



TARGET MARKET DETERMINATION

HOME LOANS

About this document

This Target Market Determination (TMD) is a document of Woolworths Team Bank Limited (the Issuer) (ABN 67 087 651 803) (AFSL/Australian Credit Licence 240720) which seeks to give our customers, staff, product distributors, and other interested parties an understanding of the class of retail consumers for whom the product described has been designed, how the product is distributed, and related matters.

This TMD is not, and should not be construed as, a full summary of the product's Terms and Conditions. Nor is it a substitute for the provision of financial advice.

When deciding about the product, consumers should refer to the product's Terms and Conditions and other promotional material available.

<p>Product to which this Target Market Determination applies</p>	<p>This TMD applies to:</p> <ul style="list-style-type: none"> ▪ Owner occupied variable rate Home Loan ▪ Owner occupied fixed rate Home Loan ▪ Residential Investment variable rate Home Loan ▪ Residential Investment fixed rate Home Loan
<p>Effective date of this Target Market Determination</p>	<p>This TMD is effective from 5 October 2021.</p>
<p>Below we summarise the class of consumers comprising the target market for the product based on the key attributes and consumer objectives, financial situations, and needs the product has been designed to meet.</p>	
<p>Class of consumers in the target market</p>	<p>The product has been designed for consumers who:</p> <p>Variable Rate Home Loan; Consumers who are 18 years or more and looking to purchase, refinance or build a home or wish to top up their existing loan for any worthwhile purpose and are willing to offer a first registered mortgage over real property as security for the loan and want the flexibility to make additional repayments and redraw funds as required as well as offsetting their savings to reduce their Home Loan interest costs.</p> <p>Fixed Rate Home Loan; Consumers who are 18 years or more and looking to purchase, refinance or build a home or wish to top up their existing loan for any worthwhile purpose and are willing to offer a first registered mortgage over real property as security for the loan and want the certainty of a fixed interest rate and fixed repayments for between 1 to 5 years, which can then be reconsidered if a fixed rate loan remains suitable once the fixed rate term expires.</p>
<p>Product description, key attributes, and eligibility criteria</p>	<p>Product description including key attributes</p> <p>This is a Variable Rate Home Loan. The key attributes are:</p> <ul style="list-style-type: none"> ▪ Variable Interest rate. ▪ Loan term up to 30 years. ▪ Minimum loan amount \$5,000-, Maximum loan amount \$2,000,000-.

	<ul style="list-style-type: none"> ▪ Repayment periods; monthly, fortnightly, weekly on a principal and interest basis. ▪ Interest only facilities are available during the construction phase of a home, reverting to principal and interest on completion. For residential investment home loans, Interest only facilities can be ongoing. ▪ Interest is calculated daily and charged monthly. ▪ Loan set up costs and documentation fee apply whilst an annual fee applies on some variable rate products depending on the interest rate selected. ▪ No monthly account fee. ▪ Lump sum repayments are allowed, along with a free redraw facility (online). ▪ 100% offset account available, other than for interest only facilities. ▪ Early repayment without penalty allowed. ▪ Auto repayments available. ▪ Statements issued 30 June and 31 December. <p>This is a Fixed Rate Home Loan. The key attributes are:</p> <ul style="list-style-type: none"> ▪ Fixed interest rate ▪ Loan term up to 30 years, with a maximum initial fixed rate term of 5 years which can then be reconsidered if a fixed rate loan remains suitable once the fixed rate term expires. ▪ Minimum loan amount \$5,000-, Maximum loan amount \$2,000,000-. ▪ Repayment periods, monthly, fortnightly or weekly on a principal and interest basis. ▪ Interest only facilities are available during the construction phase of a home, reverting to principal and interest on completion. For residential investment home loans, interest only facilities can be ongoing. ▪ Interest is calculated daily and charged monthly. ▪ Loan set up costs and documentation fee apply whilst an annual fee applies on some fixed rate products depending on the interest rate selected. ▪ No monthly account fee. ▪ Limited lump sum repayments are allowed. ▪ No offset account available. ▪ Break fee applies and a break fee quote can be issued as required and in line with individual circumstances. ▪ Auto repayments available. ▪ Statements issued 30 June and 31 December. <p>Product's eligibility criteria The product's eligibility criteria are: loan availability is subject to meeting the credit criteria of Woolworths Team Bank.</p>
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<p>Objectives, financial situations and needs of consumers in the target market</p>	<p>This product has been designed for individuals who:</p> <p>Variable Rate Home Loan;</p> <ul style="list-style-type: none"> ▪ Likely objectives: Customers seeking a flexible home loan with additional features. ▪ Likely financial situation: Customers who have saved a deposit and associated set up fees and have a regular income and wish to purchase an asset or Customers who have grown their equity in an asset and wish to purchase a second property for investment purposes or refinance their current home loan whilst meeting the bank's credit assessment requirements. ▪ Likely needs: Customers who intend to make unlimited extra repayments and/ or redraw funds or utilise an offset account to reduce their interest costs. <p>Fixed Rate Home Loan;</p> <ul style="list-style-type: none"> ▪ Likely objectives: Customers seeking the certainty of a fixed interest rate and fixed repayments. Maximum initial fixed rate period is 5 years which can then be reconsidered if a fixed rate loan remains suitable on the expiry of the fixed rate term. ▪ Likely financial situation: Customers who have saved a deposit and associated set up fees and have a regular income and wish to purchase an asset or Customers who have grown their equity in an asset and wish to purchase a second property for investment purposes or refinance their current home loan whilst meeting the bank's credit assessment requirements. ▪ Likely needs: Customers who wish to have the same repayment structure over a period of time and have a desire to make a smaller amount of special repayments.
<p>Excluded class of consumers</p>	<p>This product has not been designed for individuals who:</p> <p>Variable Rate Home Loan;</p> <ul style="list-style-type: none"> ▪ Consumers who do not meet the eligibility requirements. ▪ Consumers who are seeking the certainty of fixed repayments over the term of the loan based on fixed rate periods of between 1 to 5 years which can then be reconsidered if a fixed rate loan remains suitable on the expiry of the fixed rate term. ▪ Consumers who are not seeking additional features (e.g. offset account). <p>Fixed Rate Home Loan;</p> <ul style="list-style-type: none"> ▪ Consumers who do not meet the eligibility requirements. ▪ Consumers seeking additional features on their home loan (e.g. redraw facility, offset account). ▪ Consumers who anticipate making additional repayments of more than \$10,000- per annum.

