

TARGET MARKET DETERMINATION

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| Product Name | Foreign Currency Term Deposit |
| Start Date | 5 October 2021 |
| Description | An interest-bearing term deposit denominated in a major foreign currency, which enables individuals and organisations trading internationally to deposit funds for a maximum term of six months at competitive foreign currency interest rates. |
| Target Market | <p>Objectives, financial situation and needs of the Target Market</p> <ul style="list-style-type: none"> • Ideal for those who do not require instant access to their funds. • For conservative, risk averse, high net worth individuals who want to enjoy a relatively high return on their funds without taking too much risk. • Ideal for individuals who will be travelling and want to hold their money in a certain currency whilst the exchange rate is favorable, or who will be transferring funds to their overseas account before they depart. <p>Eligibility criteria for the product</p> <ul style="list-style-type: none"> • Any Individuals or business customers. • Successful completion of applicable Arab Bank Australia Limited (ABAL) identification check requirements. <p>Key features of the product</p> <ul style="list-style-type: none"> • Terms available from one month to six months. • Available in 4 currencies; US Dollars, Swiss Francs, Euros and British Pounds • No fees or charges on the account. • An interest adjustment may apply to customers who withdraw before maturity; the adjustment applied will depend on the percentage of the original term elapsed and will also apply to any accrued interest. • Interest is calculated and accrued daily on the whole of the term deposit balance. • Interest is credited to the account at the end of the term. • The interest rate will be fixed and apply from the date of acceptance of the deposit by us, up to the maturity date of the deposit. Our standard published rates applicable on any day may be obtained by contacting any of our branches or by visiting our website at www.arabbank.com.au. • On maturity you may choose to have interest paid as follows: <ul style="list-style-type: none"> – Re-invested with Term Deposit balance for a new Term Deposit; – Paid to your nominated Arab Bank Australia Limited transactional account held by you; or – Withdrawn. • For terms deposits of AUD \$500,000 or more, the interest rate payable may be negotiated between the Bank and the customer at the end of the tenure. <p>Why the product is likely to be consistent with the likely objectives, financial situation and needs of the target market</p> <ul style="list-style-type: none"> • This product aligns with the needs and objectives of the defined target market by providing a relatively short-term source of interest income for individuals or businesses who hold foreign currency in Australia. • The target market has been identified as individuals or businesses who are wanting to enjoy a relatively good return on their funds without taking too much risk. • The target market includes individuals who will be travelling soon and who are wanting to secure a favourable exchange rate in the lead up to their travels. Given the tenure and fixed-interest features, this product meets the needs of this segment. |

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| Distribution Conditions | <p>Distribution Conditions for the product</p> <p>The distribution of this product is subject to the following conditions and restrictions:</p> <ul style="list-style-type: none"> • ABAL staff that distribute this product must meet ABAL's minimum qualification requirement and hence must possess the following: <ul style="list-style-type: none"> - Tier 2 General Advice Deposit Products • This product cannot be distributed through third parties • The product can only be distributed to retail customers in accordance with ABAL's product and process requirements • This product can be distributed <ul style="list-style-type: none"> - In branch. <p>ABAL views that these conditions are appropriate and are of a nature that the distribution of the product will likely be consistent with the target market as ABAL will have close oversight of how the product is promoted and distributed by staff who are sufficiently qualified.</p> |
| Review Triggers | <p>The TMD may no longer be considered appropriate and a review of this TMD must be undertaken by ABAL, if any of the below review triggers occur:</p> <ul style="list-style-type: none"> • A significant number of complaints received from customers who acquired the product, which relate to the customer's purchase or use of the product and which shows that the TMD may no longer be appropriate for the product • A material incident or significant number of incidents which relates to customer's purchase or use of the product and which shows that the TMD may no longer be appropriate for the product • A significant dealing of this product to customers who are outside the Target Market • The receipt of a product intervention power order note from ASIC requiring ABAL to immediately cease retail product distribution conduct in respect of the product • Any other event or circumstance that ABAL views would materially change a factor considered in making the TMD |
| First Review Date | 5 October 2023 |
| Review Period (ongoing) | <ul style="list-style-type: none"> • Reviews to be conducted at least every two years • Reviews to be conducted, if necessary, as prompted by a Review Trigger (mentioned above) |
| Review Trigger Information Requirements | This product is not distributed by third parties; therefore, review trigger information reporting requirements are not applicable to this product. |