

# Target Market Determination (TMD)

## Transaction Accounts



<b>Product</b>	Beans Savings Account (S4) – Basic Account
<b>Issuer</b>	Police Credit Union Ltd ABN/ACN 30 087 651 205 AFSL/Australian Credit Licence 238991
<b>Effective Date</b>	4 October 2021
<b>Last Review Date</b>	15 June 2023
<b>Target Market</b>	<p><b><i>Description of target market</i></b></p> <p>The Beans Savings Account is a basic savings account designed for children under the age of 18 for the purpose of helping them develop good saving habits.</p> <p><b><i>Key product attributes</i></b></p> <ul style="list-style-type: none"><li>• <b>Fees Payable:</b> No transaction fees.</li><li>• <b>Transactions:</b> Fully featured savings account that provides full payment and withdrawal access to funds, however bonus interest will not be paid if withdrawals have occurred, or the minimum deposit has not been made during the month.</li><li>• <b>Easy transition:</b> When the customer turns 18, the Beans Savings Account can be easily transitioned into another Police Credit Union savings account for customers over 18.</li><li>• <b>Interest:</b> Higher interest rate than everyday transaction accounts.</li><li>• <b>Bonus interest:</b> A bonus rate of interest is paid for each calendar month in which there has been a minimum of \$10 deposited before we start our end of day transaction processing for your account on the last business day of the month and no withdrawals are made during the month. There is no bonus interest paid in the first month the account is opened.</li><li>• <b>Account balance:</b> No minimum account balance requirements and no minimum monthly deposits or withdrawals.</li><li>• <b>Access and Payment Methods:</b> Free access to your account through branch, phone, Online and mobile banking, including access to the following payment methods:<ul style="list-style-type: none"><li>○ Online Banking</li><li>○ Police Credit Union Banking App</li><li>○ Tele-Service</li></ul></li></ul>

- IVY Phone Banking
- Direct Credits
- BPAY®
- Periodic Payments
- In-branch withdrawals
- Restricted card and Online Banking access options are also available.

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

This product is designed for consumers who:

- **Likely objectives:** Are under 18 years old and are looking to open a savings account that encourages them to save and allows them to earn interest. Family members looking for a savings account for their children.
- **Likely financial situation:** Have savings or receive money from any type of employment.
- **Likely needs:** Are seeking an account which they can use to save and earn interest, whilst having the ability to make payments and withdraw funds through one or more of the payment methods offered by Police Credit Union.

***Classes of consumers for whom the product is unsuitable:***

- Customers who do not meet the eligibility criteria (i.e., over 18 years of age).

***Explanation of why the product is likely to be consistent with the likely objectives, financial situation and needs of customers in the target market***

The Beans Savings Account is a savings account for customers under 18 years of age, benefiting from a higher interest rate and no transaction fees, with unrestricted access to their funds and the ability to earn bonus interest if minimum deposit and no withdrawals are made. As such the Beans Savings Account is a low-risk account for customers who want to set up an account to help their children develop good savings habits, whilst having the ability to withdraw if required.

**Distribution  
Conditions and  
Restrictions**

***Distribution conditions***

**Distribution channels:** Beans Savings Accounts can only be issued or arranged to be issued by phone or in branch to ensure the product is only offered to eligible customers who complete the application process through channels that are subject to appropriate controls.

The Beans Savings Account is actively promoted to customers through:

- Media campaigns which include but are not limited to statements, press, TV, website, digital, radio and social media channels; and

- Promotion by Police Credit Union staff and through advertising collateral available at Police Credit Union branches.

**Process:** Beans Savings Accounts are only offered by Police Credit Union staff who have been accredited and trained to offer the product. Police Credit Union will make relevant enquiries to ensure the prospective customer meets the eligibility condition of being under the age of 18 and having savings or receiving money from any kind of employment. This will ensure that only customers within the target market will acquire the product and that the product will meet the objectives, financial situation and needs of customers.

## Review Triggers

The review triggers that would reasonably suggest that the TMD is no longer appropriate and would trigger a review of the TMD by Police Credit Union are:

- A significant dealing of the product to consumers outside the target market occurs.
- Material changes to the product such as:
  - Fees or rates of interest and/or the way in which these are incurred/earned.
  - Changes to withdrawal limits or transaction methods.
- Material change in law, relevant industry codes or regulatory guidance that impacts the product.
- An Australian Financial Complaints Authority (AFCA) determination, court decision or enforcement activity which suggests that the product does not meet the target market's objectives or need.
- A material increase beyond expected levels in complaints, or a material change in the nature of complaints or disputes relating to the product.
- Any other event occurs, or information is received that reasonably suggests the target market is no longer appropriate such as:
  - High numbers of account closures beyond expected levels within a set period
  - High numbers of consumers beyond expected levels switching to other accounts offered by the issuer
  - Withdrawal of an access channel(s)
  - Change to eligibility criteria.

## Review Periods

**Initial review date:** No later than 12 months from date the first determination is made.

**Periodic reviews:** Every one year after the initial and each subsequent review.