

## Macquarie Credit Union

### Target Market Determination – Housing Loans

<b>Product</b>	Fixed Rate Home Loan
<b>Issuer</b>	Macquarie Credit Union Limited ABN 85 087 650 253 AFSL 241132 Australian Credit Licence 241132
<b>Date of TMD</b>	5 October 2021
<b>Target Market</b>	<p><b><i>Description of target market</i></b></p> <p>Retail clients who:</p> <ul style="list-style-type: none"><li>• are new borrowers applying for an owner occupied or investment property loan with a minimum new loan of \$10,000</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 (or other acceptable security) as security for the loan</li><li>• are looking for repayment certainty with a fixed interest rate for 1, 2 or 3 years</li><li>• do not wish to make lump sum or extra repayments greater than \$10,000 per calendar year without incurring a penalty</li><li>• need the flexibility to make weekly, fortnightly or monthly repayments</li><li>• do not need to payout the loan within a fixed rate period. Paying out the loan during the fixed rate period with attract an early repayment penalty</li><li>• may need the ability to pause repayments</li><li>• wish to purchase or refinance an owner occupied or investment home loan</li><li>• investors looking for an interest only loan</li></ul> <p><b><i>Description of product, including key attributes</i></b></p> <p>This is a fixed rate or combination fixed/variable rate loan secured over real property and the key attributes are:</p> <ul style="list-style-type: none"><li>• the minimum loan amount is \$10,000</li><li>• loan terms of up to 30 years</li><li>• this is a principal plus interest loan</li><li>• the interest rate is fixed for a period of 1, 2 or 3 years</li><li>• interest only options are available up to 5 years</li><li>• repayment frequency can be weekly, fortnightly or monthly</li><li>• additional or lump sum repayments in excess of \$10,000 per calendar year may attract a penalty</li><li>• early repayment may attract a break cost penalty</li><li>• repayment pause</li><li>• online redraw facility. There is one free redraw per month and a \$20 fee for subsequent and staff assisted redraws</li></ul>

	<ul style="list-style-type: none"> <li>• must provide a registered first mortgage over real property or other acceptable security</li> <li>• family guarantee option is available on application</li> <li>• no monthly account keeping fee</li> <li>• establishment fee \$250</li> <li>• valuation fee at cost</li> <li>• legal fees at cost</li> </ul>
<p><b>Appropriateness Statement</b></p>	<p>Macquarie Credit Union has considered that the product including its key attributes is appropriate for the target market including the likely objectives, financial situation and needs of consumers in the target market.</p>
<p><b>Distribution Conditions</b></p>	<p><b><i>Macquarie Credit Union is the sole issuer and distributor of this product.</i></b></p> <p>This product is distributed by the issuer through the following channels:</p> <ul style="list-style-type: none"> <li>• Macquarie Credit Union branch</li> <li>• Macquarie Credit Union website</li> <li>• Macquarie Credit Union mobile app</li> <li>• By phoning Macquarie Credit Union</li> </ul> <p>Distribution conditions for this product include:</p> <ul style="list-style-type: none"> <li>• ensuring that retail clients meet the eligibility requirements for the product</li> <li>• ensuring that distribution through our branch and over the phone is conducted by appropriately 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 target market determination 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 their purchase or use of the product that reasonably suggests that the target market determination is no longer appropriate</li> <li>• a material change to the product or the terms and conditions of the product occurs which would cause the target market determination to no longer be appropriate</li> <li>• changes to the regulatory or legislative environment for this product</li> <li>• economic and market conditions</li> </ul>

<p><b>Review Periods</b></p>	<p><b>First review date:</b> 5 October 2022</p> <p><b>Periodic reviews:</b> Every 12 months from the initial review and each subsequent review.</p> <p><b>At any other time:</b> The Credit Union will review the target market determination/product at any other time it deems appropriate or necessary.</p> <p>The review periods are maximum periods and the target market determination can be reviewed either as the result of a trigger or at any other time determined by the Credit Union.</p>												
<p><b>Distribution Reporting Requirement</b></p>	<p>Macquarie Credit Union are the issuer and sole distributor of this product. Reporting period for this determination is every 12 months commencing from the start date.</p> <table border="1" data-bbox="588 824 1340 1541"> <thead> <tr> <th>Type of information</th> <th>Description</th> <th>Reporting period</th> </tr> </thead> <tbody> <tr> <td>Significant dealing(s)</td> <td>If Macquarie Credit Union becomes aware of a significant dealing in the product that is not consistent with the target market determination</td> <td>As soon as practicable, and in any case within 10 business days after becoming aware</td> </tr> <tr> <td>Complaints</td> <td>Number of complaints</td> <td>Every 12 months</td> </tr> <tr> <td>Sales outside the target market</td> <td>The number and dollar value of sales</td> <td>Every 12 months</td> </tr> </tbody> </table>	Type of information	Description	Reporting period	Significant dealing(s)	If Macquarie Credit Union becomes aware of a significant dealing in the product that is not consistent with the target market determination	As soon as practicable, and in any case within 10 business days after becoming aware	Complaints	Number of complaints	Every 12 months	Sales outside the target market	The number and dollar value of sales	Every 12 months
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