

# Target Market Determination



## HSBC Term Deposits

Date: 4 October 2024



HSBC

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# Product Description (including Key Attributes)

The HSBC Term Deposit Account is an account where funds are invested for a specified term and at a fixed interest rate.

## The key attributes of the product are:

- fixed rate of interest
  - no access to funds during the fixed term, unless you provide 31 days' advance notice of withdrawal prior to maturity, or we determine you are in hardship
  - a variety of terms (minimum term of 1 month)
  - interest paid monthly, quarterly, annually or at maturity depending on the term
  - Australian Dollars (AUD) and other foreign currencies: United States Dollars (USD), Great Britain Pound (GBP), Euro (EUR), Hong Kong Dollars (HKD), Canadian Dollars (CAD), Japanese Yen (JPY), New Zealand Dollars (NZD), Singapore Dollars (SGD), and Chinese Renminbi\* (CNY) (\*currency restrictions apply).
  - minimum balance of \$5,000 AUD (or foreign currency equivalent)
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## Target Market

The target market for the Term Deposit account is customers who have the following likely objectives, needs and financial situation.

### Likely objectives

Customers with **any one or more** of the following likely short term and long term objectives:

- to earn interest on their savings for a set period of time;
- to grow their money

### Likely needs

Customers with **any one or more** of the following short and medium term needs:

- certainty of returns they will receive
- ability to choose the period of time that they lock their funds away
- to supplement their income by receiving interest payments
- ability to hold their savings in Australian Dollars (AUD) or in a foreign currency
- ability to view their account and manage their maturity preferences electronically, over the phone or at a branch

### Likely financial situation

- are 18 years of age or over
- have a lump sum of money of at least \$5,000 AUD (or foreign currency equivalent) which the customer does not require access to for a period of time
- are able to wait 31 days' in the event they need to withdraw their funds prior to maturity

### Explanation

The product and its key attributes is likely to be consistent with the likely objectives, financial situation and needs of customers in the target market because:

- the product pays an agreed rate of interest for the period of time chosen by the customer, in exchange for not accessing their funds during that agreed period of time
  - the product gives customers the ability to save in 10 currency options and be paid interest at a variety of frequencies
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# Distribution Conditions

This product can only be distributed directly by HSBC Bank Australia Limited or through certain third parties.

## Direct Channel Conditions

This product is distributed through the following direct channels:

- face-to-face in an HSBC branch
- over the phone via the Contact Centre
- Online Banking (for existing customers)

and where all marketing identifies the product or product type and refers customers to the channels above.

## Third Party Channel Conditions

This product is distributed through the following third party channels:

- comparison websites – only those with whom HSBC has an agreement, where factual information about the key attributes of the product are hosted together with a link to the HSBC public website, and no additional marketing is conducted

## Explanation

The distribution conditions make it more likely that the consumers who acquire the product are in the target market because:

- the direct channels are proprietary channels and HSBC Bank Australia Limited has control over the distribution and marketing of products within these channels
- the third party channels are strictly controlled through the agreement

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# Review Triggers

If, in the view of HSBC, any of the following occurs

- where there is significant dealing outside the target market
- where there is a significant number of complaints in relation to the product
- where there is a material change to the product features or the terms and conditions of the product
- where a significant number of customers break their term deposit prior to maturity
- distribution conditions have, in HSBC's view, been found to be inadequate

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# Review Periods

Unless a review trigger occurs:

- next review completed by: 4 October 2025
  - maximum period between reviews: 12 months
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# Distribution Information Reporting Requirements

Distributor	Type of information	Frequency	Reporting period
Comparison websites	Information on all complaints received in relation to the product, HSBC or the distributor	Quarterly	within 10 business days of the end of the quarter

## Disclaimer

For more information about HSBC savings and term deposit accounts, visit [hsbc.com.au](https://www.hsbc.com.au)