



Finance
with a
mission

LLL Australia

Target Market Determination (TMD) Term Deposit

Product	LLL Term Deposit
Issuer	Lutheran Laypeople's League of Australia ABN 25 044 678 441 AFSL 329339
Date of TMD	25 July 2023
Target Market	<p>Description of target market</p> <p>The target market for LLL's Term Deposit product includes the following groups of retail clients and includes accounts held jointly by these persons:</p> <ul style="list-style-type: none"> • individuals (including individuals acting in their capacity as trustee); • businesses (including corporate trustees); and • self-managed super funds. <p>Each customer within the target market will also be a person involved in an approved project of a Lutheran Church of Australia (LCA) entity or who wish to support the charitable purposes of the LLL and for whom the consideration of profit may not be of primary relevance.</p> <p>In summary, the LLL Term Deposit product is designed for those persons listed above who have the following objectives, needs and financial situation:</p> <ul style="list-style-type: none"> • an <i>objective</i> of depositing funds for a fixed term to earn interest on the deposit amount for the purpose of capital growth; • the person does not have a <i>need</i> to access the money for the relevant fixed term, but may need to access funds following the expiry of the fixed term; • the person's <i>financial situation</i> is such that they have sufficient money to deposit the minimum deposit or more for a fixed term. <p>Description of product, including key attributes</p> <p>Key attributes of the LLL Term Deposit which may affect whether the product is consistent with the likely objectives, financial situation and needs of persons in the target market are:</p> <p><u>Key Features:</u></p> <ul style="list-style-type: none"> • The LLL Term Deposit allows LLL customers to deposit funds with LLL for a fixed term to generate interest on their deposit amount. Simultaneously, the deposit provided will be used by LLL to assist and support the missional intent of LLL. • A fixed interest rate is payable on the Term Deposit which accrues on the Term Deposit balance. • The LLL Term Deposit can be opened for minors and can be established as a trust account. • Access to the LLL Term Deposit is through LLL Internet Banking, including via the LLL App on a compatible mobile device, in person at an LLL office.

Key Attributes:

- LLL Term Deposits are designed for depositors who wish to support the charitable purposes of the LLL and for whom the consideration of profit may not be of primary relevance.
- A minimum deposit of \$10,000 is required to open a Term Deposit.

Key Terms:

- Funds are deposited for an agreed term, with interest payable at maturity.
- There are no fees or charges associated with the establishment and operation of the Term Deposit.
- Withdrawals from the Term Deposit can be made at maturity. Early withdrawals of the entire balance can be made by providing 31 days' notice.
- A grace period of 7 days applies from the maturity date of the Term Deposit. During the grace period you may withdraw funds from the term deposit without incurring any reduction in the interest rate. Alternatively, you can transfer additional funds into your term deposit.
- If no withdrawal is made at maturity, the deposit will be automatically reinvested for a further fixed term.
- Early withdrawal will result in a reduction of interest payable on the withdrawn funds.

Description of likely objectives, financial situation and needs of consumers in the target market

This product is designed for consumers in a wide range of income and savings levels; employment statuses; ages and life stages, provided that the relevant consumer has the following likely objectives, financial situation and needs:

Likely objectives:

- are seeking to assist and support the missional intent of LLL;
- are seeking a fixed interest rate on their savings that will accrue over a pre-determined period;
- are working towards achieving a financial goal that is commensurate with the interest rate returns and agreed time period which apply at the relevant time the Term Deposit is acquired;

Likely needs:

- have sufficient liquidity such that they will not require their deposit to be withdrawn prior to maturity;

	<p><u>Likely financial situation:</u></p> <ul style="list-style-type: none"> • are able to deposit the entire opening balance, being at least \$10,000, at the outset of the deposit period. <p><i>Classes of consumers for whom the product is unsuitable</i></p> <p>This product is not designed for:</p> <ul style="list-style-type: none"> • consumers who do not wish to support the charitable purposes of the LLL and for whom the consideration of profit is of primary relevance; • persons seeking an everyday account where they can conduct unlimited transactions; • persons with a lower or no income who cannot afford to meet the minimum deposit amount or limited access to funds for a fixed term; • persons who do not have at least \$10,000 available to deposit and/or may require the right to immediately withdraw the amount at any time; • persons seeking a more aggressive investment strategy where higher returns in a shorter period of time are possible. <p><i>Explanation of why the product is likely to be consistent with the likely objectives, financial situation and needs of consumers in the target market</i></p> <p>We consider this product to be suitable for the persons in the defined target market, as the product provides these persons with a low risk investment product which offers consumers the ability to earn interest on funds while simultaneously supporting the Lutheran Church of Australia. This is on the basis that the product offers a higher interest rate than what would typically be available in an everyday savings or basic bank account and that the Term Deposit does not incur any fees or charges.</p>
<p>Distribution Conditions</p>	<p><i>Distribution conditions</i></p> <p><u>Exclusions/eligibility:</u></p> <ul style="list-style-type: none"> • The LLL Term Deposit product can only be distributed to: <ul style="list-style-type: none"> ○ customers who hold an LLL Savings account. ○ consumers who wish to support the charitable purposes of the LLL and for whom the consideration of profit may not be of primary relevance <p><u>Channels:</u></p> <ul style="list-style-type: none"> • The LLL Term Deposit can only be distributed through the following channels: <ul style="list-style-type: none"> ○ Online via the LLL website; ○ In person at the LLL office.

	<p><u>Processes</u></p> <ul style="list-style-type: none"> • The following conditions apply to sales, marketing and promotion processes: <ul style="list-style-type: none"> ○ Targeted advertising to eligible customers. ○ Any other relevant processes which are relevant to distribution. <p><i>Why the distribution conditions and restrictions will make it more likely that the consumers who acquire the product are in the target market</i></p> <p>The limited distribution channels, sales and marketing processes mean that the Term Deposit product is directed towards the Lutheran Church community and enables self-selection by those persons who consider they meet the likely objectives, needs and financial situation of the target market.</p>
<p>Review Triggers</p>	<p>The review triggers that would reasonably suggest that the TMD is no longer appropriate include:</p> <ul style="list-style-type: none"> • A high number of customers or significant increase in customers, beyond expected levels, seek to withdraw funds prior to the maturity date. • A significant number of complaints is received from customers in relation to their purchase or use of the product; • A material change to the product or the terms and conditions of the product occurs. • A material change in law or its application occurs (including a change in relevant industry codes, an AFCA determination, court decision, ASIC or other regulatory guidance) which materially affects the product. • A significant dealing of the product to consumers outside the target market occurs. • Another event or circumstance occurs which reasonably suggests the TMD is no longer appropriate.
<p>Review Periods</p>	<p><i>Next review date:</i> 25 July 2024</p> <p><i>Periodic reviews:</i> Every 12 months after the initial review and each subsequent review</p>