

# Target Market Determination

## Offset Home Loan



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A Target Market Determination (TMD) is a document which describes who a product is intended to be appropriate for based on a consumer's needs, financial situation and objectives (target market). A TMD is not a product disclosure statement and is not a full summary of the product features or the terms of the product.

It helps us make sure we're keeping customers at the center of our approach to the design and distribution of our financial products. The design and distribution obligations are intended to help consumers obtain appropriate financial products by requiring issuers and distributors to have a consumer-centric approach to the design and distribution of products. A TMD describes any conditions around how the product can be distributed to customers. It also describes the events or circumstances where we may need to review the TMD.

<b>Product</b>	Offset Home Loan
<b>Issuer</b>	Bank Australia Limited   ABN 21 087 651 607   AFSL/Australian Credit Licence Number 238431
<b>Date of TMD</b>	5 December 2024
<b>Target market</b>	<p><b>Description of target market</b></p> <p>For retail customers who:</p> <ul style="list-style-type: none"> <li>• are seeking a loan as either owner occupiers or investors to: <ul style="list-style-type: none"> <li>– build, purchase or renovate a home;</li> <li>– refinance an existing home loan; or</li> <li>– top up an existing loan for any worthwhile 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 (or other acceptable security) as security for the loan</li> <li>• need the flexibility of variable rate or the certainty of a fixed interest rate and fixed repayments</li> <li>• are seeking an offset account</li> <li>• need to make regular repayments of interest and principal over the term of the loan and may also need the option to make interest only repayments for a period of the loan term</li> <li>• need the flexibility to make additional repayments</li> <li>• need the facility to redraw advance repayments</li> <li>• may be seeking an interest only option while constructing (12 month maximum term)</li> <li>• are seeking no annual fee on Platinum Rewards Credit Card, even if that means higher interest or fees on the loan</li> </ul>

	<p><b>Description of product, including key attributes</b></p> <p>This is an Offset Home Loan secured over real property. The key attributes are:</p> <ul style="list-style-type: none"> <li>• <b>Minimum Loan amount</b> \$10,000</li> <li>• <b>Loan terms</b> of up to 30 years (ACT Land Rent Scheme is capped at 25 years)</li> <li>• <b>Interest rate</b> can be variable and fixed for a nominated term of 1, 2, 3, or 5 years</li> <li>• <b>Split loan</b> between variable and fixed is available</li> <li>• <b>Repayment type</b> can be Principal and Interest or Interest Only period for investment or while constructing for 12 month maximum period term</li> <li>• <b>Repayment frequency</b> can be weekly, fortnightly or monthly while principal and interest, or monthly only while interest only</li> <li>• <b>Additional repayments</b> accepted (maximum of \$30,000 in total during a fixed interest rate period)</li> <li>• <b>Redraw</b> is available for variable, but not during fixed interest rate or interest only periods</li> <li>• <b>Progressive drawdown</b> is available for construction</li> <li>• <b>Mortgage offset account</b> is available (the balance which can be offset is capped at \$20,000 whenever the linked loan has a fixed interest rate)</li> <li>• <b>Benefits</b> include offset accounts and \$0 annual fee on Platinum Visa Credit Card for life of the home loan</li> <li>• <b>Annual fee</b> applies</li> <li>• <b>Break fee</b> applies during any fixed rate period. Refer to the loan fee schedule for applicable fees</li> <li>• Must provide a registered first mortgage over real property or other acceptable security</li> </ul> <p>For further information refer to Disclosures <a href="https://www.bankaustralia.com.au/">https://www.bankaustralia.com.au/</a> for:</p> <ul style="list-style-type: none"> <li>• Product terms and conditions</li> <li>• Residential loans accounts table</li> <li>• Product fees and rates</li> </ul>
<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>• Contact centre</li> <li>• Online</li> <li>• Broker</li> </ul> <p>Distribution conditions for this product include:</p> <ul style="list-style-type: none"> <li>• ensuring that retail customers meet the eligibility requirements for the product</li> <li>• ensuring that distribution is by appropriately trained staff</li> <li>• mortgage brokers must hold an accreditation with Bank Australia</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 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 are received from customers in relation to their purchase or use of the product that reasonably suggests that the TMD 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 TMD to no longer be appropriate</li> <li>• a notification from ASIC requiring immediate cessation of product distribution or particular conduct in relation to the product</li> </ul>									
<b>Review periods</b>	<p>Date of superseded TMD: 20 November 2024</p> <p>Next review due: 5 October 2025</p> <p>Review Period: At least every 12 months from the start date of this Target Market Determination</p>									
<b>Distribution information reporting requirements</b>	<p>The following information must be provided to Bank Australia by distributors who engage in retail product distribution conduct in relation to this product:</p> <table border="1" data-bbox="469 813 1477 1151"> <thead> <tr> <th data-bbox="469 813 783 869">Type of information</th> <th data-bbox="791 813 1134 869">Description</th> <th data-bbox="1142 813 1477 869">Reporting period</th> </tr> </thead> <tbody> <tr> <td data-bbox="469 875 783 1043">Significant dealing(s)</td> <td data-bbox="791 875 1134 1043">Date or date range of the significant dealing(s) and description of the significant dealing (e.g. why it is not consistent with the TMD)</td> <td data-bbox="1142 875 1477 1043">As soon as practicable, and in any case within 10 business days after becoming aware</td> </tr> <tr> <td data-bbox="469 1050 783 1151">Complaints</td> <td data-bbox="791 1050 1134 1151">Number of complaints and the substance of those complaints</td> <td data-bbox="1142 1050 1477 1151">Monthly</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 (e.g. 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 and the substance of those complaints	Monthly
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