Target Market Determination
NAB Personal Loan

Determination Criteria	Description
Start date	01/10/2025
First and ongoing review period	The first review, and each ongoing review, must be completed within each consecutive 12 month period from the Start Date.
Product	**NAB Personal Loan** A fully optioned personal loan to use credit for one off personal and household purchases or debt consolidation over a fixed term with a monthly fee.

Target Market

Target market & product attributes	**Consumer needs and objectives**	**Product attributes**
	A person that wants a personal loan to purchase one off personal, household or motor vehicle purchases or debt consolidation over a fixed term.	This personal loan provides the ability to use credit: • for large household purchases • for motor vehicle purchases • for other personal purposes. This personal loan has a monthly fee.
	Consumer financial situation	**Product attributes**
	A person that: • requires a minimum credit amount of $5,000 up to a maximum of $55,000 • has access to sufficient income to satisfy NAB's credit assessment requirements and to meet the following payments: - principal amounts due - interest amounts due - loan establishment fee - monthly loan service fee.	This personal loan requires a minimum credit amount of $5,000 and a maximum credit amount of $55,000. This personal loan requires regular scheduled repayments including: • principal and interest repayments • monthly fee.
	A person that wants an interest rate that varies with flexible repayment amounts and the flexibility to make extra repayments and save interest. A person that wants flexibility to access and redraw extra repayments that have been made.	This personal loan provides access to a variable interest rate option with: • flexible repayment amounts • redraw of extra repayments.
	A person that wants certainty of interest rate costs and repayment amounts and the flexibility to make extra repayments and save interest during a fixed rate period.	This personal loan provides access to a fixed interest rate option with: • certainty of interest costs and repayment amounts Redraw facility is not available.

Negative target market statement	Not suitable for a person; • requiring credit for personal everyday spending • who does not want to set up loan repayments via direct debit initially.
Appropriateness statement	NAB has considered that the product including its key attributes is appropriate for the target market including the likely objectives, financial situation and needs of consumers in the target market.

Distribution Conditions

Authorisation This condition applies to all conduct	**Condition 1** A distributor must: • hold an Australian Credit Licence or be a Credit Representative authorised to engage in credit activities on behalf of a credit licensee unless an exemption applies covering the provision of credit activities in respect of the product; and • if the distributor is not NAB: - comply with the terms and conditions of any relevant distribution agreement or arrangement with NAB - if applicable, comply with the terms of any licensing exemption covering the provision of credit activities in respect of the product. This condition is appropriate as it ensures distributors are appropriately authorised to provide the relevant regulated financial services and will comply with the commercial terms agreed between the distributor and NAB.
General advice including Marketing This condition applies to general advice (including most marketing)	**Condition 2** A distributor must only provide general advice (such as marketing) if: • a Target Market Determination (TMD) has been made and published for the product and has not been withdrawn • the distributor complies with the terms of the TMD for the product • the general advice is consistent with the consumer needs, objectives and financial situation defined in the target market for the product; and • ASIC has not issued a Product Intervention Power restricting the publication of general advice for the product by the distributor. A distributor may provide general advice (marketing) as to the product through public channels such as: • television, radio, internet (including social media), billboards and physical banners, periodicals, brochures, and other marketing material available to the general public • advertising through comparison sites and rating agencies • NAB Branch • NAB Business Banking Centre • NAB Relationship Bankers • NAB Mobile Bankers • NAB Accredited Brokers • NAB's Call Centre • NAB's Mobile Application • NAB's Website • Direct Mail • Direct Email. It is intended that these channels may be available to persons who would not at that time qualify for the product to be issued to them in a regulated sale, for example because they are minors or do not have the income to service the product. This is because the issue of the product is subject to Distribution Conditions 1, 3 and 4 which will ensure that the product is only issued to persons for whom it will be appropriate.
Retail product distribution conduct	**Condition 3** A distributor must only engage in retail product distribution conduct (other than general advice) if:

