

Target Market Determination

Product	Personal Loan - Unsecured Personal Loan
Issuer	The Capricornian Ltd trading as The Capricornian Bank ABN/ACN 54 087 650 940 Australian Financial Service Licence / Australian Credit Licence 246780
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 unable or unwilling to offer security for the loan, even though that means a higher interest rate will apply; • 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 an unsecured variable rate personal loan. The key attributes are:</p> <ul style="list-style-type: none"> • Loan amounts between \$3,000 and \$30,000 • Loan terms of up to 5 years • Variable interest rate • Repayment frequency can be weekly, fortnightly and monthly • The ability to make additional repayments • Redraw facility • Free redraws • No need to provide security for the loan • No penalty for extra payments or early payouts • No monthly loan fees (establishment fee applicable) • 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; • Borrowers who require a loan less than \$3,000; • Are able and willing to offer 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 • Ensuring that distribution through Branches, Mobile Lenders and Call Centre and Brokers is by appropriately authorised and trained staff. There are no other distributors for this product.
<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 members 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: 30 June 2025</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 Unsecured 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 Unsecured 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="440 927 1437 1720"> <thead> <tr> <th data-bbox="440 927 807 987">Type of information</th> <th data-bbox="807 927 1123 987">Description</th> <th data-bbox="1123 927 1437 987">Reporting period</th> </tr> </thead> <tbody> <tr> <td data-bbox="440 987 807 1370">Significant dealing(s)</td> <td data-bbox="807 987 1123 1370">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 987 1437 1370">As soon as practicable, and in any case within 10 business days after becoming aware</td> </tr> <tr> <td data-bbox="440 1370 807 1480">Complaints</td> <td data-bbox="807 1370 1123 1480">Number of complaints</td> <td data-bbox="1123 1370 1437 1480">Annually</td> </tr> <tr> <td data-bbox="440 1480 807 1599">Sales outside the target market</td> <td data-bbox="807 1480 1123 1599">Number of sales</td> <td data-bbox="1123 1480 1437 1599">Annually</td> </tr> <tr> <td data-bbox="440 1599 807 1720">Sales inside the target market</td> <td data-bbox="807 1599 1123 1720">Number of sales</td> <td data-bbox="1123 1599 1437 1720">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
02/07/2025	V1.03	Annual Periodic Review	Product & CDR Officer
1/09/2025	V1.04	Correction to Formatting	Product & CDR Officer
19/02/2026	V1.05	Bank Transformation Additional Changes	Product & CDR Officer
09/06/2026	V1.06	Adjustment from Quarterly Reviews to Annual Reviews & Removal of \$ of Sales Reporting	Product & CDR Officer