

Target Market Determination

Farm Management Deposits (Variable & Fixed Rate)

Effective date: 9 October 2023

About this document

When to use this target market determination

This target market determination (TMD) seeks to offer clients, distributors and staff with an understanding of the class of clients for which this product has been designed, having regard to the client's objectives, financial situation and needs.

This document is not intended to provide financial advice. Clients must refer to the Rabobank Deposit Accounts Terms and Conditions which outline the relevant terms and conditions under the product.

Product to which this target market determination applies

This TMD applies to the Farm Management Deposits (FMD) referred to in the following documents:

- Rabobank Deposit Accounts Terms and Conditions
- Rabobank Australia Limited Financial Services Guide

Date from which this target market determination is effective

9 October 2023.

Class of clients that fall within this target market

The information below summarises the overall class of clients that fall within the target market for these products, based on the products' key attributes and the objectives, financial situation and needs of the client that it has been designed to meet.

Class of clients

The Farm Management Deposits (FMD) have been designed for primary producer clients who want to set aside surplus funds to plan for more challenging years.

Product description and key attributes

Farm Management Deposits are deposit accounts which allow individual primary producers to set aside surplus pre-tax income to assist in more challenging times while earning interest.

The key attributes of this product are:

- Minimum opening balance of \$1,000 and maximum deposit limit is \$800,000
- Choice of fixed and variable interest rates

A **variable rate** means that the interest rate will increase and decrease in line with the market. This option may be more appropriate for individuals who are able to sustain a decrease in earnings where the interest rate reduces while benefiting where the interest rate increases.

A **fixed rate** means that the interest rate will be set for a period of time, with a new interest rate set at the end of that period. This option may be more appropriate for individuals who want the peace of mind that their interest earnings will stay the same during the specified term. This option may not be suitable for individuals who do not want to incur an early withdrawal fee which may be payable when the fixed rate deposit is accessed prior to maturity.

- Fixed rates available for terms of 1 month to 2 years
- For fixed rate terms from 1 month to 12 months, interest is paid at maturity. Quarterly, half yearly and annual interest payments are available on terms of 12 months and greater
- Where no maturity instructions are provided for the Fixed rate FMD funds will be reinvested in the Variable FMD.
- Funds accessed via transfers to a linked Nominated Account (an account that can accept debits and credits) - Request withdrawals to the Nominated Account via the Call Centre
- Deposits covered under the Australian Government's guarantee on combined balances of up to \$250,000 per account holder with Rabobank Australia Limited
- An early withdrawal fee may be payable when funds from the fixed rate FMD are accessed prior to maturity

Needs

Farm Management Deposit Accounts have been designed for clients who:

- Need to invest a minimum of \$1,000
- Require a choice of a guaranteed fixed interest rate and a variable rate option with at-call access
- Do not want to pay fees or charges

Objectives

Farm Management Deposit Accounts have been designed for clients who:

- Want to take advantage of potential primary producer tax benefits
- Seek to earn interest on their surplus funds

Financial situation

Farm Management Deposit Accounts have been designed for clients who have at least \$1,000 of surplus funds available for saving.

Excluded class of customer

Farm Management Deposit Accounts have not been designed for clients who require internet and mobile banking access.

Consistency between target market and product

These products are likely to be consistent with the likely objectives, financial situation and needs of the class of clients in the target market. This is based on an analysis of the key terms, features and attributes of the product and a finding that these are consistent with the likely objectives, financial situation and needs of the identified class of clients.

Applications are subject to Rabobank Approval

Applications for Farm Management Deposit Accounts are open to clients who meet the following requirement:

- FMDs are available for individual primary producers

We may waive this requirement at our discretion.

How this product is to be distributed

Distribution conditions

These products have been designed to be distributed through the following means:

- Via Rabobank Branches; and
- Via the Rabobank Call Centre (for existing clients)

Adequacy of distribution conditions and restrictions

By distributing these products through our trained Branch and Call Centre staff we are able to provide the client with relevant information about the product so that they are able to determine whether it meets their financial situation, needs and objectives. This makes it likely that clients who acquire the product are in the target market.

We have therefore determined that the distribution conditions and restrictions are appropriate and will make it likely that customers who purchase the product are in the class of customers for which it has been designed.

Reviewing this target market determination

We will review this target market determination in accordance with the below:

Initial review

October 2022

Periodic reviews

At least every two years from the previous review

Review triggers or events

Any event or circumstances arise that Rabobank considers would suggest the TMD is no longer appropriate. This may include (but is not limited to):

- A material change to the design or distribution of the product, including related documentation;
- Occurrence of a significant dealing in the product which is not consistent with the product's TMD;
- Distribution conditions are found to be inadequate;
- External events such as adverse media coverage or regulatory attention and/or
- Significant changes in metrics, including, but not limited to complaints.

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

Distribution Reporting Requirements

The following reporting information is collected and monitored by Rabobank when it engages in retail product distribution in relation to this product:

Information	Description	Reporting Period
Complaints	The number of complaints, substance of complaints and general feedback relating to the product and its performance.	As soon as practicable, and in any case within 10 business days of the end of the relevant reporting period. The relevant reporting period is monthly by calendar month.
Significant dealing(s)	The date or date range of the significant dealing(s), a description of the significant dealing(s) including why it is not consistent with the TMD.	As soon as practicable, and in any case within 10 business days after becoming aware.