

**Target Market Determination – Rural Lifestyle Investment Home Loan**

<b>Product</b>	A fixed or variable rate credit facility used to purchase a residential property between 25 ha and 50 ha or refinance an existing home loan facility for investment purposes. <b>L42 – Rural Lifestyle Investment Home Loan -</b>
<b>Issuer</b>	Warwick Credit Union Ltd ABN 98 087 657 116 AFSL/Australian Credit Licence 240556
<b>Date of TMD</b>	5 October 2021
<b>Target Market</b>	<p><b>Description of target market</b></p> <p><b>Rural Lifestyle Investment Home Loan</b></p> <p>Retail clients who:</p> <ul style="list-style-type: none"> <li>• are seeking a loan to: <ul style="list-style-type: none"> <li>• purchase or renovate an investment property;</li> <li>• refinance an investment loan; or</li> <li>• top up an existing loan for any worthwhile investment purpose</li> </ul> </li> <li>• are aged 18 years or more and meet the credit assessment criteria for the product</li> <li>• are willing and able to offer a first registered mortgage over real property between 25 ha and 50 ha (or other acceptable security) as security for the loan</li> </ul> <p><b>Variable Rate Loans</b></p> <ul style="list-style-type: none"> <li>• need the flexibility to make additional repayments</li> <li>• need the ability to redraw advance repayments</li> <li>• need progressive drawdowns</li> <li>• need an offset account</li> </ul> <p><b>Fixed Rate Loans/Honeymoon Loans</b></p> <ul style="list-style-type: none"> <li>• need the certainty of a fixed interest rate and fixed repayments for an introductory period</li> </ul> <p><b>Interest only loans</b></p> <ul style="list-style-type: none"> <li>• 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</li> </ul> <p><b>Principal &amp; Interest Reducing</b></p> <ul style="list-style-type: none"> <li>• need to make regular repayments of interest and principal over the term of the loan</li> </ul>

	<p><b>Description of product, including key attributes</b></p> <p>This is a Rural Lifestyle Investment Home loan secured over real property. The key attributes are:</p> <ul style="list-style-type: none"> <li>• loan amounts of between \$5,000 and \$3,000,000</li> <li>• loan terms of up to 30 years</li> <li>• interest only/principal and interest reducing/combinations</li> <li>• interest rate variable/fixed/combinations</li> <li>• repayment frequency can be weekly/fortnightly/monthly</li> <li>• the ability to make additional repayments</li> <li>• a redraw facility not available during any fixed rate period</li> <li>• progressive drawdowns</li> <li>• mortgage offset account not available on fixed rate loans</li> <li>• must provide a registered first mortgage over real property or other acceptable security</li> <li>• Establishment fee, solicitor fee, valuation fee, mortgage registration/check fee, monthly loan service fee and variation fees apply</li> </ul> <p><b>Description of likely objectives, financial situation and needs of consumers in the target market</b></p> <p>This product is designed for consumers who:</p> <ul style="list-style-type: none"> <li>• may require a credit facility to purchase residential property, access equity in a residential property or refinance an existing credit facility for investment purposes</li> <li>• will have the financial capacity to funds to pay the fees, interest and repayments as and when such amounts become payable and due</li> </ul>
<p><b>Distribution Conditions</b></p>	<p><b>Distribution conditions</b></p> <p>This product is distributed by the issuer through the following channels:</p> <ul style="list-style-type: none"> <li>• branches</li> <li>• call centre</li> </ul> <p>Distribution conditions for this product include:</p> <ul style="list-style-type: none"> <li>• ensuring that clients meet the eligibility conditions for the product</li> <li>• ensuring that distribution through branches and call centres is by appropriately authorised and trained staff</li> </ul> <p>There are no other distributors for this product.</p>
<p><b>Review Triggers</b></p>	<p>The review triggers that would reasonably suggest that the TMD is no longer appropriate include:</p> <ul style="list-style-type: none"> <li>• A significant dealing of the product to consumers outside the target market occurs</li> <li>• A significant number of complaints is received from customers in relation to</li> </ul>

	<p>their purchase or use of the product that reasonably suggests that the TMD is no longer appropriate</p> <ul style="list-style-type: none"> <li>• 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</li> </ul> <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>									
<b>Review Periods</b>	<p><b>First review date:</b> 1 December 2021</p> <p><b>Periodic reviews:</b> We will review this TMD after 3 months of release and then every year after the initial and each subsequent review</p>									
<b>Distribution Information Reporting Requirements</b>	<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" data-bbox="416 936 1410 1361"> <thead> <tr> <th data-bbox="416 936 783 987">Type of information</th> <th data-bbox="783 936 1098 987">Description</th> <th data-bbox="1098 936 1410 987">Reporting period</th> </tr> </thead> <tbody> <tr> <td data-bbox="416 987 783 1261">Significant dealing(s)</td> <td data-bbox="783 987 1098 1261">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 data-bbox="1098 987 1410 1261">As soon as practicable, and in any case within 10 business days after becoming aware</td> </tr> <tr> <td data-bbox="416 1261 783 1361">Complaints</td> <td data-bbox="783 1261 1098 1361">Number of complaints</td> <td data-bbox="1098 1261 1410 1361">Every 3 months</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	Complaints	Number of complaints	Every 3 months
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