

Target Market Determination – Personal Loans – unsecured and fixed rate Green Loan

Product	NICU Green Loan (L77)
Issuer	Northern Inland Credit Union Limited ACN 36 087 422 AFSL and ACL 235022
TMD date	01.01.2024
Target Market	<p>Description of target market: retail clients who:</p> <ul style="list-style-type: none"> • Are aged 18 years or more and meet the credit assessment criteria for the product • Need the certainty of a fixed interest rate and fixed repayments for the term of the loan • Do not need the option of being able to make additional repayments without penalty • Are interested in green renovations or improvements to property which is held in their name. <p>Description of product, including key attributes: this is a NICU Green Loan - an unsecured fixed rate personal loan. The key attributes are:</p> <ul style="list-style-type: none"> • loan amounts between \$5,000 and \$25,000 • loan terms of up to 5 years • fixed interest rate • repayment frequency can be weekly/fortnightly/monthly • unable to make additional repayments above \$10,000 annually without incurring a break cost fee • unable to make redraws of advance payments • no need to provide security for the loan • Establishment fee is waived • Monthly account keeping fee is waived. <p>Classes of consumers for whom the product is clearly unsuitable: this product is not suitable for retail clients who:</p> <ul style="list-style-type: none"> • Need the flexibility to make additional repayments and to redraw advance repayments as required • Do not own their own property.
Distribution Conditions	<p>Distribution conditions: this product is distributed by the issuer through the following channels:</p> <ul style="list-style-type: none"> • NICU branches • NICU call centres • NICU's website • Canstar (including Rate City) website. <p>Distribution conditions for this product include:</p> <ul style="list-style-type: none"> • Ensuring that retail clients meet the eligibility requirements for the product • Ensuring that distribution through branches, call centres, and NICU website application, is by appropriately trained staff • Ensuring Canstar (including Rate City) website search parameters are in accordance with this TMD. <p>There are no other distributors for this product.</p>
Review Triggers	<p>The review triggers that would reasonably suggest that the TMD is no longer appropriate include:</p> <ul style="list-style-type: none"> • 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; • A significant number of account closures that reasonably suggest the TMD is no longer appropriate. <p>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.</p>
Review Periods	<p>First review date: 6 months after the effective date of the TMD first being issued, being 1 June 2024.</p> <p>Periodic reviews: subsequent periodic reviews every 2 years after the effective date of the TMD first being issued, commencing 1 June 2026.</p>

Distribution Information Reporting Requirements

The following information must be provided to NICU by distributors who engage in retail product distribution conduct in relation to this product:

Type of information	Description	Reporting period
Significant dealing(s)	Date range of the significant dealing(s) and description (eg, why it is not consistent with the TMD). Examination of the Membership and Accounts Activity Report for compliance with TMD: an occurrence of 10% or more per report of accounts opened is deemed a significant dealing contrary to the TMD and triggers a review of the TMD and distribution network.	As soon as practicable, and in any case within 10 business days after becoming aware. The Membership and Accounts Activity Report is examined by Compliance, within 10 days of the system generating the report. The procedure includes an examination of account eligibility which has been extended to encompass acquiring an account by a Member who is outside the TMD. Any cases of accounts for Members outside of the TMD is reported immediately to the Head of Compliance for correction. A significant dealing contrary to the TMD requires notification to the RMC immediately.
Complaints	3 complaints over a 3 month period specific to a product	Monthly. A summary of complaints is made monthly by Compliance to the RMC and the Board. A complaints register is maintained by Compliance for the purpose of completing the annual AFCA return.
Material changes to fees or rates	Material changes to fees or rates may affect suitability and match for objectives for TMD	Material changes to rates or fees which result in a product no longer being suitable may be caught by monitoring mechanisms for complaints and account closure (see above)
Account closure	Account closure by retail client	Where closure of the account occurs unrelated to the continuity of the Membership, and such closures amount to 10% or more of account closures overall during the month, a review is triggered.