

Target Market Determination (TMD)

Product: Variable Rate Home Loans – Cashback Home Loan Special Offer



Made by	Credit Union SA Ltd ABN 36 087 651 232 AFSL/Australian Credit Licence 241066
Version Number	3.0

Effective date	22 January 2023
Last review date	23 December 2022
Ceased date	1 April 2023

Target Market

a) Product description (including key attributes)

Our Cashback Home Loan Special Offer applies to eligible Variable Rate Home Loan products. It may be withdrawn at any time. The offer is that we will pay \$2,500 to members to whom a qualifying loan is made. The qualifying criteria are that:

- The loan is for at least \$500,000;
- The loan must consist of some Owner Occupied debt but can be made up of both Owner Occupied (Principal and Interest) and Investment debt;
- The loan is not used to pay out an existing Credit Union SA loan; and
- The loan to valuation ratio is 70% or less.

Cashback will be paid at settlement. Limit of one cashback per household. Not available on bridging or construction loans.

Members in the target market for the products to which this TMD applies are members (current or future) who want to finance the acquisition of a property for residential or investment purposes, or refinance other finance that has been provided for that purpose, and who want a loan that satisfies the key product attributes listed below:

Package Products	
Owner Occupied	Investment
Loan term of 1 to 30 years	Loan term of 1 to 30 years
Minimum borrowing of \$500,000	Minimum borrowing of \$500,000
Maximum borrowing subject to lending assessment	Maximum borrowing subject to lending assessment
Loan is not used to pay out an existing Credit Union SA loan	Loan is not used to pay out an existing Credit Union SA loan
Maximum LVR 70%	Maximum LVR 70%
Repayments must be Principal and Interest (P&I)	Repayments can be P&I or Interest Only (IO)
Repayment frequency weekly, fortnightly or monthly	Repayment frequency weekly, fortnightly or monthly (monthly only for IO)
Unlimited additional repayments without cost	Unlimited additional repayments without cost
Redraw available	Redraw available
100% Offset facility available	100% Offset facility available

b) The likely objectives, financial situation and needs of members in the target market for these products are that they:

- Need to finance the purchase of a residential or investment property or refinance another loan has been provided for such a purpose
- Are seeking to purchase an Owner Occupied property or refinance their Owner Occupied debt
- Prefer to have a variable interest rate
- Meet Credit Union SA's lending criteria
- May have already owned real property and obtained a home loan or may be buying a property and obtaining a home loan for the first time. Members will therefore have differing levels of knowledge and experience with home loans including, potentially, very little or no such experience
- Are seeking to have an offset account linked to their variable rate home loan

c) These products have not been designed for members who:

- Want a fixed interest rate and fixed repayments
- Do not meet Credit Union SA's lending criteria
- Want a Discounted Home Loan with no ongoing fees

d) Other information:

Home Loan Package Terms and Conditions relating to this product:

[Download](#)

This TMD does not replace the product terms and conditions, and members (future or current) should refer to these before purchasing the product.

Home Loan interest rates, fees and charges brochure:

[Download](#)

Distribution Conditions

Products to which this TMD applies may be distributed through any of the following channels:

- Online through our digital channels
- In our branch
- Via our Member Experience Centre
- Through mortgage brokers who are accredited to submit loan applications to us ('third-party distributors')

All these channels are monitored by Credit Union SA and staffed by persons trained and accredited in the distribution of the products in accordance with our terms and conditions.

Review Triggers

The following review triggers apply for these products:

- There are significant dealings in the products that are not consistent with this TMD
- Material changes to the regulatory environment
- Material changes to the product terms and conditions, other than changes to interest rates and consequential changes to repayments, or material changes to distribution
- More than 10% member complaints in any 6-monthly period claiming that the products, or their features, did not satisfy the member's needs

Review Period

We will review this TMD at least every 12 months.

Information Reporting

The below sets out the information Credit Union SA requires to be reported to us related to the products by persons who engage in the distribution of the products.

Unless otherwise stated, the first reporting period commences on the date this TMD is made. Each subsequent reporting period begins on the day following the end of the prior reporting period.

Credit Union SA or distributors of Credit Union SA products will report on the following:

- The number of complaints received in relation to the products during the reporting period (which may be 0) every 6 months
- Complaints about the products escalated to the Australian Financial Complaints Authority (AFCA) status ('Yes' or 'No'), if applicable every 6 months
- Complaint details (date the Distributor first received the complaint, substance of complaint and general feedback relating to the products and their performance) every 6 months
- Significant dealing(s) including date and description of the significant dealing (as soon as practicable or in any case within 10 business days).

Appendix

This TMD applies to the following products as affected by our Cashback Home Loan Special Offer:

Package Products	
Owner Occupied Variable Home Loan Packages	Investment Variable Home Loan Packages
Variable Home Loan Package – P&I	Variable Home Loan Package – P&I
	Variable Home Loan Package – IO