

Target Market Determination – Housing Loans

TDML2 V.1

Product	L2 Basic Home Loan - Owner Occupied
Issuer	Orange Credit Union T/A Bank Orange ABN 34 087 650 477 AFSL & Australian Credit License 240768
Date of TMD	1 August 2024
Target Market	<p>Description of target market</p> <p>Owner Occupiers</p> <p>Retail customers who:</p> <ul style="list-style-type: none"> Are seeking a loan to: <ul style="list-style-type: none"> Purchase or renovate a home, Build a new home, Purchase land with plans of building a new home, Refinance an existing home loan Require funds for a variety of reasons and own a residential property which they are able to use as security for this loan; or Top up an existing loan for any worthwhile purpose. Are willing and able to offer a first registered mortgage over real property (or other acceptable security) as security for the loan, Are aged 18 years or more and meet the credit assessment criteria for the product; and Are seeking a loan priced according to LVR percentages: <ul style="list-style-type: none"> Differing interest rate for loans with LVR at approval: <ul style="list-style-type: none"> LVR <60% LVR 60.01% ≤ 80% LVR > 80% Is currently or wishes to become a member of Bank Orange. <p>Variable Rate Loans</p> <ul style="list-style-type: none"> Need the flexibility to make additional repayments, Ability to make additional repayments, Need the facility to redraw advance repayments, <p>Interest Only Loans</p> <ul style="list-style-type: none"> Need an interest only period <p>Principal & Interest Reducing</p> <ul style="list-style-type: none"> Need to make regular repayments of interest and principal over the term of the loan, The ability to minimise interest paid over the life of the loan, <p>Description of product, including key attributes</p> <p>This is a standard loan secured over real property.</p> <p>The key attributes are:</p>

	<ul style="list-style-type: none"> • Loan term up to 30 years (subject to age of borrower) • Minimum Loan Amount of \$100,000 • Borrow up to 80% of the property without Lenders Mortgage Insurance premium • Borrow up to 95% of the property value plus Lenders Mortgage Insurance premium • Interest only/principal and interest reducing/combinations, • Repayment frequency monthly (weekly/fortnightly payments are allowed) • Interest only option available for up to 5 years - a margin of 0.10% applies, • Progressive drawdown available • Must provide a registered first mortgage over real property or other acceptable security, • Included in fee rebate • No monthly loan fees • Establishment fee applicable • Discharge fee applicable on discharge of mortgage • Existing Bank Orange home loan customers cannot switch into this product from an existing home loan product • Refer to Fee Schedule for fee amounts • Direct credits, periodical payments, payroll allocations or online deposits, • Customers must satisfy conditions for certain features (e.g. interest-only repayments).
Distribution Conditions	<p><i>Distribution conditions</i></p> <p>This product is distributed by the issuer through the following channels:</p> <ul style="list-style-type: none"> • Branches • Call centre • Online <p>Distribution conditions for this product include:</p> <ul style="list-style-type: none"> • Ensuring that clients meet the eligibility conditions for the product • Ensuring that distribution through branches, call centre and online is by appropriately authorised and trained staff <p>There are no other distributors for this product.</p>
Review Triggers	<p>The review triggers that would reasonably suggest that the TMD is no longer appropriate include:</p> <ul style="list-style-type: none"> • 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; • The receipt of a product intervention power order from ASIC requiring OCU to immediately cease retail product distribution conduct in respect of the product; • If the Australian Financial Complaints Authority (AFCA) or a Court raise concerns about the product's design or distribution; • If the product's design or distribution receives adverse media coverage. <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 RG274.</p>
Review Periods	<p><i>First review date:</i> 1 September 2024</p>

	Next review date: 1 September 2026 Periodic reviews: Every 2 years after first review date		
Distribution Information Reporting Requirements	The following information must be provided to Orange 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	Every month
	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
	Sales outside the target market	Number of sales Dollar value of sales	Every 12 months
	Sales inside the target market	Number of sales Dollar value of sales	Every 12 months