



Target Market Determination

Secured Basic Personal Loan

Start date: 15 December 2021

Next review due: By 29 July 2022

Review period: At least every 36 months from the start date of this Target Market Determination

What is a Target Market Determination?

A Target Market Determination (TMD) describes the cohort of customers that the product is targeted at (the Target Market) and any conditions around how the product is distributed to customers (the Distribution Conditions).

It also describes the events or circumstances where we are required to review the Target Market Determination for a financial product (the Review Triggers).

Why does Bankwest need to have Target Market Determinations?

We're required to have Target Market Determinations under law. The purpose of the law is to make sure customers are at the centre of our approach when designing and distributing our financial products.

This document is not a substitute for the product's Terms and Conditions or other disclosure documents. When making a decision about this product, customers must refer to the relevant Product Disclosure Statement (PDS), Terms and Conditions, or other disclosure documents.

Target Market

The table below matches the Product Attributes to the Objectives and Needs of the Target Market for this Product. Bankwest has assessed that the Product - including its Key Attributes - are likely to be consistent with the Objectives and Needs of the Target Market.

Objectives and Needs	Product Attributes
<p>Require a loan for personal purposes including, but not limited to:</p> <ul style="list-style-type: none"> - purchase of a vehicle (e.g. car, motorcycle, motorhome); or - debt consolidation. 	<p>The loan can be used for any one or more of the listed purposes.</p>
<p>Require a loan for a fixed amount and term</p>	<p>The loan has a term typically between 3 – 7 years.</p> <p>The loan is typically between \$10,000 and \$100,000.</p>
<p>Require certainty of a fixed interest rate and repayments</p>	<p>The loan has a fixed interest rate, which means repayments remain fixed for the term of the loan.</p>
<p>Require an interest rate that is usually lower when compared to Bankwest's Unsecured Basic Personal Loan</p>	<p>The loan usually has a lower interest rate when compared to Bankwest's Unsecured Personal Loan.</p> <p>Eligible vehicle required as security.</p>
<p>The ability to make additional repayments</p>	<p>Additional repayments can be made (subject to conditions).</p> <p>An early repayment fee may apply if a customer pays the loan out early.</p>
<p>Access to redraw surplus funds</p>	<p>Ability to redraw surplus funds arising from repayment amounts made over and above the minimum required repayments (conditions apply).</p>

Financial Situation

The Financial Situation of the Target Market are customers that:

- meet Bankwest's credit assessment criteria which includes demonstrating the capacity to make the required repayments without substantial hardship; and
- can service a loan amount typically between \$10,000 and \$100,000.

Bankwest views that its processes in place, including assessing the customer's ability to service the loan, will mean that the product will likely be consistent with the Financial Situation of the Target Market.

Eligibility criteria for the Product

To hold this product customers will need to satisfy certain eligibility criteria and credit assessment requirements, including that each customer must:

- be an individual 18 years of age or older; and
- be living in Australia as an Australian citizen or Australian permanent resident (limited exceptions may apply subject to conditions); and
- provide an eligible vehicle as security.

Distribution Conditions

Bankwest will have oversight over how the product is promoted and issued. The product can only be distributed to customers in accordance with Bankwest's product and process requirements. All customers must satisfy Bankwest's credit assessment criteria which demonstrates the customer's capacity to make the required repayments. In addition, the below table identifies the distribution channels which the product can be sold through and sets out the conditions that apply to each channel. Bankwest views that the conditions specified are appropriate and are of a nature that it will be likely that the product will be distributed to the Target Market.

Distribution Channels	Conditions that make product distribution through the channel appropriate
Proprietary:	
Staff assisted channels (e.g. trained consultants, lenders, home lending specialists or private bankers)	<p>Bankwest staff that distribute this product:</p> <ul style="list-style-type: none"> - are appropriately trained to understand and discuss the benefits, rates and fees of the product and the key differences between

Distribution Channels	Conditions that make product distribution through the channel appropriate
	<p>products within the same class;</p> <ul style="list-style-type: none"> - must follow procedures that outline application eligibility and processes, including scripting; - have access to product resources such as comparison tools; and - are monitored through controls such as sample call/conversation monitoring or sampling applications for errors to ensure proprietary distribution adheres to procedures.
Online channels (e.g. Bankwest Website)	<p>Bankwest's website provides customers with access to the following:</p> <ul style="list-style-type: none"> - the ability to apply for the personal loan (with limited exceptions); - comparison tool that assists customers select the right personal loan product; and - information about the products with a summary of key benefits, rates/fees, in an easy to navigate format.
Third Party:	
Accredited third party brokers	<ul style="list-style-type: none"> - This product cannot be distributed through third parties.

Review Triggers

If any of the below review triggers occur, or if an event or circumstance has occurred that would reasonably suggest that the TMD may no longer be appropriate, Bankwest will undertake a review of this TMD.

Information Type	Description
Customer Outcomes	<p>Unexpected trends in customer outcomes which are significantly inconsistent with the intended product performance, including:</p> <ul style="list-style-type: none"> - customers who are terminating the loan early and paying the early repayment fee; and - customers in hardship arrangements.
Complaints	<p>Unexpected trends in complaints received from customers who acquired the product, which relate to the customer's purchase or use of the product, for example:</p> <ul style="list-style-type: none"> - distribution (e.g. misrepresentation or mis-selling from staff); - product suitability (e.g. sale of a secured personal loan to a customer who prefers an unsecured loan); and - product attributes (e.g. paying the early repayment fee).
Incident Data	<p>A material incident or significant number of incidents in relation to the product's design or distribution, identifying potential breaches of our legal or regulatory obligations.</p>
Changes to the Product	<p>The material alteration of the product or product Terms and Conditions (e.g. adding to, removing or changing a key product attribute; significant change to distribution channel and distribution strategy).</p>
Significant Dealings	<p>Any significant dealing of the product to customers who are outside of the Target Market.</p>
Notification from ASIC	<p>The receipt of a product intervention power order from ASIC requiring Bankwest to immediately cease retail product distribution conduct in respect of the product.</p>

Review Trigger Information Reporting Requirements

The following information must be provided to Bankwest by all third parties responsible for the retail product distribution conduct of this product in accordance with this TMD, within the required timeframes:

Information Type	Description	Time Frame for Reporting
Product complaints data	Information relating to complaints received including number of complaints, third party name, product name and complaint verbatim.	Quarterly and in any case no later than 10 business days from the end of the quarter.

Product Issuer: Bankwest, a division of Commonwealth Bank of Australia ABN 48 123 123 124 AFSL and Australian credit licence 234945