

## Target Market Determination (TMD)

### Fixed Rate Unsecured Personal Loan

#### Unsecured Fixed Rate Personal Loan

Effective date: 04/08/2023

Product: 304

#### Key product attributes

- Interest rate type: Fixed rate.
- Minimum loan amount: \$5,000.00
- Maximum loan amount: \$100,000.00
- Loan term: 1 - 7 years.
- Fees payable: Establishment fee and Monthly Maintenance fee. Details of other possible fees and charges that may become applicable during the course of the loan are available upon enquiry.
- Fees not payable: Redraw fee, additional repayment or early repayment fees.
- Repayment type: Principal and interest.
- Repayment frequency: Weekly, fortnightly or monthly.
- Features: Redraw, additional repayments and early repayments permitted.
- Security: Security not required.
- LVR: Not applicable.

#### Target market

Members who want funds to meet any personal needs or to consolidate debt and want the certainty of fixed repayments while having the flexibility to make additional repayments and redraw funds as required.

This product is designed for members who:

- Are the age of 18 years old or older and meet the bank's credit assessment requirements.
- Need finance for a purchase, debt consolidation or for predominantly personal, household, or domestic purposes.
- Want the ability to make additional repayments or to repay their loan early without additional charges or penalties.

This product is not suitable for members who:

- Do not meet the eligibility requirements including loan purpose, the ability to service the financial obligations of the loan, or their financial needs would not be met by taking out this product.
- Are seeking an interest rate that moves in line with market.

#### Likely objectives, needs and financial situation

- Members seeking to purchase goods or services, satisfy any other personal needs or consolidate debt.

- Requires a fixed interest rate consumer loan (and associated features) to help finance the member's objective.
- Has a regular income to support the loan repayments.

### Distribution of this product

This product is designed to be distributed by:

- Visiting a P&N branch in person, calling the P&N Bank Contact Centre on 13 25 77 or via the P&N Bank website at [pnbank.com.au](http://pnbank.com.au).
- Product and rate comparison websites.

This product will only be distributed by the appropriately trained and authorised P&N Bank representatives. These representatives will apply distribution conditions which include ensuring that customers fall within the TMD, meet the eligibility and servicing requirements for the loan and that the product is not unsuitable for their needs.

### Distribution obligation

**The following information must be provided to P&N Bank (Police & Nurses Limited) by distributors who engage in retail product distribution conduct in relation to this product:**

Accredited P&N Bank staff who are required to:

- follow an approved conversation framework and direct members towards the most suitable product to meet their objectives, needs and financial requirements.
- understand and be able to discuss the features, benefits, rates, and any applicable fees associated with the selected product and the key differences between lending products.
- provide details of any application for this product that may be considered inconsistent with this TMD. Police & Nurses Limited, Products department and Assessors must be notified as soon as practical and within **10 business days** of staff becoming aware of any inconsistencies in the sale of this product with this TMD. Failure to provide details of dealings considered inconsistent with this TMD may lead to this product being removed from sale.

Applications and discussions are monitored through controls such as sample call monitoring and application reviews to identify errors and ensure compliance with P&N Bank's distribution processes.

### Online Channels (P&N Bank website; rate and comparison websites)

- the P&N Bank website provides members with information and tools about this product, including the interest rates, any applicable fees or charges, and repayment calculators as well as a summary of the key features and benefits of the product.
- enquiries lodged via the P&N Bank website may be directed to accredited P&N Bank staff.
- Rate and comparison websites provide members with an overview of rates and products available. Members may select a series of click through links that will direct them to P&N Bank's website where they can request a call from one of our accredited staff.

### Accredited aggregators and brokers

If P&N Bank permits this product to be distributed through approved aggregators and their authorised brokers, who

have been fully approved by P&N Bank, P&N Bank also requires that aggregators responsible for third party brokers involved in the distribution of this product:

- comply with the agreement in place with P&N Bank and must ensure compliance by their authorised brokers with:
  - P&N Bank mortgage broking requirements; and
  - their legal obligation to act in the best interest of their client when providing assistance.
- provide information relating to complaints, including the number of complaints, third party name and verbatim details of the complaint and their significance, on a quarterly basis in a format acceptable to P&N Bank.
- report any significant dealings with this product that may be considered inconsistent with this TMD. P&N Bank must be notified as soon as practical and within **10 business days** of becoming aware of any inconsistencies. Failure to provide details of dealings considered inconsistent with this TMD may lead to this product being withdrawn from sale by P&N Bank.
- provide any other information reasonably requested by the issuer.

### **Distribution appropriateness**

These distribution conditions are designed to ensure that all channels submit detailed applications that capture and record the members objectives, needs and financial situation through the sales process and lead to the recommendation of this product as the most suitable for members according to the key attributes of the product listed and described in this determination.

These obligations are also considered appropriate as the target market is wide and the issuer has distributed this product using these methods, with limited risk to members.

### **Reviewing this document**

This TMD will be reviewed within 1 year from the effective date and every 1 year after the initial review and each subsequent review to ensure it remains appropriate.

We will also review this document should any review triggers occur that would reasonably suggest that the TMD is no longer appropriate. The occurrence of any one of the following trigger events will result in an immediate review of this TMD:

- a dealing of the product to members, made through any distribution channel, that is not consistent with this target market determination occurs and results in a significant material impact to a member or material impact to numerous members.
- material changes to the product or the terms and conditions of the product occurs which would cause the TMD to no longer be appropriate.
- material changes to the regulatory environment.

A quarterly review will be conducted of the following trigger events to determine if the account performance, usage, or complaint information indicates that a review of this TMD is required.

These triggers include:

- a material and/or unexpected increase in the volume, nature and/or significance of complaints is received in any quarter from members in relation to their purchase or use of the product that reasonably suggests that the TMD is no

longer appropriate.

- changes to the overall product performance, as determined by the issuer, that suggests that the product is no longer appropriate to the target market, including but not limited to:
  - an increase in the number of defaults;
  - an unexpected change in the sales volumes in any or all of the distribution channels;
  - a material change in the volumes of product refinances or product switches; or
  - an unexpected increase in associated fee income.
- feedback received from any of the distribution channels for this product.