

# Target Market Determination

## Home loans

<b>Product</b>	Accelerator Package variable new money offer <60% LVR
<b>Issuer</b>	Community First Credit Union Limited ABN 80087649938 AFSL/Australian credit licence 231204
<b>Date of TMD</b>	5 October 2021
<b>Target Market</b>	<b><i>Description of target market</i></b> Retail clients who: <ul style="list-style-type: none"><li>• are seeking an owner occupied loan to:<ul style="list-style-type: none"><li>○ 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 to make additional repayments</li><li>• need the facility to redraw advance repayments</li><li>• are seeking access to discounted home loan rates even if that means higher ongoing fees</li><li>• will have an LVR less than or equal to 60%</li><li>• are able to submit an application by 30 November 2021 and settle by 28 February 2022.</li></ul> For principal and interest reducing: <ul style="list-style-type: none"><li>• need to make regular repayments of interest and principal over the term of the loan</li></ul>

### ***Description of product, including key attributes***

This is an Accelerator Package variable home loan secured over real property. The key attributes are:

- loan amounts from \$100,000 for new loans or \$50,000 for internal loan increases
- loan terms of up to 30 years
- variable interest rate
- repayment frequency can be weekly/fortnightly/monthly
- the ability to make additional repayments
- a redraw facility

- optional 100% mortgage offset account
- must provide a registered first mortgage over real property or other acceptable security
- the option of transaction fee free banking and discounts on other products and services
- application, valuation and legal fee waived for one application with one security
- staff assisted redraw fees
- other fees and charges may apply. Refer to the current fees and charges schedule

For principal and interest reducing:

- principal and interest

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**Distribution Conditions**

***Distribution conditions***

This product is distributed by the issuer through the following channels:

- Stores
- Mobile lenders
- Call centre
- Online
- Third party introducer
- Brokers

Distribution conditions for this product include:

- ensuring that retail clients meet the eligibility requirements for the product
- ensuring that distribution is by appropriately trained staff

There are no other distributors for this product.

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**Review Triggers**

The review triggers that would reasonably suggest that the TMD is no longer appropriate are:

- 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;
- Material changes to fees or rates of interest

- 10% or more of borrowers are in arrears

The *Product Governance Framework* 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.

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**Review Periods**      **First review date:** 5 October 2022  
**Periodic reviews:** every 2 years after the initial and each subsequent review.

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**Distribution Information Reporting Requirements**      The following information must be provided to Community First Credit Union by distributors who engage in retail product distribution conduct in relation to this product:

Type of information	Description	Reporting period
Complaints	Number of complaints	As soon as practicable, and in any case within 10 business days after becoming aware
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)	
Sales <b>outside</b> the target market	Number of sales \$ value of sales	