

Target Market Determination

Product	Personal Loan - Partially Secured Personal Loan
Issuer	<p>The Capricornian Ltd trading as The Capricornian Bank ABN/ACN 54 087 650 940 Australian Financial Service Licence / Australian Credit Licence 246780</p>
Date of TMD	19 February 2026
Target Market	<p>Description of target market</p> <p>Retail clients who:</p> <ul style="list-style-type: none"> • Are an Australian resident; Are aged 18 years or more and meet the credit assessment criteria for the product; • Are seeking a loan for a worthwhile purpose including to make a purchase or to consolidate an existing debt; • Are able and willing to offer acceptable security to secure a lower interest rate; • Need the flexibility to make additional repayments and a contractual right to redraw advance repayments as required; • Are wanting a competitive rate that moves with market changes; and • Is currently or wishes to become a shareholding member of The Capricornian Bank. <p>Description of product, including key attributes</p> <p>This is a secured variable rate personal loan. The key attributes are:</p> <ul style="list-style-type: none"> • Security up to 7 years old • Loan amounts between \$3,000 and \$200,000 • Loan terms of up to 5 years • Variable interest rate • Acceptable security. • Repayment frequency can be weekly, fortnightly and monthly • The ability to make additional repayments • Redraw facility • Free redraws • No penalty for extra payments or early payouts • No monthly loan fees (establishment fee applicable)

	<ul style="list-style-type: none"> • Internet Banking access • Banking App access • Direct Credits, Periodical Payments, Payroll Allocations or Online Deposits <p>Classes of consumers for whom the product is clearly unsuitable</p> <p>This product is not suitable for retail clients who:</p> <ul style="list-style-type: none"> • Are without capacity (without appropriate representation) to be bound by contract. • Are unable or unwilling to offer acceptable security for the loan, so as to secure a lower interest rate. • Need the certainty of a fixed interest rate and fixed repayments for the term of the loan. • Are under the age of 18 years; • Do not meet the credit assessment criteria for the product; or • Do not wish to become a shareholding member of The Capricornian Bank.
<p>Distribution Conditions</p>	<p>Distribution conditions</p> <p>This product is distributed by the issuer through the following channels:</p> <ul style="list-style-type: none"> • Branches • Mobile Lenders • Call Centre • The Capricornian Broker Network relationships <p>Distribution conditions for this product include:</p> <ul style="list-style-type: none"> • Ensuring that clients meet the eligibility conditions for the product <p>Ensuring that distribution through Branches, Mobile Lenders and Call Centre Brokers is by appropriately authorised and trained staff. There are no other distributors for this product.</p>
<p>Review Triggers</p>	<p>The review triggers that would reasonably suggest that the TMD is no longer appropriate are:</p> <ul style="list-style-type: none"> • A significant dealing of the product to retail clients outside the target market occurs. • 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 • 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.

	<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>Review Periods</p>	<p>First review date: 16 June 2023</p> <p>Periodic reviews: After initial review, subsequent reviews are on an annual basis.</p>															
<p>Distribution Information Reporting Requirements</p>	<p>Distribution of the Partially Secured Personal Loan can be provided through all channels which include, in branch, online, by phone or through our broker network relationship and will be undertaken by accredited lending staff. Marketing of the Partially Secured Personal Loan may include website and other media channels such as online, radio, TV, print and paper articles.</p> <p>The Capricornian Bank as the issuer and distributor of this product will ensure that the following information is regularly monitored, reviewed and reported in relation to distribution conduct for this product.</p> <table border="1" data-bbox="443 1025 1437 1816"> <thead> <tr> <th data-bbox="443 1025 807 1088">Type of information</th> <th data-bbox="807 1025 1123 1088">Description</th> <th data-bbox="1123 1025 1437 1088">Reporting period</th> </tr> </thead> <tbody> <tr> <td data-bbox="443 1088 807 1473">Significant dealing(s)</td> <td data-bbox="807 1088 1123 1473">Date or date range of the significant dealing(s) and description of the significant dealing (e.g., why it is not consistent with the TMD)</td> <td data-bbox="1123 1088 1437 1473">As soon as practicable, and in any case within 10 business days after becoming aware</td> </tr> <tr> <td data-bbox="443 1473 807 1581">Complaints</td> <td data-bbox="807 1473 1123 1581">Number of complaints</td> <td data-bbox="1123 1473 1437 1581">Annually</td> </tr> <tr> <td data-bbox="443 1581 807 1697">Sales outside the target market</td> <td data-bbox="807 1581 1123 1697">Number of sales</td> <td data-bbox="1123 1581 1437 1697">Annually</td> </tr> <tr> <td data-bbox="443 1697 807 1816">Sales inside the target market</td> <td data-bbox="807 1697 1123 1816">Number of sales</td> <td data-bbox="1123 1697 1437 1816">Annually</td> </tr> </tbody> </table>	Type of information	Description	Reporting period	Significant dealing(s)	Date or date range of the significant dealing(s) and description of the significant dealing (e.g., 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	Annually	Sales outside the target market	Number of sales	Annually	Sales inside the target market	Number of sales	Annually
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Date	Version	Nature/Purpose of Review/Amendment	Reviewer
10/01/2025	V1.01	Review	Senior Manager Credit Risk & Compliance
18/02/2025	V1.02	Review – remove online access old products	Executive Assistant
05/06/2025	V1.03	Review – Increase Maximum DLA	Product & CDR Officer
19/02/2026	V1.04	Bank Transformation Additional Changes	Product & CDR Officer
09/06/2026	V1.05	Adjustment from Quarterly Reviews to Annual Reviews & Removal of \$ of Sales Reporting	Product & CDR Officer