

Target Market Determination – Classic Home Loan (Owner Occupied)

<p>Product</p>	<p>Classic Home Loan (Owner Occupied)</p> <p>A flexible fixed or variable rate credit facility with zero monthly or ongoing fees used to purchase or refinance a residential property for owner occupied purposes or another personal purpose.</p> <p>L41 Classic Home Loan – fixed/secured</p> <p>L41 Classic Home Loan – variable/secured</p>
<p>Issuer</p>	<p>Warwick Credit Union Ltd ABN AFSL 98 087 651 116 AFSL/Australian Credit License 240556</p>
<p>Date of TMD</p>	<p>5 October 2021</p>
<p>Target Market</p>	<p>Description of target market</p> <p>Owner Occupier Classic Home Loan</p> <p>Retail clients who:</p> <ul style="list-style-type: none"> • Are seeking a loan to: <ul style="list-style-type: none"> ○ Purchase or renovate a home; ○ Refinance an existing home loan; or ○ Top up an existing loan for any worthwhile purpose • Are aged 18 years or more and meet the credit assessment criteria for the product • Are willing and able to offer a first registered mortgage over real property (or other acceptable security) as security for the loan <p>Owner Occupier Classic Home Loan Variable Rate</p> <ul style="list-style-type: none"> • need the flexibility to make additional repayments • seeking loan offset account • need the facility to redraw advance repayments <p>Owner Occupier Classic Home Loan Fixed Rate</p> <ul style="list-style-type: none"> • need the certainty of a fixed interest rate and fixed repayments for an introductory period <p>Owner Occupier Classic Home Loan Interest Only</p> <ul style="list-style-type: none"> • need an interest only period [for tax planning reasons/ so as to complete the construction of a home before commencing principal and interest reductions/whilst selling other property to enable repayment of the loan] <p>Owner Occupier Classic Home Loan Principal & Interest Reducing</p>

- need to make regular repayments of interest and principal over the term of a loan

Description of product, including key attributes

A credit facility with the following key attributes:

- The ability to use the credit to purchase residential property or refinance a credit facility for such purpose or another personal purpose
- The property must be used for owner occupied purposes
- Depending on the product option, a fixed or variable rate; Principal & Interest or Interest Only repayments; depending on the product option, an offset facility; redraw facility
- Loan amounts between \$10,000 and \$3,000,000
- Loan term of up to 30 years
- Interest only/principal and interest reducing/ combinations
- Interest rate variable/fixed/combination
- Repayment frequency monthly (weekly/fortnightly payments are allowed)
- Ability to make additional repayments during the fixed rate period without incurring a break cost capped at \$20,000 p.a.
- A redraw facility on advance repayments on variable rate loans only
- Progressive drawdowns are available
- Mortgage offset account is available on variable rate loans only
- Must provide a registered first mortgage over real property or other acceptable security
- Establishment fee, solicitor fee, mortgage registration/search fees, valuation fee, monthly loan service fee, redraw fee and variation fees apply

Description of likely objectives, financial situation and needs of consumers in the target market

This product is designed for consumers who:

- May seek to purchase a residential property, access equity in a residential property or refinance an existing credit facility for owner occupied purposes or another personal purpose
- Will have the financial capacity to pay fees, interest and depending on the product option, repayments of principal as and when such amounts become payable and due
- The property must be used for owner occupied purposes
- Depending on the product option, a fixed or variable rate
- Depending on the product option, an offset facility
- Depending on the product option, a redraw facility
- Meet the standard eligibility criteria
- Meet the credit assessment facility
- Over 18 years of age

Classes of consumers for whom the product is clearly unsuitable

- Do not have a residential property to offer as security
- Do not have the financial capacity to pay fees, interest and depending on the product option, repayments of principal as and when such amounts become payable and due

	<ul style="list-style-type: none"> Do not meet the standard eligibility criteria Under 18 years of age 						
Distribution Conditions	<p><i>Distribution conditions</i></p> <p>This product is distributed by the issuer through the following channels:</p> <ul style="list-style-type: none"> In person in branch Call centres Online website <p>Distribution conditions for this product include:</p> <ul style="list-style-type: none"> ensuring that clients meet the eligibility conditions for the product ensuring that distribution through branches and call centres is by appropriately authorised and trained staff <p>There are no other distributors for this product.</p>						
Review Triggers	<p>The review triggers that would reasonably suggest that the TMD is no longer appropriate include:</p> <ul style="list-style-type: none"> A significant dealing of the product to consumers outside the target market occurs A significant number of complaints is received from customers in relation to their purchase or use of the product that reasonably suggests that the TMD is no longer appropriate A material change to the product or the terms and conditions of the product occurs which would cause the TMD to no longer be appropriate <p>The <i>Product Governance Framework</i> includes regular consideration of whether there has been a review trigger following each distribution information report. That consideration is by reference to paragraphs 154 to 156 of RG 274.</p>						
Review Periods	<p><i>First review date:</i> 1 December 2021</p> <p><i>Periodic reviews:</i> We will review this TMD after 3 months of release and then every year after the initial and subsequent review.</p>						
Distribution Information Reporting Requirements	<p>The following information must be provided to Warwick Credit Union Ltd by distributors who engage in retail product distribution conduct in relation to this product:</p> <table border="1"> <thead> <tr> <th>Type of information</th> <th>Description</th> <th>Reporting period</th> </tr> </thead> <tbody> <tr> <td>Significant dealing(s)</td> <td>Date or date range of the significant dealing(s) and description of the significant dealing (eg, why it is not consistent with the TMD)</td> <td>As soon as practicable, and in any case within 10 business days after becoming aware</td> </tr> </tbody> </table>	Type of information	Description	Reporting period	Significant dealing(s)	Date or date range of the significant dealing(s) and description of the significant dealing (eg, why it is not consistent with the TMD)	As soon as practicable, and in any case within 10 business days after becoming aware
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	Complaints	Number of complaints	Every 3 months