



# Target Market Determination (TMD) →

September 2024

## → Bank Guarantee

**Effective date:** 19 September 2024

### Product

This TMD applies to the Avenue Bank (“**Avenue**”) Bank Guarantee.

### What is a TMD?

#### The 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 business customers.
- Events or circumstances where we will review the TMD for the product.

### Product information

#### Product description and key attributes

This product is intended for customers with the objective of obtaining a bank guarantee for the purposes of securing a commercial lease. The bank guarantee is secured in full by a term deposit offered by Avenue.

#### Attributes

- A guarantee for performance of commercial lease obligations for a landlord.
- Full security in the form of a term deposit offered by Avenue.
- Service fee charged monthly via direct debit.
- Product is subject to Avenue’s Bank Guarantee Agreement.

#### Eligibility

The product is suitable for Australian incorporated companies, Australian corporate trustees, sole traders and partnerships with an active ABN or ACN, subject to Avenue’s eligibility criteria. If the account holder is:

- A company, then at least one director must be authorised to operate the account.
- A trust, then all individual trustees and at least 1 director of a corporate trustee must be authorised to operate the account.
- An unincorporated partnership, then at least 1 member

of the unincorporated partnership must be authorised to operate the account.

### Target market

#### Businesses

This product is designed for organisations who:

- Require a bank guarantee as a form of security for a commercial lease.
- Require a bank guarantee that is secured in full by a term deposit offered by Avenue Bank.
- Satisfy Avenue’s eligibility criteria.
- Are able to pay fees and charges that may apply.

This product has not been designed for:

- Individual personal purposes.
- Self-managed superannuation funds.
- Businesses who want a bank guarantee for purposes other than securing a commercial lease.

#### Consistency between the target market and the product

Avenue has considered that the product including its key terms, features and attributes is likely to be consistent with the target market’s likely objectives, financial situation and needs.

### Distribution conditions and restrictions

#### Distribution channels

This product is designed to be sold via the following means:

- By applying online at [avenuebank.com.au](https://avenuebank.com.au).
- By calling our client service line.

#### Distribution conditions

This product should only be distributed under the following circumstances:

- If the customer meets the eligibility criteria for this product including satisfactory completion of Avenue’s

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identity verification under applicable laws, including the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth).

- All authorised personnel in each channel must be appropriately accredited to distribute the product.

### Restrictions

Avenue has considered that the above distribution channels and distribution conditions and restrictions are appropriate for the class of customer and will likely ensure that customers who acquire the product are in the target market.

### TMD reviews

Avenue will review this TMD in accordance with the below.

**Initial review:** Within 1 year of the effective date.

**Periodic reviews:** At least every 2 year from the last review.

### Review triggers

Avenue actively monitors the review triggers set out below. This TMD may no longer be considered appropriate if any of the following review triggers occur, at which point Avenue will need to complete a review of this TMD:

### Complaints

Unexpected trends in complaints received or notice of complaints made to the Australian Financial Complaints Authority which show that the TMD may no longer be appropriate such as:

- the number of complaints; and
- the nature and circumstances of the complaints (e.g. in relation to the attributes and suitability of the product).

### Product performance

Unexpected trends in performance indicators relevant to the product such as:

- a disproportionate rate of customer delinquencies and/or account closures; and
- distribution of the product outside of its eligible purpose.

### Incident data

A material incident relating to the product's design or distribution that indicates potential breaches to Avenue's legal or regulatory obligations.

### Changes to the product

A material change to the product or product terms and conditions such as the addition, removal, or amendment of the product's:

- key attributes; and
- distribution channels.

### Significant changes to the external environment

A material change to the regulatory and/or legislative environment in relation to this product.

### Significant dealings

Evidence that the distribution of the product or distributor conduct are significantly outside the parameters of this TMD.

### Notification from ASIC

The receipt of a product intervention power order from ASIC requiring Avenue to cease distribution of this product.

