

# Target Market Determination

## Continuing credit

<b>Product</b>	Overdraft - unsecured
<b>Issuer</b>	Community First Credit Union Limited ABN 80087649938 AFSL/Australian credit licence 231204
<b>Date of TMD</b>	21 September 2021
<b>Target Market</b>	<p><b><i>Description of target market</i></b></p> <p>Retail clients who:</p> <ul style="list-style-type: none"> <li>• are seeking a continuing credit facility on their eligible transaction account to make purchases, pay bills, to manage their cashflow needs, or cover them in the event of a shortfall in funds</li> <li>• are aged 18 years or more and meet the credit assessment criteria for the product</li> <li>• are seeking a relatively low credit limit to cover temporary and short-term fluctuations in cashflow</li> </ul> <p><b><i>Description of product, including key attributes</i></b></p> <p>This is an unsecured personal overdraft. The key attributes are:</p> <ul style="list-style-type: none"> <li>• credit limits up to \$15,000</li> <li>• variable interest rate</li> <li>• monthly fee for limit of \$1,000 or more</li> <li>• security not required</li> <li>• monthly statements</li> <li>• minimum monthly repayments of 3% or \$20 (whichever is greater)</li> <li>• internet banking</li> <li>• banking app</li> <li>• telephone banking</li> <li>• can be linked to an eligible transaction account</li> <li>• monthly fee</li> </ul> <p>other fees and charges may apply. Refer to the current fees and charges schedule</p>
<b>Distribution Conditions</b>	<p><b><i>Distribution conditions</i></b></p> <p>This product is distributed by the issuer through the following channels:</p> <ul style="list-style-type: none"> <li>• Stores</li> <li>• Mobile lenders</li> <li>• Call centre</li> </ul>

- Online
- Third party introducer

Distribution conditions for this product include:

- ensuring that retail clients meet the eligibility requirements for the product
- ensuring that distribution is by appropriately trained staff

There are no other distributors for this product.

**Review Triggers**

The review triggers that would reasonably suggest that the TMD is no longer appropriate are:

- A significant dealing of the product to consumers 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;
- 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;
- Material changes to fees or rates of interest
- Overdraft facility has not been used in 12 month period
- 20% or more owe >95% of the limit for a prolonged period of 12 months

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.

**Review Periods**

**First review date:** 5 October 2022

**Periodic reviews:** every 2 years after the initial and each subsequent review.

**Distribution Information Reporting Requirements**

The following information must be provided to Community First Credit Union by distributors who engage in retail product distribution conduct in relation to this product:

Type of information	Description	Reporting period
Complaints	Number of complaints	As soon as practicable, and in

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)	any case within 10 business days after becoming aware
Sales <b>outside</b> the target market	Number of sales \$ value of sales	