



# Target Market Determination

## NAB Equity Lending Cash Management Account

Determination Criteria	Description
Start date	16/10/2021
First and ongoing review period	The first review, and each ongoing review, must be completed within each consecutive 12 month period from the Start Date.
Product	<b>NAB Equity Lending Cash Management Account</b> NAB Equity Lending Cash Management Account (only used within NAB Margin Loan and NAB Super Lever)

### Target Market

<b>Product description and key attributes</b>	The NEL cash management account will be opened when required, in order to receive: <ul style="list-style-type: none"> <li>fixed rate advances from NAB (Margin Loan only) pending an application to acquire investments</li> <li>the net proceeds from the disposal of investments acquired with a fixed rate loan during the fixed rate period (Margin Loan only)</li> <li>cash collateral provided, including any provided following the making of a margin call request (Margin Loan or Super Lever)</li> <li>the net proceeds from the disposal of investments provided as loan security by a guarantor (Margin Loan or Super Lever).</li> </ul>
<b>Consumer needs and objectives</b>	NAB Margin Loan or NAB Super Lever customers, or associated guarantors, need to isolate and preserve a cash as collateral, rather than allow cash to reduce an outstanding loan balance.
<b>Consumer financial situation</b>	Refer to TMD for NAB Margin Loan or NAB Super Lever. The customer cannot apply for the NEL CMA. It is only opened for them if required when they use other NAB Equity Lending loan facilities.
<b>Appropriateness statement</b>	NAB has considered that the product including its key attributes is appropriate for the target market including the likely objectives, financial situation and needs of consumers in the target market.

### Distribution Conditions

<b>Authorisation</b> This condition applies to all conduct	<p><b>Condition 1</b></p> <p>A distributor must:</p> <ul style="list-style-type: none"> <li>hold an Australian Credit Licence or be a Credit Representative authorised to engage in credit activities on behalf of a credit licensee unless an exemption applies covering the provision of credit activities in respect of the product; and</li> <li>if the distributor is not NAB: <ul style="list-style-type: none"> <li>comply with the terms and conditions of any relevant distribution agreement or arrangement with NAB</li> <li>if applicable, comply with the terms of any licensing exemption covering the provision of credit activities in respect of the product.</li> </ul> </li> </ul> <p>This condition is appropriate as it ensures distributors are appropriately authorised to provide the</p>
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	<p>relevant regulated financial services and will comply with the commercial terms agreed between the distributor and NAB.</p>
<p><b>General Advice including Marketing</b> This condition applies to general advice (including most marketing)</p>	<p><b>Condition 2</b></p> <p>The distributor may provide general advice (such as marketing) as to the product through public channels such as:</p> <ul style="list-style-type: none"> <li>• television, radio, internet (including social media), billboards and physical banners, periodicals, brochures and other marketing material available to the general public;</li> <li>• advertising through comparison sites and rating agencies;</li> <li>• NAB Branch</li> <li>• NAB Business Banking Centre</li> <li>• NAB Relationship Bankers</li> <li>• NAB Mobile Bankers</li> <li>• NAB Accredited Brokers</li> <li>• NAB's Call Centre</li> <li>• NAB's Mobile Application</li> <li>• NAB's Website.</li> </ul> <p>This condition is appropriate as the target market is wide.</p> <p>It is intended that these channels may be available to persons who would not at that time qualify for the product to be issued to them in a regulated sale, for example because they are minors or do not have the income to service the product. This is because the issue of the product is subject to Distribution Conditions 1, 3 and 4 which will ensure that the product is only issued to persons for whom it will be appropriate.</p>
<p><b>Retail Product Distribution Conduct (other than General Advice)</b></p> <p>These conditions apply to all retail product distribution conduct that is not general advice</p>	<p><b>Condition 3</b></p> <p>A distributor must only engage in retail product distribution conduct (other than general advice) through:</p> <ul style="list-style-type: none"> <li>• NAB Branch</li> <li>• NAB Business Banking Centre</li> <li>• NAB Relationship Bankers</li> <li>• NAB Mobile Bankers</li> <li>• NAB Accredited Brokers</li> <li>• NAB's Call Centre</li> <li>• NAB's Mobile Application</li> <li>• NAB's Website.</li> </ul> <p>This condition is appropriate as the target market is wide. It is also appropriate as the issuer has distributed this product using these methods, with limited risk to consumers.</p> <p><b>Condition 4</b></p> <p>A distributor must only engage in retail product distribution conduct (other than general advice) if they have identified the key difference between:</p> <ul style="list-style-type: none"> <li>• the product (including the specific product option requested by the consumer); and</li> <li>• the other product options for the product and other separate credit products (including home loan (investment) and line of credit products) issued by NAB.</li> </ul> <p>This condition is appropriate as it requires a distributor to confirm that the consumer is in the target market.</p>

