

## Macquarie Credit Union

### Target Market Determination – Housing Loans

<b>Product</b>	Special Low 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>	30 September 2023
<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 seeking a loan to purchase or renovate a home or refinance an existing home loan</li> <li>• 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>• need the flexibility to make additional repayments or lump sum repayments which is available on a variable rate loan only</li> <li>• need the flexibility to redraw payments that are in advance which is available on a variable rate loan only.</li> <li>• need the flexibility to make weekly, fortnightly or monthly repayments</li> <li>• need the flexibility to payout the loan early without penalty which is available on a variable rate loan only</li> <li>• need a facility to offset the balance of a savings account against the balance of the loan.</li> <li>• may need the ability to pause repayments</li> <li>• this product is available to owner occupiers only</li> <li>• would like the option to split the loan between variable and fixed interest rates</li> <li>• are seeking a minimum loan amount of \$150,000</li> </ul> <p><b><i>Description of product, including key attributes</i></b></p> <p>This is a variable 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 \$150,000</li> <li>• loan terms of up to 30 years</li> <li>• a discounted variable interest rate for the first 2 years of the loan</li> <li>• repayment frequency can be weekly, fortnightly or monthly</li> <li>• online redraw facility, there is one free redraw per month and a \$20 fee for subsequent and staff assisted redraws</li> <li>• a redraw facility is not available on fixed rate loans</li> <li>• variable and lump sum repayments. A fixed rate portion is limited to a maximum of \$10,000 per calendar year without penalty</li> </ul>

	<ul style="list-style-type: none"> <li>• top up facility available on variable rate loans</li> <li>• early repayment without penalty on variable rate loans</li> <li>• split the loan between fixed and variable rates</li> <li>• a family guarantee option</li> <li>• early repayment without penalty, variable rate loans only</li> <li>• mortgage offset facility</li> <li>• repayment pause option</li> <li>• \$10 monthly account keeping fee</li> <li>• \$250 establishment fee</li> <li>• one free valuation, any additional valuations will be at cost</li> <li>• legal fees at cost</li> </ul>
<b>Appropriateness Statement</b>	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.
<b>Distribution Conditions</b>	<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> </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 is conducted by appropriately trained staff</li> </ul> <p>There are no other distributors for this product.</p>
<b>Review Triggers</b>	<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>

<b>Review Periods</b>	<p><b>First review date:</b> 31 August 2023</p> <p><b>Periodic reviews:</b> Every 24 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>												
<b>Distribution Reporting Requirement</b>	<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><tr><th>Type of information</th><th>Description</th><th>Reporting period</th></tr><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></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
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											