



# Target Market Determination

## Forward Foreign Exchange Contracts

This document is the Target Market Determination (**TMD**) for customers wishing to enter into:

- a forward foreign exchange contract (for settlement on a specific date or period more than two business days after the purchase date to a maximum of 365 days) (**Forward FX Contract**);

with Mega ICBC.

A Target Market Determination (**TMD**) is a written document that:

- describes the class of customers that make up the target market for the Mega ICBC Forward Foreign Exchange Contract (**Target Market**);
- specifies any conditions and restrictions on the distribution of the product (**Distribution Conditions**); and
- sets out the events or circumstances where we are required to review the TMD (**Review Triggers**).

We are required to have a TMD by law. This TMD is not a recommendation to enter into a *Mega ICBC Foreign Exchange Contract* nor does it replace our terms and conditions or other disclosure documents that we may provide to a customer.

Product Type	Forward Foreign Exchange Contracts
Issuer (Mega ICBC, the Bank, we, us, our)	Mega International Commercial Bank Co., Ltd. ARBN 079 372 688
AFSL / Australian Credit License Number	247346
Date TMD approved	26 August 2025
TMD Version	2025.1
Review Periods	At least every third anniversary of the date of this TMD
Next Review Date	Before 1 August 2028

## Target Market Description

Product description and key attributes	<p>The <i>Mega ICBC Forward Foreign Exchange Contracts</i> enable clients with a foreign currency exposure to manage the risk associated with adverse foreign exchange fluctuations.</p> <p><i>Mega ICBC Forward Foreign Exchange Contracts</i> enable customers to have certainty of an exchange rate for settlements occurring in more than two business days time.</p> <p><i>Mega ICBC Forward Foreign Exchange Contracts</i> are available in respect of a range of currency pairs and are traded 'over-the-counter', which means that the customer can determine:</p>
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	<ul style="list-style-type: none"> <li>the currency pair;</li> <li>the contract amount; and</li> <li>the exact settlement date.</li> </ul> <p><i>Mega ICBC Forward Foreign Exchange Contracts</i> may be:</p> <ul style="list-style-type: none"> <li>closed out early; or</li> <li>rolled over (extended) for a genuine purpose;</li> </ul> <p>upon payment of the applicable margin (calculated by reference to the differences in the interest rates in the countries of the two relevant countries).</p> <p><i>Mega ICBC Forward Foreign Exchange Contracts</i> are only available to customers with another product offered by the Bank (either in Australia or globally). The product is not available to clients wishing to speculate on FX markets (ie customers must be able to demonstrate a genuine underlying purpose for the transaction). Individual clients must be over the age of 18 years.</p> <p>Customers must satisfy Mega ICBC's credit requirements for forward foreign exchange contracts and have the ability to settle the transaction on the 'settlement date'.</p> <p>The fees and charges associated with <i>Mega ICBC Forward Foreign Exchange Contracts</i> are set out in the Product Disclosure Statement.</p>
Customers for whom the product is likely to be suitable ( <b>Target Market</b> )	<p>The Bank expects that most customers in its Target Market will have a connection with Taiwan (the Taiwanese community in Australia or Chinese or other Asian communities).</p> <p>Examples of the types of situations in which customers may use Mega ICBC Forward Foreign Exchange Contracts include situations where the client:</p> <ul style="list-style-type: none"> <li>is an importer or an exporter wishing to manage their FX risk;</li> <li>has loan amortisations in a foreign currency or the planned sale or purchase of an asset priced in foreign currency; or</li> <li>has profits generated in Australia which need to be sent back to their head office overseas or repatriating overseas profits or interest generated overseas in a foreign currency back to Australia.</li> </ul> <p><u>Objectives of customers in the Target Market</u></p> <p><i>Mega ICBC Forward Foreign Exchange Contracts</i> are likely to meet the objectives of clients wishing to hedge their exposure in a foreign currency (eg importers and exports wishing to protect against future fluctuations in the exchange rate and lock in certainty of future cash flows).;</p> <p><u>Needs of customers in the Target Market</u></p> <p><i>Mega ICBC Forward Foreign Exchange Contracts</i> will suit customers who expect a future need to exchange one currency for another and who want the protection of locking in that exchange rate now at an agreed value.</p>
Ineligible consumers	<p><i>Mega ICBC Forward Foreign Exchange Contracts</i> will not be appropriate for customers who:</p>

	<ul style="list-style-type: none"> <li>• are completing a foreign exchange transaction with settlement in less than 3 business days;</li> <li>• are under 18 years old;</li> <li>• wish to enter into a forward foreign exchange contract for speculative purposes; or</li> <li>• who are unfamiliar with foreign currency markets or who require 'personal advice' about their foreign exchange needs.</li> </ul>
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The Bank has reviewed the *Mega ICBC Forward Foreign Exchange Contract*, including its key attributes, and considers that it is appropriate to satisfy the objectives and needs of consumers in the Target Market because:

- each contract is customised to suit the particular customer's exact specifications (due to the fact that contracts are traded 'over-the-counter'); and
- to the extent that a customer does not have an obvious connection with Taiwan or the Taiwanese community in Australia, the Bank undertakes additional due diligence on the customer in order to understand why the customer wants to trade foreign exchange through us.

## Distribution Conditions

Conditions and restrictions on distribution of the product	<p>The Bank distributes <i>Mega ICBC Forward Foreign Exchange Contract</i> itself. We do not use third party distributors.</p> <p>Therefore, <i>Mega ICBC Forward Foreign Exchange Contracts</i> are available only to customers who call or visit one of our branch offices.</p>
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The Bank considers that its Distribution Conditions are appropriate and likely to result in the product being distributed to the Target Market, because *Mega ICBC Forward Foreign Exchange Contracts* are distributed only through the Bank's employees who:

- are well supervised by the Bank; and
- are appropriately trained.

## Review Triggers

Review Trigger	<p>The Bank will review this TMD in the following circumstances.</p> <ul style="list-style-type: none"> <li>• In our periodic reviews;</li> <li>• if we receive a significant number of complaints in relation to the product;</li> <li>• if we identify a material adverse customer experience in relation to product appropriateness;</li> <li>• there is a material change to the product's key attributes or the manner of distribution;</li> <li>• there is a pattern of 'significant dealings' in the product which are inconsistent with the Target Market;</li> <li>• ASIC orders that the distribution of the product cease, or ASIC or AFCA raise concerns about the design and distribution of the product; or</li> <li>• any other event or circumstance that the Bank considers that it is appropriate for the TMD to be reviewed.</li> </ul>
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## Review Trigger Reporting Requirements

The following reporting information is collected and reviewed by the Bank in respect of this product:

Product complaint data	Information relating to complaints received about the product or the distribution of the product, including: <ul style="list-style-type: none"><li>• number of complaints,</li><li>• the third party's name;</li><li>• the product name; and</li><li>• the exact details of the complaint.</li></ul>	Quarterly within 10 business days of the end of each March, June, September and December.
Significant dealings	Any customer outside the Target Market who acquires the product	As soon as practicable but no later than 10 business days after the becoming aware of the significant dealing.
Feedback	Any feedback received about the product.	As soon as possible, but no later than within one month of receiving the feedback

## Record Keeping

The Bank will keep records of the reasonable steps they have taken to ensure that this product is sold in a manner consistent with this TMD.

We will also keep complete and accurate records of

- all versions of the TMD for this product; and
- our decisions, and the reasons for those decisions about:
  - the determination of the TMD for this product;
  - the identification and tracking of review triggers;
  - the setting of review periods, and
  - all other the matters documented in this TMD.