

# Target Market Determination (TMD) Transaction Accounts

**Product**

iSavings (S12) – Basic Account

**Issuer**

Police Credit Union Ltd ABN 30 087 651 205 | AFSL/Australian Credit Licence 238991

**Effective Date**

4 October 2021

**Last Review Date**

15 August 2024

**Target Market*****Description of target market***

The iSavings Account is a basic online savings account designed for customers who are seeking to save money and accrue interest on their savings at a rate of interest higher than other transaction accounts but also want to have access to their savings.

***Key product attributes***

- **Fees Payable:** No transaction fees.
- **Transactions:** Fully featured savings account that provides limited payment and withdrawal access to funds to encourage saving.
- **Interest:** Interest will accrue on any amounts over \$5000.00. Interest is calculated daily, tiered, and paid monthly.
- **Account balance:** No minimum account balance.
- **Access and Payment Methods:** Free access to your account through branch, phone, Online Banking, including access to the following payment methods:
  - Online Banking
  - Police Credit Union Banking App
  - Tele-Service
  - IVY Phone Banking
  - Direct Credits / Debits
  - BPAY®
  - Periodic Payments
  - In-branch withdrawals.

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

This product is designed for consumers who have the following:

- **Likely objectives:** are seeking an account for savings and want the ability to earn some interest on funds held in the account whilst maintaining limited access to funds.
- **Likely financial situation:** steady and reliable source of income with the ability to save minimum amounts.
- **Likely needs:** are seeking flexibility in the way funds can be accessed and payment methods.

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

- Customers who cannot maintain an account balance of at least \$5000.00.

### ***Distribution conditions***

**Distribution channels:** iSavings accounts can be opened online with Online Banking or it can be issued or arranged to be issued by phone, or in branch to eligible customers who complete the application process through channels that are subject to appropriate controls.

The iSavings 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:** iSavings 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 conditions. 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.

## **Distribution Conditions and Restrictions**

## **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 needs.
- 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 the date the first determination is made.

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