

Target Market Determination – Essential Plus Owner Occupier Home Loan

Product	A basic variable rate credit facility used to purchase or refinance a residential property for owner occupied purposes or another personal purpose L40 – Essential Plus Owner Occupier Home Loan – secured/variable
Issuer	Warwick Credit Union Ltd ABN 98 087 651 116 AFSL/Australian Credit Licence 240556
Date of TMD	5 October 2021
Target Market	<p>Description of target market</p> <p>Owner occupiers</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>Essential Plus Variable Rate Loan</p> <ul style="list-style-type: none"> • need the flexibility to make additional repayments <p>Essential Plus Interest only loan</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>Essential Plus Principal & Interest Reducing</p> <ul style="list-style-type: none"> • need to make regular repayments of interest and principal over the term of the loan <p>Description of product, including key attributes</p> <p>This is a Essential Plus Owner Occupier Home Loan secured over real property. The key attributes are:</p> <ul style="list-style-type: none"> • loan amounts of between \$10,000 and \$3,000,000 • loan terms of up to 30 years • interest only/principal and interest reducing/combinations • LVR =>80% • variable interest rate • repayment frequency can be weekly/fortnightly/monthly

	<ul style="list-style-type: none"> • a redraw facility • progressive drawdowns • must provide a registered first mortgage over real property or other acceptable security • Establishment fee, monthly loan service fee, solicitor fee, valuation fee, mortgage registration/search fees and variation fees apply <p>Description of likely objectives, financial situation and needs of consumers in the target market</p> <p>This product is designed for consumers who:</p> <ul style="list-style-type: none"> • Owns residential property that is used predominantly for owner occupier purposes, that can be used to secure the credit facility; • Will have the financial capacity to funds to pay the fees, interest and repayments as and when such amounts become payable and due
Distribution Conditions	<p>Distribution conditions</p> <p>This product is distributed by the issuer through the following channels:</p> <ul style="list-style-type: none"> • branches • call centre • online <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, mobile lenders 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>First review date: 1 December 2021</p> <p>Periodic reviews: We will review this TMD after 3 months of release and then every year after the initial and each subsequent review</p>

**Distribution
Information
Reporting
Requirements**

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:

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
Complaints	Number of complaints	Every 3 months