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Version 1.1

Target Market Determination

Personal Loans

1. Introduction

About this document

This Target Market Determination [TMD] is a document of Traditional Credit Union Limited (TCU) [we, us, our].

This TMD seeks to give our members, staff and other interested parties an understanding of the class of consumers for whom the product described has been designed, how the product is distributed, and related matters.

This TMD is not, and should not be construed as, a full summary of the product's Terms and Conditions. Nor is it a substitute for the provision of financial advice.

When deciding about the product, consumers should refer to the product's Terms and Conditions.

Effective date of this Target Market Determination

This TMD is effective from: 5 October 2021.

2. Class of consumers comprising the product's target market

Below we summarise the class of consumers comprising the target market for the product based on the product's key attributes and the consumer objectives, financial situations, and needs the product has been designed to meet.

Class of consumers

The product has been designed for consumers who reside in Remote Aboriginal communities and include people who have the financial capacity to pay fees, interest and repayments of principal as and when such amounts become payable and due.

Product description, key attributes, and eligibility criteria

The product is suitable for personal customers who may require a credit facility for any personal purpose and do not wish to provide security.

The product's key attributes are:

- Fixed interest rate
- No security required
- Maximum loan amount of \$5000
- Maximum term of loan 24 months
- No monthly service fee
- Establishment fee payable

The product eligibility criteria are:

- Individuals who are TCU members
- Show a regular savings pattern
- Has an income credited to their TCU account

Objectives, financial situations, needs

The product has been designed for individuals who:

- Are seeking flexibility to make extra repayments without incurring a fee.
- Meet TCU's credit assessment requirements; regular income.
- Need funds to cover a large purchase.

Explanation

The consumers in the target market are largely welfare dependent, have low levels of financial literacy, low levels of digital literacy, low levels of formal education, struggle with understanding any language that is not the language spoken in the community and prefer face to face dealings with Indigenous people that are part of the local community.

3. Distribution of the product

Distribution channels

The product is designed to be distributed through the following means:

- in-branch

Distribution conditions and restrictions

The distribution of the product is subject to the following conditions and restrictions:

- Only distributed through TCU
- ensuring that distribution through branches is by appropriately trained staff
- ensuring that retail clients meet the eligibility requirements for the product

4. Reporting by distributors of the product

We will monitor distribution of the product and collect the following distribution information reports:

Type of Information	Description	Reporting Period
Significant dealing(s)	Date or date range of the significant dealing(s) and description of the significant dealing (eg, why it is not consistent with the TMD)	As soon as practicable, and in any case within 10 business days after becoming aware
Complaints	Number of complaints	Every 3 months

5. Reviewing this Target Market Determination

Initial review

We will undertake an initial review of this TMD within 2 years of the effective date (see section 1).

Periodic review

We will undertake periodic reviews of this TMD at least every 2 years from the initial review.

Last reviewed on: 4 October 2023.

Review triggers or events

We will also undertake a review of this TMD in the following circumstances:

- If we make a material change to the design or distribution of the product
- If a significant inconsistent dealing in the product occurs
- If complaints are received in regard to this TMD
- If ASIC raises concerns about the product's design or distribution
- If the Australian Financial Complaints Authority or a Court raise concerns about the product's design or distribution
- If the product's design or distribution receive adverse media coverage
- If any other event or circumstance occurs indicating that this TMD may no longer be appropriate.

Where a review trigger or event occurs, we will review this TMD within 10 business days.