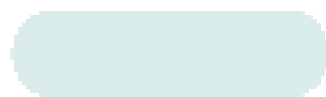


Target Market Determination

Bonus Saver



About this document

This document has been prepared by First Option Bank Ltd (“the Bank”, “we”, “us”), ABN 95 087 650 735, Australian Financial Services Licence (AFSL) no. 236 509, Australian Credit Licence (ACL) no. 236 509.

This Target Market Determination (TMD) is prepared in accordance with section 994B of the Corporations Act 2001 (Cth). It outlines the class of consumers for whom this product is intended, and sets out:

- ② The conditions under which the product may be distributed,
- ② The events or circumstances that would trigger a review of the TMD, and
- ② The reporting obligations for distributors.

This document is not a Product Disclosure Statement (PDS) and does not contain a complete summary of the product’s features or terms. It should not be relied upon as personal advice. Consumers should refer to the relevant disclosure documents before making any decision about this product.

This TMD supports First Option Bank’s commitment to designing and distributing financial products that align with the needs and expectations of our members. First Option Bank is the issuer of this product.

Target Market

This product is designed for members who need:

- ② an at-call account for personal (non-business) use to deposit funds which remain accessible

but also want:

- ② a savings account offering higher returns, even if that means restrictions on access to the funds
- ② the ability to earn additional higher variable interest rate when monthly eligibility criteria are met
- ② the ability to withdraw funds at call if needed even if that also means a lower interest rate will apply

They must:

- ② be able, and intend to, make regular deposits

Description of Product, including Key Attributes

This is a high-interest earning bonus saver account. The key attributes are:

- ② No minimum deposit
- ② Variable interest rates
- ② Base rate of interest payable (refer to Deposit Interest Rates Schedule for current rates)
- ② Bonus interest payable if eligibility conditions are met (refer to Deposit Interest Rates Schedule for current rates and conditions)
- ② Internet banking & Mobile Banking App access available
- ② Fee exemptions may apply based on meeting certain criteria (refer to Fees and Charges – Other schedule)

Distribution Conditions

This product is distributed only by the issuer through the following channels:

- ☒ Member Services Contact Centre
- ☒ Online (firstoption.com.au)

Distribution conditions for this product include:

- ☒ ensuring that customers meet the eligibility requirements for the product
- ☒ ensuring that distribution through the member contact centre is by appropriately trained staff

There are currently no other distributors for this product.

Reasonable Steps

First Option Bank will take the following reasonable steps to ensure the product is distributed in accordance with this TMD:

- ☒ Ensure all staff involved in distribution are trained on the product's features, target market, and eligibility criteria.
- ☒ Regularly monitor sales and distribution data to identify any patterns of distribution outside the target market.
- ☒ Implement system-based controls to prevent distribution to ineligible customers (e.g., credit assessment filters, eligibility checks).
- ☒ Promptly investigate any significant dealings or complaints and take corrective action where necessary.

Review Triggers

The review triggers that would reasonably suggest that the TMD is no longer appropriate include:

- ☒ a significant dealing of the product to consumers outside the target market
- ☒ a significant number of complaints is received from customers in relation to their use of the product that reasonably suggests that the TMD is no longer appropriate
- ☒ any material changes to the product or the terms and conditions of the product occurs which would cause the TMD to no longer be appropriate

Distributor Reporting Requirements

Distributors of this product must report the following information to First Option Bank:

- ☒ Any dealing in the product that is inconsistent with this TMD, within 10 business days of becoming aware.
- ☒ The number and nature of complaints received about the product, on a quarterly basis.
- ☒ Information on the number of products sold, customer demographics (if available), and any trends or anomalies observed, on a quarterly basis or upon request.
- ☒ Any feedback that may indicate the product is not meeting the needs of the target market.
- ☒ This information must be reported to the issuer in accordance with the agreed reporting schedule or upon request.

Review Periods

- ☒ First issue date: 5 October 2021
- ☒ Periodic reviews: Annually