last statement.;</li> <li>• the Bank may convert the account to a Demand Deposit Account (and account keeping fees will apply), if the accountholder is unable to provide</li> </ul>
-----------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

the Bank with a current student identification card or confirmation of enrolment letter.

Please refer to the Transactional and At Call Accounts Terms and Conditions for further information in relation to this Product.

***Description of likely objectives, financial situation and needs of consumers in the target market***

This Product is designed for customers whose:

- Likely objectives include:
  - seeking a low or no fee transaction account accessible for day to day transactions and in respect of which the balance is available for withdrawal on demand;
  - seeking a transaction account with the ability to earn interest;
  - seeking a transaction account denominated in AUD only;
  - seeking a transaction account that is protected by the Financial Claims Scheme.
- Likely financial situation includes:
  - meeting the Bank's eligibility requirements including customers:
    - who are overseas students holding a valid and current visa entitling the holder to study in Australia;
    - with a lower income;
    - who have low spending habits.
- Likely needs include:
  - seeking the ability to withdraw funds easily and immediately;
  - seeking security of funds;
  - seeking a low or no fee account.

***Classes of consumers for whom the product is unsuitable***

This Product is not suitable for customers who:

- are not individual customers or do not meet the other eligibility criteria;
- are seeking a transaction account with an overdraft facility;
- are seeking a transaction account with a cheque book facility;
- are looking for a transaction account that is denominated in currencies other than AUD;
- are not overseas students and/or cannot provide evidence of their student status;
- who are seeking to invest money for a fixed term at a fixed interest rate;
- are seeking a product with a higher interest rate; or
- who wish to deposit cash in excess of AUD 50,000 a year.

***Explanation of why the product is likely to be consistent with the likely objectives, financial situation and needs of consumers in the target market***

The Bank considers that the Product is likely to be consistent with the likely objectives, financial situation and needs of customers in the target market because:

	<ul style="list-style-type: none"> <li>• this Product provides customers with the ability to easily access their funds for day to day transactions and withdraw the balance on demand;</li> <li>• this Product enables customers to easily manage, access and transact on their account including through the use of internet banking and mobile banking;</li> <li>• this Product has low to no fees and, as a transaction account, is low risk in nature; and</li> <li>• this Product enables customers to earn interest.</li> </ul>
<b>Distribution Conditions</b>	<p><b><i>Distribution conditions</i></b></p> <p>This Product can only be distributed in branch (through one of the Bank's branches in Australia) by an employee of the Bank who is authorised to distribute this Product.</p> <p><b><i>Why the distribution conditions and restrictions will make it more likely that the consumers who acquire the product are in the target market</i></b></p> <p>The Bank considers that the distribution conditions mean that it is likely that customers who acquire the Product will be in the target market because:</p> <ul style="list-style-type: none"> <li>• the Bank's distribution channel for this Product is restricted to its branch network and is only able to be distributed by the Bank's employees who are authorised to distribute the Product;</li> <li>• authorised employees must be authorised by the Bank to distribute this Product and are required to complete relevant training in relation to the Product and the distribution of the Product; and</li> <li>• the Product is only made available to individual customers using consistent approval processes that allow the Bank the opportunity to check all applications before they are approved for consistency with the Bank's eligibility criteria for the Product.</li> </ul>
<b>Review Triggers</b>	<p>The review triggers that would reasonably suggest that the TMD is no longer appropriate include:</p> <ul style="list-style-type: none"> <li>• there are significant changes to the key attributes of the Product as described in this document that make it reasonable to conclude that it would no longer be consistent with the TMD;</li> <li>• there are significant changes to the methods of distribution of the Product that make it reasonable to conclude that the TMD does not reflect the actual distribution methods used by the Bank;</li> <li>• there are unexpectedly high rates of account closures or customers switching to other accounts offered by the Bank within a 12 month period</li> </ul>

	<p>(except where explainable by external factors unrelated to product attributes or distribution arrangements);</p> <ul style="list-style-type: none"> <li>• the Bank identifies a significant dealing of the Product outside the target market that it is required to report to ASIC;</li> <li>• a significant number of complaints are received from customers in relation to their purchase or use of the Product that reasonably suggests that the TMD for the Product is no longer appropriate; and</li> <li>• ASIC has utilised its product intervention power in Part 7.9A of the Corporations Act to intervene in relation to this product.</li> </ul>									
<p><b>Review Periods</b></p>	<p><b>First review date:</b> Within 1 year from 5 October 2021.</p> <p><b>Periodic reviews:</b> Within 3 years after the initial review date and each subsequent review date after that.</p>									
<p><b>Distribution Reporting Requirements</b></p>	<p>The following information must be provided to Bank of China (Australia) Limited by distributors who engage in retail product distribution conduct in relation to this Product:</p> <table border="1" data-bbox="432 1066 1430 1615"> <thead> <tr> <th data-bbox="432 1066 799 1122">Type of information</th> <th data-bbox="799 1066 1110 1122">Description</th> <th data-bbox="1110 1066 1430 1122">Reporting period</th> </tr> </thead> <tbody> <tr> <td data-bbox="432 1122 799 1290">Complaints</td> <td data-bbox="799 1122 1110 1290">Number of complaints, nature and substance of the complaint</td> <td data-bbox="1110 1122 1430 1290">Every 3 months within 10 business days from the end of the period</td> </tr> <tr> <td data-bbox="432 1290 799 1615">Significant dealing(s) <sup>1</sup></td> <td data-bbox="799 1290 1110 1615">Date or date range of the significant dealing(s) and description of the significant dealing (eg, why it is not consistent with the TMD)</td> <td data-bbox="1110 1290 1430 1615">As soon as practicable, and in any case within 10 business days after becoming aware</td> </tr> </tbody> </table>	Type of information	Description	Reporting period	Complaints	Number of complaints, nature and substance of the complaint	Every 3 months within 10 business days from the end of the period	Significant dealing(s) <sup>1</sup>	Date or date range of the significant dealing(s) and description of the significant dealing (eg, why it is not consistent with the TMD)	As soon as practicable, and in any case within 10 business days after becoming aware
Type of information	Description	Reporting period								
Complaints	Number of complaints, nature and substance of the complaint	Every 3 months within 10 business days from the end of the period								
Significant dealing(s) <sup>1</sup>	Date or date range of the significant dealing(s) and description of the significant dealing (eg, why it is not consistent with the TMD)	As soon as practicable, and in any case within 10 business days after becoming aware								

<sup>1</sup> For example, a distributor may consider a dealing outside the TMD to be significant because (i) they represent a material proportion of the overall distribution conduct carried out by the distributor in relation to the Product, or (ii) they constitute an individual transaction which has resulted in, or will or is likely to result in, significant detriment to the customer (or class of customers), or (iii) the issuer has reasonably identified the this type of dealing as significant or a regulator, court or AFCA identifies this type of dealing as significant.