

# Target Market Determination (TMD)

## Product: Low Deposit Variable Home Loan Package



<b>Made by</b>	Credit Union SA Ltd ABN 36 087 651 232 AFSL/Australian Credit Licence 241066
<b>Version Number</b>	1.0

<b>Effective date</b>	14 February 2023
<b>Last review date</b>	15 April 2024
<b>Ceased date</b>	15 April 2024

## Target Market

### a) Product description (including key attributes)

The qualifying criteria for our Low Deposit Variable Home Loan Package Special Offer are that:

- The loan is for at least \$150,000;
- The loan to valuation ratio (LVR) is 97% or less for owner-occupied loans

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

Package Products
<b>Owner Occupied</b>
Loan term of 1 to 30 years
Minimum borrowing of \$150,000
Maximum borrowing subject to lending assessment
Maximum LVR 97% (including capitalised cost of any required LMI)
Repayments Principal and Interest (P&I)
Repayment frequency weekly, fortnightly or monthly
Unlimited additional repayments without cost
Unlimited redraw 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:

- Are part of the Education Community Banking Benefits (these benefits are available to any employee within the education community and students carrying out studies in education, and their immediate family – parents, children, grandparents, grandchildren, siblings and partners only), current SA Power Networks employees or first home buyers
- Need funds to finance the purchase of a residential property or refinance other finance that has been provided for such a purpose
- 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 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.
- Are likely to have a smaller deposit (5% + fees and charges)

### 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.
- Have a larger deposit where they qualify for other Credit Union SA products.
- Those who require a loan for the purposes of bridging.

### 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

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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 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

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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

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We will review this TMD at least every 12 months.

## Information Reporting

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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

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This TMD applies to the following products:

Package Products
<b>Owner Occupied Variable Home Loan Package</b>
Low Deposit Variable Home Loan Package – P&I