## Review Triggers

<b>Review triggers</b>	<p>NAB and any Distributor of this product, must cease all retail product distribution conduct (except excluded conduct) in respect of this product within 10 business days of NAB identifying a review trigger unless:</p> <ul style="list-style-type: none"> <li>• NAB has determined that this Target Market Determination continues to be appropriate; or</li> <li>• a new Target Market Determination has been made.</li> </ul> <p>The events and circumstances described below will trigger a review of this Target Market Determination if NAB determines it may relate to the appropriateness of the Target Market Determination having regard to NAB's internal policies.</p> <p>NAB will publish notice of a review on its website.</p>
<b>Material complaints</b>	<p>Consumer complaints (in number or significance) within a three month period regarding understanding of risks, key terms, conditions or features of this product.</p>
<b>Feedback from distributors</b>	<p>Reporting received from Distributors, or consistent feedback from Distributors which suggests that the target market may no longer be appropriate.</p>
<b>Substantial Product Change</b>	<p>NAB makes a substantial change to the product terms, conditions or key attributes.</p>
<b>Product Performance</b>	<ul style="list-style-type: none"> <li>• Evidence that customer usage is significantly different from original issuer expectations (e.g. a different product purpose)</li> <li>• Evidence that product is no longer meeting the financial situation, needs and objectives of the target market for whom the product was designed (e.g. default rates, closure / refinance rates, product related hardship requests)</li> <li>• Evidence of substantial sales outside of the Target Market.</li> </ul>
<b>Significant Change to the External Environment</b>	<ul style="list-style-type: none"> <li>• Regulatory or legislative environment for this product</li> <li>• Economic and market conditions.</li> </ul>
<b>Notification from ASIC</b>	<p>NAB receives a notification from ASIC requiring immediate cessation of product distribution, or cessation of particular conduct in relation to the product.</p>
<b>Significant Dealings</b>	<p>Evidence that product or distributor conduct are significantly different to the target market determination.</p>

## Reporting

<b>Reporting period</b>	<p>The reporting period for this determination is every 3 months commencing from the Start Date.</p>				
<b>Reporting information</b>	<p>A distributor must provide the information in writing as soon as practicable, or within 10 business days after the reporting period unless otherwise specified.</p> <table border="1" data-bbox="384 1675 1498 2033"> <tr> <td data-bbox="384 1682 592 1899"> <b>Complaint Information</b> </td> <td data-bbox="596 1682 1498 1899"> <p>Complaints related to risks, key terms, conditions or features of this product including:</p> <ul style="list-style-type: none"> <li>• The number of complaints</li> <li>• The nature and circumstances of the complaints</li> <li>• 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.</li> </ul> </td> </tr> <tr> <td data-bbox="384 1906 592 2033"> <b>Significant Dealings</b> </td> <td data-bbox="596 1906 1498 2033"> <p>If a distributor becomes aware a significant dealing; in the product or the distributor conduct, that is not consistent with the target market determination, they must notify the issuer in writing as soon as practicable, and in any event within 10 business days after becoming aware.</p> </td> </tr> </table>	<b>Complaint Information</b>	<p>Complaints related to risks, key terms, conditions or features of this product including:</p> <ul style="list-style-type: none"> <li>• The number of complaints</li> <li>• The nature and circumstances of the complaints</li> <li>• 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.</li> </ul>	<b>Significant Dealings</b>	<p>If a distributor becomes aware a significant dealing; in the product or the distributor conduct, that is not consistent with the target market determination, they must notify the issuer in writing as soon as practicable, and in any event within 10 business days after becoming aware.</p>
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	<b>Other Information Requested by NAB</b>	Any other information requested in writing by NAB from time to time subject to: <ul style="list-style-type: none"><li>• The request being necessary to enable NAB to meet its legal and compliance obligations; and</li><li>• NAB providing at least 30 days prior notice before the end of the Reporting Period.</li></ul>
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