



| | | |
|------------------------------------|--|-----------------------------|
| Target Market Determination | Product Name: Personal Overdraft | Product Code: 153 |
|------------------------------------|--|-----------------------------|

Product Description: An unsecured personal overdraft facility which enables Members to draw funds to cover short term financial needs from an Everyday Access or Offset account up to a pre- determined credit limit.

Date Published: 15 September 2023

Version: V2.0

Effective From: 18 September 2023

Issuer Details: **Defence Bank Limited**
ABN 57 087 651 385 AFSL/Australian Credit Licence 234582
PO Box 14537
Melbourne VIC 8001

1. Target Market

Details

This product is designed for members who:

- * Are seeking a continuing credit facility to make purchases, pay bills and to manager their cash-flow needs
- * Are aged 18 years or more and meet credit assessment criteria for the product.
- * Are seeking a relatively low credit limit to cover temporary and short-term fluctuations in cash flow.

2. Key Attributes

Key Attribute Details

- * Credit limits of between \$500.00 and \$50,000.00
- * A variable interest rate – interest is calculated on the unpaid daily balance and debited at the end of each month to ensure that you only pay interest only on the money you use.
- * No monthly or annual fees (transaction fees may apply)
- * Security is not required
- * Monthly statements detailing important information you need to stay on top of your account. They show a list of your transactions so you know what you've spent and can easily identify any unknown or unauthorised purchases
- * Minimum monthly repayments of \$20.00 or 5.00% of the closing balance of each statement of account whichever is the greater, plus overlimit or past due amounts
- * Visa debit card access with 24/7 transaction monitoring and fraud protection
- * Internet banking access 24/7
- * Mobile app access 24/7
- * Repayment Options – You can make repayments via payroll deduction, automatic transfer, direct deposit/entry, NPP/OSKO, and online or mobile banking. Repayments can be made weekly, fortnightly or monthly.

3. Distribution Conditions and Restrictions

Details

This overdraft is distributed by Defence Bank through the following channels:

- * Branches
- * Call Centre.
- * Online.

Distribution conditions for this product include:

- * Ensuring that retail clients meet credit assessment and eligibility requirements for the product.
- * Ensuring that distribution through branches, mobile lenders and call centres is by appropriately trained staff.
- * Ensuring applications received Online are processed by appropriately trained staff.

4. Review Triggers

| Details | Required data points | Threshold |
|---|--|--|
| The review triggers that would reasonably suggest that the TMD is no longer appropriate include: | | |
| A significant number of complaints is received from customers in relation to their purchase or use of the product that reasonably suggests that the TMD is no longer appropriate; | Complaints reporting | Three complaints per quarter in favour of the member |
| A material change to the product or the terms and conditions of the product occurs which would cause the TMD to no longer be appropriate | Notification of proposed material change/s to key product design, key attributes and or fees | As material changes are made. |
| A significant dealing of the product to consumers outside the target market occurs; | Product reporting | 10% of members |

5. Review Frequencies

Initial Review

30 Aug 2022

Subsequent Reviews

Every 2 years

6. Distributor Information

| Information type | Details | Reporting period |
|---|---|-------------------------|
| The following information must be reviewed in relation to distribution of this product: | | |
| Significant dealings | Date or date range of significant dealing/s and description of the significant dealing/s (for example why the dealing is not consistent with the TMD) | As soon as practicable |
| Complaints | Number of Complaints | Quarterly |
| Sales outside the target market | The number and \$value of sales | Quarterly |
| Sales inside the target market | The number and \$value of sales | Quarterly |