

Target Market Determination (TMD)

For Value+ Credit Card

Effective from 5 October 2021

About this document

This TMD applies to the Value+ Credit Card issued by Newcastle Permanent Building Society (ACN 087 651 992, AFSL/Australian Credit Licence 238273) **(the Issuer)**.

The purpose of this TMD is to describe who a product is appropriate for (the target market), and any conditions around how the product can be distributed to customers.

This TMD is not intended to provide any financial product advice, and does not take into account any individual customer's objectives, financial situation or needs. Examples used in this TMD are illustrative only, and are not intended to be exhaustive.

This TMD does not replace the Terms and Conditions applicable to this product. Before deciding to acquire a product from Newcastle Permanent, you should consider the relevant Terms and Conditions, which are available from newcastlepermanent.com.au/terms-and-conditions, at any branch or by calling 13 19 87.

Who is this product suitable for?

The Value+ Credit Card is designed for customers to use responsibly to purchase goods or services via credit, to manage cash flow or for convenience when shopping online, and is targeted at customers who:

- Seek a basic credit card with a low interest rate
- Seek low fees
- Can demonstrate their ability to repay any purchase amount, fees or interest incurred, up to a specified credit limit
- Seeking the security offered by a Visa's Zero Liability program and worldwide access
- May be interested in up to 55 days interest free

The Value+ Credit Card requires customers to be:

- Aged 18 years or older
- Earning at least \$20,000 per annum
- An Australian citizen or resident

This product is likely to be consistent with the objectives, financial situation and needs of the class of consumers in the target market. This is based on an assessment of the key terms, features and attributes of the product and a determination that these are consistent with the identified class of consumers.

The Value+ Credit Card is generally not suitable for customers who:

- Seek a rewards program
- Seek to earn frequent flyer points
- Seek any other premium credit card features, such as travel insurance
- Wish to use it for business purposes

Customers who experience any of the below may not qualify for the Value+ Credit Card:

- Financial difficulty
- Poor credit rating
- Unemployment
- Bankruptcy

How is this product distributed?

This product is designed to be distributed through:

- Newcastle Permanent representatives (in person, via phone or video conferencing)
- Newcastle Permanent Website (to apply online)
- Newcastle Permanent Financial Planners when providing personal advice.

What conditions or restrictions are there on the distribution of this product?

This product is designed to be distributed by Newcastle Permanent's internally accredited staff members who are aware of the product and its attributes, or through the Newcastle Permanent website where a customer can apply online.

Distribution of this product by staff is to follow from a conversation with the customer on their banking needs, and whether these appear to be met by the product's key attributes. In addition, the application questions collect customer financial details and the customer must provide proof of income.

Customers applying directly on the website will be presented with a summary of the purpose of the product and what needs it is designed to meet, before they proceed. They are also required to declare they have read the applicable Terms & Conditions.

Potential customers may also be referred to the website via links from third-party comparison websites that Newcastle Permanent has partnered with. These customers are able to apply for the product in the same manner as described above (i.e. no different distribution conditions apply).

Newcastle Permanent has assessed the distribution conditions and restrictions will make it likely customers acquiring the product are in the target market. Newcastle Permanent has considered the distribution conditions and restrictions are appropriate and will facilitate distribution of the product to be directed towards the class of customer for whom the product has been designed.

What monitoring will be undertaken on this product?

This product is not distributed by any entity other than Newcastle Permanent.

This product will be subject to internal reporting and monitoring on:

- Sales performance and TMD adherence on a monthly basis,
- Customer complaints and remediation, on a monthly basis,
- Staff feedback, either ad hoc or via internal forums and surveys,
- Product portfolio and performance measures such as account closure patterns, on a monthly and quarterly basis, and,
- Incidents, on a monthly basis

How will Newcastle Permanent review this document?

Newcastle Permanent will review this document at a minimum of once every two years from the effective date to ensure it remains appropriate, or earlier as required or if other circumstances occur which trigger the need to review the TMD.

The specific review triggers (events that reasonably suggest the TMD may no longer be appropriate) for the Value+ Credit Card that may result in an earlier review of the TMD are:

- Any distribution or sales activity, outside the TMD or to ineligible customers, that meets the definition of a significant dealing,
- A material change in the nature and number of customer complaints and underlying complaint trends,
- Regulatory change that materially impacts the manufacture or sale of this product, and
- Material customer remediation events and incidents in relation to this product.