

## Target Market Determination

<b>Product</b>	<b>Bank Account 24 Month Term Deposit</b>  <b>Interest Paid Monthly</b>
<b>Issuer</b>	The Capricornian Ltd trading as The Capricornian Bank  ABN/ACN 54 087 650 940  Australian Financial Service Licence / Australian Credit Licence 246780
<b>Date of TMD</b>	30 June 2025
<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>• Need an account offering higher returns if that means restrictions on access to the funds;</li> <li>• Need a certainty of a fixed rate of interest on their savings;</li> <li>• Do not intend to withdraw funds prior to maturity of the deposit;</li> <li>• Need regular monthly income even if that means a lower rate of interest</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 term deposit, and the key features of this product are:</p> <ul style="list-style-type: none"> <li>• Fixed interest rates for the selected term</li> <li>• Minimum deposits \$5,000</li> <li>• 24-month term</li> <li>• Interest calculated daily</li> <li>• Interest paid monthly</li> <li>• Monthly interest option will incur a 0.20% reduction of interest paid at maturity rates</li> <li>• Automatic roll over available</li> <li>• No notice withdrawal - the penalty applied to an early redemption of a Fixed Term Deposit is up to 30 day's worth of interest on the redeeming portion of the deposit.</li> </ul>

	<p><b>Classes of consumers for whom the product is clearly unsuitable</b></p> <ul style="list-style-type: none"> <li>• Are without capacity (without appropriate representation)</li> <li>• Who need flexible access to their funds;</li> <li>• Wish to have the interest accumulated for the month, paid directly back into the Term Deposit before the maturity date</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>• Call Centre</li> </ul> <p><b>Distribution conditions for this product include:</b></p> <ul style="list-style-type: none"> <li>• Ensuring that retail clients meet the eligibility requirements for the product</li> <li>• Ensuring that distribution through branches, and call centres is by appropriately trained staff</li> </ul> <p>There are no other distributors for this product.</p>
<p><b>Review Triggers</b></p>	<p><b>The review triggers that would reasonably suggest that the TMD is no longer appropriate include:</b></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 members 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 Product Governance Framework 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> Within twelve (12) months of the effective date.</p> <p><b>Periodic reviews:</b> After initial review, subsequent reviews are on an annual basis</p>

**Distribution Reporting Requirements**

The Capricornian Ltd's Term Deposits are not distributed by Third Parties. The Capricornian Ltd 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:

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

Date	Version	Nature/Purpose of Review/Amendment	Reviewer
30/06/2025	V1.01	Annual Review	Product & CDR Officer
11/05/2026	V1.02	Adjustment to Unsuitability	Product & CDR Officer
09/06/2026	V1.03	Adjustment from Quarterly Reviews to Annual Reviews & Removal of \$ of Sales Reporting	Product & CDR Officer