

# Target Market Determination.

# Business Visa Credit Card.

## 1. Introduction

### About this document

This Target Market Determination [TMD] is a document of **Hume Bank Limited, ABN: 85 051 868 556. AFSL and Australian Credit Licence No: 244248 [Hume Bank].**

This TMD seeks to give our customers, staff, product distributors, and other interested parties an understanding of the class of consumers for whom the product described has been designed, how the product is distributed, and related matters.

This TMD is not, and should not be construed as, a full summary of the product's Terms and Conditions. Nor is it a substitute for the provision of financial advice.

When deciding about the product, consumers should refer to the product's Terms and Conditions/Product Disclosure Statement [PDS].

### Product to which this Target Market Determination applies

This TMD applies to the Business Visa Credit Card [the product] referred to in the following, that can be found on our website [Product T&Cs page](#):

- Product Disclosure Statement
- Hume Business Visa Credit Card - Credit Fees and Charges
- Conditions of Use
- Business Credit Card Key Facts Sheet

### Effective date of this Target Market Determination

This TMD is effective from 30 August 2023.

## 2. Class of consumers comprising the product's target market

Below we summarise the class of consumers comprising the target market for the product based on the product's key attributes and the consumers' likely objectives, financial situations, and needs the product has been designed to meet.

### Class of consumers

The product has been designed for business customers who are seeking a credit card facility for business purposes that earns rewards points based on expenditure.

### Product description, key attributes, and eligibility criteria

The product is a credit card facility which provides credit for business related purchases and cash withdrawals and earns rewards points.

The product's key attributes are:

- Cash rewards based on expenditure
- The ability to make cash advances
- Lower Interest Option (Residentially Secured)
- Annual Fee Waiver (for spend of \$24,000 or more in previous year)
- Up to 55 Interest Free days (not applicable to cash advances)
- No fee for additional card holders
- Credit limits starting from \$5,000

The product's eligibility criteria are:

- Standard lending criteria applies
- Customers that operate a business

### **Associated products**

The other facilities included with the product and covered by this TMD:

- Direct debit – A non-cash payment facility used to make payment to third party merchants using funds held in the account.
- Electronic Payment – A non-cash payment facility used to make payment to another Hume Bank Account or an account at another financial institution.

### **Objectives, financial situations, needs**

The product has been designed for business customers who:

- Want a credit card to make purchases and conduct cash withdrawals
- Want to earn cash rewards based on expenditure

### **Explanation**

The Business Visa Credit Card is consistent with the likely objectives, financial situation and needs of customers in the target market, on the basis that the key attributes of the product listed in this determination directly address the objectives, financial situation and needs of customers in the target market as described in this determination.

### **Excluded class of consumers**

The product has NOT been designed for individuals who:

- Are not Business customers
- Do not meet standard lending criteria

## **3. Distribution of the product**

### **Distribution channels and conditions**

The product is designed to be distributed through the following means and subject to the following conditions:

#### Retail Product Distribution Conduct (other than Marketing and Promotions)

1. A distributor must only engage in retail product distribution conduct (other than marketing and promotions) through:
  - In person communications (including in branch and through mobile lenders);
  - Through the issuer's and other approved third-party digital platforms; and
  - Any other issuer approved communication channels (including telephone, email and social media).

This condition is appropriate as the issuer has distributed this product using these methods, with limited risk to customers.

2. A distributor must only engage in retail product distribution conduct (other than marketing and promotions) if it has identified the key difference between:
  - The product; and
  - Other credit products issued by the issuer.

This condition is appropriate as it requires a distributor to confirm that the customer is in the target market.

3. A distributor must only engage in retail product distribution conduct (other than marketing and promotions) if the customer is a business.

This condition is appropriate as it requires a distributor to confirm that the customer is in the target market.

#### Marketing and Promotions

1. A distributor must only market and promote the product through:
  - Advertising on television, radio, the internet (including social media), billboards and physical banners, brochures and other marketing material available to businesses;
  - In person recommendations to access marketing material (including in branch communications);
  - Any other issuer approved communication channels (including telephone, email and social media).

This condition is appropriate as the target market is limited to businesses, which may include body corporates and sole traders.

## **4. Reporting by distributors of the product**

This product is only distributed by Hume Bank.

## **5. Reviewing this Target Market Determination**

### **Initial review**

We will undertake an initial review of this TMD within 12 months of the effective date (see section 1).

### **Periodic review**

We will undertake periodic reviews of this TMD at least every 2 years from the initial review.

### **Review triggers or events**

We will also undertake a review of this TMD in the following circumstances:

- If we make a material change to the design or distribution of the product
- If a significant inconsistent dealing in the product occurs
- If complaints exceed a pre-determined level of tolerance
- If we detect the product has been sold to ineligible customers
- If we detect that current account owners/holders exceed predetermined tolerance of ineligibility.
- If ASIC raises concerns about the product's design or distribution
- If the Australian Financial Complaints Authority or a Court raise concerns about the product's design or distribution
- If the product's design or distribution receive adverse media coverage
- If any other event or circumstance occurs indicating that this TMD may no longer be appropriate.

Where a review trigger or event occurs, we will review this TMD within 10 business days.