

Target Market Determination Spend account

Start date	04/04/2024
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, and each ongoing review, of the Target Market Determination (TMD) within each consecutive 12-month period from the Start Date.
Product	The ubank Spend account is a fully digital, low-cost basic transaction product for everyday spending. This product allows customers to make and receive payments through various methods (including through the linked Visa debit card).

Target Market

Target market & key product attributes	Target market objectives, financial situation and needs	Key product attributes
	A person that wants the convenience of being able to conduct their banking when they want.	The ubank Spend product offers the convenience of digital only banking via the ubank mobile app and online banking.
	A person that wants a transaction account for their everyday spending that allows flexible methods of transacting with the ability to make and receive payments through various methods.	<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 a 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 Flex Home loan.</p>	<p>The Spend account can be linked to the ubank variable rate Flex 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>
<p>Eligibility</p>	<p>To be eligible for the ubank Spend product, you need to be:</p> <ul style="list-style-type: none"> • 16 years or older • an Australian citizen or permanent resident with an Australian residential address <p>And:</p> <ul style="list-style-type: none"> • have an unique Australian mobile number • have the ubank app installed on your smart device 	

Negative Target Market

The ubank Spend product is not suitable for consumers that:

- Require cheque account functionality
- Require face-to-face support or via a branch
- Have needs outside of personal banking
- Require an interest bearing account, such as a savings account
- Do not meet the **Eligibility** criteria

Appropriateness statement

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

Distribution conditions

Condition 1:

Authorisation
This condition applies to all conduct.

- Distributors providing general advice and/or services in respect of the Spend product must hold an Australian Financial Services Licence (AFSL) or be an authorised representative of a AFSL holder
- Distributors must have successfully completed training as determined by NAB, or its representative 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
This condition applies to general advice (including most marketing)

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

- a TMD for the product has been made, published and has not been withdrawn
- the distributor complies with the terms of the TMD
- the general advice is consistent with the needs, objectives and financial situation of the product's 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 the ubank Spend product through public channels, such as:

- ubank's Contact Centre
- ubank's website or mobile app
- television, radio, the internet (including social media), billboards and physical banners, brochures and other marketing material available to the general public
- direct electronic communication including 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 products can only be acquired by persons who meet the **Eligibility**, and distribution conditions 1 and 3 ensure the product is issued only to persons to which the product is appropriate.

Condition 3:

Retail Product Distribution Conduct
This condition applies to all retail product distribution conduct that is not general advice

Distribution of the Spend product can only occur when a TMD has been made, published and is not withdrawn, the distributor complies with the terms of the TMD, and ASIC has not imposed any distribution restrictions on these products. Distribution can occur through:

- ubank's Contact Centre
- ubank's website or mobile app
- television, radio, the internet (including 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 also cease distribution of these products unless:

- NAB has determined that this TMD continues to be appropriate; or
- a new TMD has been made.

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	<p>Complaints related to the risks, key terms, conditions or key attributes of this product, including:</p> <ul style="list-style-type: none">• consumer understanding of the risks, key terms, conditions or key attributes of this product• the number of complaints• the nature and circumstances of the complaints
Substantial product change	<p>A substantial change to the product terms, conditions or key attributes including:</p> <ul style="list-style-type: none">• adding to, removing, or changing a product attribute• a substantial pricing change which impacts the consumer value proposition of the product• significant changes to a distribution channel or distribution strategy
Product performance	<p>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/or objectives of the defined target market.</p> <p>This includes monitoring of:</p> <ul style="list-style-type: none">• The number of customers closing the Spend product• Changes to key product attributes
Significant dealings	<p>Evidence that product or distributor conduct are significantly different to the TMD.</p>
Significant change to the external environment	<p>Changes in economic and market conditions, law, regulation, or regulatory guidance from ASIC 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.</p>

External notification	<p>NAB receives feedback, regulatory orders or directions from an Australian regulator (including ASIC) or Australian Financial Complaints Authority (AFCA) that suggests this TMD is no longer appropriate.</p>
Feedback from distributors	<p>Reporting or consistent feedback received from distributors which suggests that the target market or product attributes may no longer be appropriate.</p> <p>Refer to TMD assessment and reporting.</p>

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

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.

Distributors must provide any required information as soon as practicable, or within 10 business days after the reporting period (unless otherwise specified).

Type 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>Complaints related to key terms, conditions or key attributes of this product including:</p> <ul style="list-style-type: none">• The number of complaints received• The nature and circumstances of the complaints• Complaint outcomes• Possible systemic issues• Steps taken by a distributor (if any) to address the customer concern• Whether or not there has been or is likely to be consumer harm or detriment, and if so, the nature of the harm or detriment
Significant dealings outside of TMD	<p>If a distributor becomes aware of a significant dealing in the product or distributor conduct, that is not consistent with the TMD, they must notify the issuer in writing as soon as practicable, and in any event within 10 business days after becoming aware.</p> <p>The distributor must include the following:</p> <ul style="list-style-type: none">• Date of the significant dealing• Description of the 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
Other information requested by NAB	<p>Any other information requested in writing by NAB from time to time subject to:</p> <ul style="list-style-type: none">• The request being necessary to enable NAB to meet its legal and compliance obligations and• NAB providing at least 30 days prior notice before the end of the reporting period