

## Target Market Determination – Personal Overdraft/Line of Credit

<b>Product</b>	Personal Overdraft/Line of Credit
<b>Issuer</b>	South West Credit (SWC) ABN 44 087 651 705 AFSL/ACL 241258
<b>Date of TMD</b>	This TMD is effective 5 <sup>th</sup> October 2021
	<p>This TMD is not, and should not be construed as a full summary of the products Terms and Conditions. Nor is it a substitute for the provision of financial advice.</p> <p>When deciding about the product, consumers should refer to the products Terms and Conditions and other promotional material available.</p>
<b>Target Market</b>	<p><b>Description of target market</b></p> <p>Retail clients who:</p> <ul style="list-style-type: none"> <li>• are seeking a continuing credit facility to make purchases, pay bills and to manage their cashflow needs</li> <li>• are aged 18 years or more and meet the credit assessment criteria for the product</li> </ul> <p><b>Unsecured Personal Overdraft</b></p> <ul style="list-style-type: none"> <li>• are seeking a relatively low credit limit to cover temporary and short-term fluctuations in cashflow</li> </ul> <p><b>Secured Personal Overdraft</b></p> <ul style="list-style-type: none"> <li>• are seeking an Overdraft over \$5,000 and are willing and able to offer a security against the Overdraft</li> </ul> <p><b>Secured Line of Credit</b></p> <ul style="list-style-type: none"> <li>• are seeking a relatively high credit limit to cover large and persistent fluctuations in cashflow</li> <li>• are willing and able to offer a first registered mortgage over real property as security for the loan</li> </ul> <p><b>Description of product, including key attributes</b></p> <p><b>This is an Unsecured Personal Overdraft.</b> The key attributes are:</p> <ul style="list-style-type: none"> <li>• variable interest rate</li> <li>• limit under \$5000</li> <li>• must be an income earner</li> <li>• an establishment fee and review fee will apply</li> <li>• monthly statements</li> <li>• minimum monthly repayments on average 3% of outstanding</li> <li>• card access</li> <li>• internet banking/mobile banking/banking app</li> <li>• personal cheques</li> <li>• auto repayments allowed</li> <li>• Visa Value Overdraft</li> <li>• interest is calculated daily and charged monthly</li> </ul> <p><b>This is a Secured Personal Overdraft.</b> The key attributes are:</p> <ul style="list-style-type: none"> <li>• variable interest rate</li> </ul>

- limit over \$5000
- must be an income earner
- an establishment fee and review fee will apply
- overdraft setup costs may apply
- monthly statements
- minimum monthly repayments on average 3% of outstanding
- card access
- internet banking/mobile banking/banking app
- personal cheques
- auto repayments allowed
- if a Visa Value Secured Overdraft - can be included in a Loan Package
- interest is calculated daily and charged monthly

**This is a Secured Line of Credit.** The key attributes are:

- variable interest rate
- an establishment fee and annual fee will apply
- loan setup costs may apply
- monthly fee applies to line of credit
- security will be required
- monthly statements
- minimum monthly repayments of \$20 or 5% of closing balance
- repayments are to be made within 25 days of the closing date of each statement of account
- card access
- internet banking/mobile banking/banking app
- personal cheques
- auto repayments allowed
- interest is calculated daily and charged monthly

***Description of likely objectives, financial situation and needs of consumers in the target market***

This product is designed for consumers who require an:

**Unsecured Personal Overdraft:**

- Likely objectives: Customers seeking extra cash owing to irregular income, who meet the assessment criteria
- Likely financial situation: Customers earning an income but require spending flexibility
- Likely needs: to meet cash flow needs above their transaction account balance on a periodic basis

**Secured Personal Overdraft:**

- Likely objectives: Customers seeking extra cash over \$5000 who meet the assessment criteria
- Likely financial situation: Customers who have a regular income and are able to provide security against the overdraft
- Likely needs: to meet cash flow needs above their transaction account balance on a periodic basis.

