

## Target Market Determination

<b>Product</b>	<b>Continuing Credit - Personal Overdraft</b>
<b>Issuer</b>	The Capricornian Ltd ABN/ACN 54 087 650 940 Australian Financial Service Licence / Australian Credit Licence 246780
<b>Date of TMD</b>	3 January 2023
<b>Target Market</b>	<p><b>Description of target market</b></p> <p>Retail clients who:</p> <ul style="list-style-type: none"> <li>• Reside in Australia;</li> <li>• Are aged 18 years or more and meet the credit assessment criteria for the product;</li> <li>• Are seeking a continuing credit facility to make purchases, pay bills and to manage their cashflow needs (permanent personal overdraft);</li> <li>• Are seeking a relatively low credit limit to cover temporary and short-term fluctuations in cashflow (temporary personal overdraft); and</li> <li>• Is currently or wishes to become a shareholding member of The Capricornian Ltd.</li> </ul> <p><b>Description of product, including key attributes</b></p> <p>This is a Personal Overdraft. The key attributes are:</p> <ul style="list-style-type: none"> <li>• Varying credit limits available starting from \$100</li> <li>• Variable interest rate</li> <li>• Temporary or Permanent facilities available</li> <li>• Monthly Overdraft Service Fee</li> <li>• Establishment fee applicable</li> <li>• Annual loan review</li> <li>• No minimum repayments applicable, however facility must be maintained within its limit after the interest is charged</li> <li>• Internet Banking access</li> <li>• Banking App access</li> <li>• Telephone Banking access</li> <li>• Direct Credit, Periodical Payments, Payroll Allocations or Online Deposits</li> <li>• Apple Pay</li> <li>• Google Pay</li> </ul>

	<ul style="list-style-type: none"> <li>• Withdrawals at any time, for any amount up to the facility limit (subject to maximum access limits outlined within The Capricornian Ltd's Conditions of Use)</li> <li>• Continuing credit facility</li> </ul> <p><b>Classes of consumers for whom the product is clearly unsuitable</b></p> <p>This product is not suitable for retail clients who:</p> <ul style="list-style-type: none"> <li>• Need the certainty of a fixed interest rate and fixed repayments;</li> <li>• Need a loan facility that actively decreases the loan (amortising loan);</li> <li>• Are under the age of 18 years;</li> <li>• Do not meet the credit assessment criteria for the product; or</li> <li>• Do not wish to become a shareholding member of The Capricornian Ltd.</li> </ul>
<p><b>Distribution Conditions</b></p>	<p><b>Distribution conditions</b></p> <p>This product is distributed by the issuer through the following channels:</p> <ul style="list-style-type: none"> <li>• Branches</li> <li>• Mobile Lenders</li> <li>• Call Centre</li> <li>• Online (contact referral generation)</li> </ul> <p><b>Distribution conditions for this product include:</b></p> <ul style="list-style-type: none"> <li>• Ensuring that clients meet the eligibility conditions for the product</li> <li>• Ensuring that distribution through Branches, Mobile Lenders and Call Centre is by appropriately authorised and trained staff</li> <li>• Online application - Form submission only</li> </ul> <p>There are no other distributors for this product.</p>
<p><b>Review Triggers</b></p>	<p>The review triggers that would reasonably suggest that the TMD is no longer appropriate include:</p> <ul style="list-style-type: none"> <li>• A significant dealing of the product to consumers outside the target market occurs;</li> <li>• 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; or</li> <li>• 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.</li> </ul> <p>The <i>Product Governance Framework</i> includes regular consideration of whether there has been a review trigger following each distribution information report. That consideration is by reference to paragraphs 154 to 156 of RG 274.</p>
<p><b>Review Periods</b></p>	<p><b>First review date:</b> 30 June 2023</p> <p><b>Periodic reviews:</b> After initial review, subsequent reviews are on an annual basis.</p>

**Distribution  
Information  
Reporting  
Requirements**

The Capricornian Ltd's Personal Overdrafts are not distributed by Third Parties. The Capricornian Ltd as the issuer and distributor of the this product will ensure that the following information is regularly monitored, reviewed and reported in relation to distribution conduct for this product:

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
Sales outside the target market	Number of sales \$ value of sales	Every 3 months
Sales inside the target market	Number of sales \$ value of sales	Every 3 months