<p>Why the product is likely to be consistent with the likely, objectives, financial situation and needs of consumers in the target market</p>	<p>This product is consistent with the needs and objectives of customers who are seeking:</p> <p>Variable Rate Home Loan: This product is consistent with the needs and objectives of customers who are seeking flexibility and who intend to make extra repayments and/or redraw funds or require an offset account.</p> <p>Fixed Rate Home Loan: This product is consistent with the needs and objectives of customers who are seeking the certainty of a fixed interest rate and fixed repayments over the term of the loan based on fixed rate terms of between 1 and 5 years which can then be reconsidered if a fixed rate loan remains suitable at the expiry of the fixed rate term.</p>
<p>Distribution of the product (Distribution Conditions)</p>	<p>There are no other distributors for this product.</p> <p>Distribution channels The product is designed to be distributed through the following channels:</p> <ul style="list-style-type: none"> ▪ In branch ▪ By telephone ▪ Website <p>Distribution conditions and restrictions The distribution of the product is subject to the following conditions and restrictions: Ensuring that branch and telephone distribution is done by appropriate authorised staff who ensure that customers meet the eligibility requirements for the loan. All online, website and targeted advertising will clearly note loan eligibility requirements.</p>
<p>Why the distribution conditions and restrictions will make it more likely that consumers who acquires the product are in the target market</p>	<p>The distribution conditions and restrictions will likely achieve this objective by reaching a broad range of eligible consumers in the target market via the noted distribution channels, and eligibility requirements will be enforced in each distribution channel to ensure that only eligible customers can acquire the home loan products.</p>

<p>Review triggers or events necessitating a review of this TMD</p>	<p>The review triggers that would reasonably suggest that this TMD is no longer appropriate and therefore is subject to review are:</p> <ul style="list-style-type: none"> ▪ A significant dealing of the product to consumers outside the target market occurs and/or is no longer consistent with the likely objectives, financial situation and needs of consumers; ▪ A significant number of complaints or negative feedback is received from customers in relation to their purchase or use of the product that reasonably suggests that this TMD is no longer appropriate; ▪ A material change to the product or the terms and conditions of the product occurs which would suggest this TMD is no longer appropriate. <p>The Product Governance Framework of Woolworths Team Bank includes regular consideration of whether there has been a review trigger following each distribution information report.</p> <p>Where a review trigger or event occurs, Woolworths Team Bank will review this TMD within 10 business days after becoming aware of a trigger event.</p>
<p>Reviewing this TMD (Review Periods)</p>	<p>Initial review (first review date) Woolworths Team Bank will undertake an initial review of this TMD within 1 year of the effective date.</p> <p>Periodic reviews Woolworths Team Bank will undertake periodic reviews of this TMD at least every 2 years from the initial review and each subsequent review.</p>

<p>Distribution Information Reporting Requirements by Distributors to Issuers</p>	<p>The following information must be provided to/by Woolworths Team Bank who engages in retail product distribution conduct in relation to this product:</p>		
	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 and substance of complaints, including nil complaints	Every quarter
	Review triggers	Date when review triggers occurred other than complaints and significant dealings	As soon as practicable, and in any case within 10 business days after becoming aware
	Sales outside the target market	<ul style="list-style-type: none"> ▪ Number of sales ▪ \$ value of sales 	Every quarter
	Sales inside the target market	<ul style="list-style-type: none"> ▪ Number of sales ▪ \$ value of sales 	Every quarter
	Product performance and general feedback relating to the product	Description of positive and negative feedback	Half yearly
<p>Note: Woolworths Team Bank is both the issuer and the distributor of this product.</p>			
<p>Availability of this TMD</p>	<p>This TMD is available to the public free of charge.</p>		