	<p><b>Secured Line of Credit:</b></p> <ul style="list-style-type: none"> <li>• Likely objectives: Customers who require access to additional funds for unexpected expenses</li> <li>• Likely financial situation: Customers who have a regular income and are able to provide a residential property as security</li> <li>• Likely needs: Customers who wish to drawdown additional funds at call to meet varying needs when required</li> </ul> <p><b><i>Classes of consumers for whom the product is clearly unsuitable</i></b></p> <p><b>Unsecured Personal Overdraft:</b> Consumers who are looking for a high overdraft limit and a lower interest rate for repayments</p> <p><b>Secured Personal Overdraft:</b> Consumers who cannot offer a Security against the overdraft</p> <p><b>Secured Line of Credit:</b> Consumers who do not have a residential property to offer as security and do not meet the eligibility requirements for the product.</p> <p><b><i>Explanation of why the product is likely to be consistent with the likely objectives, financial situation and needs of consumers in the target market</i></b></p> <p><b>Unsecured Personal Overdraft:</b> The product is consistent with the needs and objectives of customers who are seeking additional funds above their transaction account balance for cash flow purposes.</p> <p><b>Secured Personal Overdraft:</b> The product is consistent with the needs and objectives of customers who wish to withdraw additional funds at call to meet unexpected expenses or purchases.</p> <p><b>Secured Line of Credit:</b> This product is consistent with the needs and objectives of customers who wish to withdraw additional funds at call to meet unexpected expenses or purchases.</p>
<p><b>Distribution Conditions</b></p>	<p><b><i>Distribution conditions</i></b></p> <p>This loan is distributed by the issuer through the following channels:</p> <ul style="list-style-type: none"> <li>• In branch</li> <li>• By telephone</li> <li>• website</li> </ul> <p>Distribution conditions for this product include:</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 branch, telephone and website is by appropriately trained staff wo ensure that customers meet the eligibility requirements for the loans.</li> </ul> <p>There are no other distributors for this product</p> <p><b><i>Why the distribution conditions and restrictions will make it more likely that the consumers who acquire the product are in the target market</i></b></p> <p>The distribution conditions and restrictions will likely achieve this objective by reaching a broad range of eligible consumers in the target market via the noted distribution channels and eligibility requirements will be enforced in each distribution channel to ensure that only eligible customers can acquire the products</p>

<b>Review Triggers</b>	<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</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>																		
<b>Review Periods</b>	<p><b>First review date:</b> SWC will undertake a review of this TMD within 1 year of the effective date</p> <p><b>Periodic reviews:</b> SWC will undertake a periodic review of this TMD at least every 2 years from the initial review and each subsequent review</p>																		
<b>Distribution Information Reporting Requirements</b>	<p>The following information must be provided to South West Credit by distributors who engage in retail product distribution conduct in relation to this product:</p> <table border="1" data-bbox="432 1025 1430 1816"> <thead> <tr> <th data-bbox="432 1025 798 1081">Type of information</th> <th data-bbox="798 1025 1110 1081">Description</th> <th data-bbox="1110 1025 1430 1081">Reporting period</th> </tr> </thead> <tbody> <tr> <td data-bbox="432 1081 798 1402">Significant dealing(s)</td> <td data-bbox="798 1081 1110 1402">Date or date range of the significant dealing(s) and description of the significant dealing (eg, why it is not consistent with the TMD)</td> <td data-bbox="1110 1081 1430 1402">As soon as practicable, and in any case within 10 business days after becoming aware</td> </tr> <tr> <td data-bbox="432 1402 798 1525">Complaints</td> <td data-bbox="798 1402 1110 1525">Number and substance of complaints, including nil complaints</td> <td data-bbox="1110 1402 1430 1525">Every quarter</td> </tr> <tr> <td data-bbox="432 1525 798 1626">Sales <b>outside</b> the target market</td> <td data-bbox="798 1525 1110 1626">Number of sales \$ value of sales</td> <td data-bbox="1110 1525 1430 1626">Every quarter</td> </tr> <tr> <td data-bbox="432 1626 798 1727">Sales <b>inside</b> the target market</td> <td data-bbox="798 1626 1110 1727">Number of sales \$ value of sales</td> <td data-bbox="1110 1626 1430 1727">Every quarter</td> </tr> <tr> <td data-bbox="432 1727 798 1816">Product Performance</td> <td data-bbox="798 1727 1110 1816">Description of positive and negative feedback</td> <td data-bbox="1110 1727 1430 1816">Half yearly</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 (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 and substance of complaints, including nil complaints	Every quarter	Sales <b>outside</b> the target market	Number of sales \$ value of sales	Every quarter	Sales <b>inside</b> the target market	Number of sales \$ value of sales	Every quarter	Product Performance	Description of positive and negative feedback	Half yearly
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<b>Availability of this TMD</b>	<p>This TMD is available to the public free of charge</p>																		