(other than General Advice) These conditions apply to all retail product distribution conduct that is not general advice	• a TMD has been made and published for the product and has not been withdrawn • the distributor complies with the terms of the TMD for the product • ASIC has not issued a Product Intervention Power restricting the distribution of the product for the distributor; and • the distributor has complied with Condition 4. A distributor must only engage in retail product distribution conduct (other than general advice) through: • NAB Branch • NAB Business Banking Centre • NAB Relationship Bankers • NAB Mobile Bankers • NAB Accredited Brokers • NAB's Call Centre • NAB's Mobile Application • NAB's Website • Direct Mail • Direct Email. This condition is appropriate as the issuer has distributed this product using these methods, with limited risk to consumers. **Condition 4** A distributor must only engage in retail product distribution conduct (other than general advice) if they have identified: • that the distribution of the product is consistent with the needs, objectives and financial situation defined in the target market for the product • that the person is willing and able to pay the application fee, monthly fee, principal and interest to access the key attributes of the product • that the person is seeking access to a personal loan with the following key attributes: – a variable rate with access to: ▪ extra repayments ▪ redraw – a fixed rate • the key difference between: – the product (including the specific product option requested by the consumer) – the other credit card or low-cost home loan products issued by NAB. The issue of this product is subject to compliance with the responsible lending obligations in Chapter 3 of the National Consumer Credit Protection Act 2009. This condition is appropriate as it requires a distributor to confirm that the consumer is in the target market.

Review Triggers

Review triggers	NAB must cease all retail product distribution conduct (except excluded conduct) in respect of this product within 10 business days of NAB identifying a review trigger unless: • NAB has determined that this TMD continues to be appropriate; or • a new TMD has been made. The events and circumstances described below will trigger a review of this TMD if NAB determines it may relate to the appropriateness of the TMD having regard to NAB's internal policies. NAB will publish notice of a review on its website.

	Material complaints	NAB actively monitors consumer complaints and will review the appropriateness of the TMD where complaints in number or significance relate to: • credit limit amounts • fixed interest rates and fixed interest periods • fees.
	Product performance	NAB actively monitors product performance indicators relevant to the product and will review the appropriateness of the TMD in circumstances where: • evidence shows that the financial situation of the customer may not be met including monitoring of: – customers experiencing disproportionate rate of delinquencies • evidence shows that the needs and objectives of the product attributes may not be met including monitoring of: – early termination of the loan – early termination of fixed rate periods – consumers refinancing to different lending products
	Feedback from distributors	Reporting received from distributors, or consistent feedback from distributors which suggests that the target market or product attributes may no longer be appropriate. Refer to Reporting.
	Substantial product change	NAB makes a substantial change to the product terms, conditions or key product attributes including: • adding to, removing or changing a product attribute • a substantial pricing change which impacts the consumer value proposition of the product; and • significant changes to a distribution channel and distribution strategy.
	Significant change to the external environment	• Regulatory or legislative environment for this product. • Economic and market conditions.
	Notification from ASIC	NAB receives a notification from ASIC requiring immediate cessation of product distribution, or cessation of particular conduct in relation to the product.
	Significant dealings	Evidence that the distribution of the product or distributor conduct are significantly different to the expectations set out in the TMD.

Reporting

Reporting period	The Reporting Period for this determination is quarterly during each calendar year: • First reporting period ending on 31 March. • Second reporting period ending on 30 June. • Third reporting period ending on 30 September. • Fourth reporting period ending on 31 December.	
Reporting information	A distributor must provide the following information in writing as soon as practicable, or within 10 business days after the reporting period unless otherwise specified.	
	Complaint information	Complaints related to the risks, key terms, conditions or key attributes of this product including: • the number of complaints • the nature and circumstances of the complaints • whether or not there has been or is likely to be consumer harm or detriment, and if so, the nature of the harm or detriment.
	Feedback from distributors	Feedback that the target market or key product attributes may no longer be appropriate, including about: • consumer understanding of the risks, key terms, conditions or key attributes of this product • fixed rates

		• variable rates.
	Significant dealings	If a distributor becomes aware of a significant dealing in the product or an issue with distributor conduct, that is not consistent with the target market determination, they must notify the issuer in writing as soon as practicable, and in any event within 10 business days after becoming aware.
	Other information requested by NAB	Any other information requested in writing by NAB from time to time subject to: • The request being necessary to enable NAB to meet its legal and compliance obligations; and • NAB providing at least 30 days prior notice before the end of the Reporting Period.