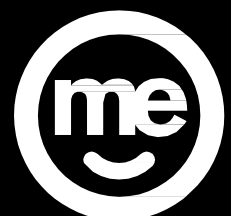

ME Frank Credit Card.

Target Market Determination
13 October 2023



ME Frank Credit Card – Target Market Determination.

Effective date: 13 October 2023

Prepared by ME Bank – a division of Bank of Queensland Limited ABN 32 009 656 740 AFSL and Australian Credit Licence Number 244616, the issuer of this product (**ME**).

This Target Market Determination (**TMD**) applies to the:

- Frank Credit Card

What is a Target Market Determination?

A TMD describes:

- the class of customers that comprise the target market for the product;
- any conditions or restrictions on how the product is distributed to retail customers; and
- events or circumstances where we will review the TMD for the product.

Why does ME need to make this TMD publicly available?

We are required to produce this TMD by law. The law is intended to help consumers obtain appropriate financial products by requiring issuers and distributors to have a consumer centric approach to the design and distribution of products.

This document is not a substitute for the product's terms and conditions or other disclosure documents. Customers must refer to these documents when making a decision about this product. These documents can be found on our website or you can obtain a copy upon request.

This TMD will undergo a periodic review as follows:

Effective date	Next review due	Review
13 October 2023	31 October 2025	At least two years from when this TMD was made and then every two years thereafter.

Target market.

The Frank Credit Card is designed for customers who require access to credit for personal use via a credit card with basic features, a low interest rate and with a minimum limit of \$1,000.

These customers are likely to have the following objectives, needs, financial situation and meet the eligibility criteria for this product.

Objectives.

The customer's likely objective is to have a credit card for personal use that can be used to borrow funds to make purchases or obtain cash advances.

Needs.

The customers within the Target Market require a credit card to make purchases or obtain a cash advance up to a credit limit and seek to defer repayment of such purchases and cash advances to meet their cashflow needs. They are seeking a credit card product with a lower interest rate and lower fees than a credit card with additional features such as complimentary insurance and rewards.

Financial situation.

This product is suited to customers who have a regular income and can meet the repayment obligations. They will also need to satisfy ME's credit assessment process.

Eligibility criteria for this product.

Customers must satisfy the following criteria to acquire this product:

- Be an Australian citizen or permanent resident or resident for tax purposes with an Australian residential address.
- Be aged 18 years or older.
- Have a good credit history.
- Employed and earning a regular and verifiable income of at least \$25,000 per year.

Customers outside target market.

This product is not designed for customers who are seeking:

- a credit limit less than \$1,000;
- a 0% p.a. promotional rate on balance transfers for a period;

Product description.

A low rate credit card for personal use that can be used by customers to borrow funds up to a pre-approved limit to make purchases of goods or services or obtain cash advances, with repayments due monthly.

Key attributes of this product.

Attributes of this product include:

- An interest-free period on purchases of up to 55 days, if customers pay their balance in full by the due date each month.
- No annual fees.
- One low variable interest rate that applies to balance transfers, purchases and cash advances.

Customers can access the following payments facilities:

- Credit card including via digital wallets, to make purchases and withdraw cash at ATMs in Australia and overseas.

- The ability to deposit/withdraw cash, make balance enquiries and cheque deposits via Bank@Post.

Periodic transaction limits apply to some of these facilities and are accessible via ME's Electronic Access Terms and Conditions.

Why the product is likely to be consistent with the likely objectives, needs and financial situation of the target market.

The product's attributes are designed to support the target market's objectives, needs and financial situation:

- The customer's need can be met by the low-rate and interest-free period which can assist the customer on achieving their objectives. Allowing customers to specify the credit limit they seek in the application form.
- Providing customers who wish to and have the financial ability to do so, to repay their account balance by the due date each month to minimise interest charges.
- Having lower fees and interest rate than cards which offer additional features such as rewards and complimentary insurance.

Distribution conditions.

Distribution by ME.

The Frank Credit Card can be applied for online via ME's website by completing a stand-alone online application for the Frank Credit Card or as part of a ME Home Loan application.

Information about the Frank Credit Card, including links to the current interest rates, terms and conditions and fees and charges are included on ME's website or are provided by ME staff during the application process. This ensures that prospective customers receive adequate information when applying for the product.

Distribution by third party distributors.

Mortgage brokers accredited by ME can refer customers to our online application channel, or as part of a home loan application assist the customer to apply for an optional Frank credit card.

The product may be distributed via other third party channels which include comparison sites. Conduct by such sites is usually limited to providing factual information about the product, and in some instances:

- providing a link to ME's product page on our website where further information about the product can be accessed; or
- passing on contact details of a prospective customer to ME.

Where any conduct by a third party amounts to distribution conduct, they must comply with this target market determination.

Why the distribution conditions will make it likely that the consumers who acquire the product are in the target market.

ME considers that the distribution conditions and restrictions support ME's assessment that the product will likely be distributed to the target market because of the following key controls:

- Product information is available online for consumers to review before applying for the product.
- The application process is designed so that only prospective customers who meet the eligibility criteria and satisfy ME's credit assessment process will be approved for a Frank Credit Card.
- ME staff are trained to ensure adequate understanding of product features to match customer needs.

- Accredited mortgage brokers receive product information to ensure adequate understanding of product features to match customer needs.
- ME has quality assurance processes over compliance of customer on-boarding and account origination.

Review triggers.

This TMD may at some time in the future be considered as no longer appropriate, at which time ME will undertake a review of the TMD. This TMD will be reviewed if any of the following trigger events and information being monitored reasonably suggests that the TMD may no longer be appropriate:

- There is an increase in complaints received in relation to the product and its features that exceeds internally set tolerances.
- There is material change is made to the product attributes, fees, charges, terms and conditions or the manner of distribution which may cause the TMD to no longer be appropriate.
- A significant dealing occurs in this product which is inconsistent with the target market.
- An incident or breach is reported that may indicate product is no longer appropriate for the target market or is being distributed outside the target market.
- There is an increase in number of credit cards are 90 days or more in arrears that exceeds internally set tolerances.

Information reporting requirements.

The following information must be provided to ME by all distributors who engage in retail product distribution conduct in relation to this product.

Type of information	Description	Reporting period
Consumer complaints received post 5 October 2021 in relation to this product	Consumer complaints (including number of complaints, complaints record verbatim, product name and distributor name) in relation to this product that may indicate the TMD may no longer be appropriate for this product.	6 monthly and in any case within 10 business days after becoming aware.
Significant dealings	The date or date range of when the significant dealing occurred and a description of why it may not be consistent with this TMD.	As soon as practicable, and in any case within 10 business days after becoming aware.
Incidents / Issues (incl. regulatory breaches)	Incidents and breaches that may indicate product is no longer appropriate for the target market or is being distributed outside the target market.	As soon as practicable, and in any case within 10 business days after becoming aware.

Record keeping.

ME and its distributors will maintain records of the reasonable steps they have taken to ensure that this product is sold in a manner consistent with this TMD.

ME will also prepare and maintain complete and accurate records of our decisions, and the reasons for those decisions, in relation to:

- all target market determinations for this product;
- identifying and tracking review triggers;
- setting review periods; and
- the matters documented in this Target Market Determination.