

# Target Market Determination (TMD)

## ➤ Variable Rate Home Loan

<b>Product</b>	Variable Rate Home Loan				
<b>Issuer</b>	Qudos Mutual Limited trading as Qudos Bank ABN 53 087 650 557 AFSL/Australian Credit Licence 238 305				
<b>Date of TMD</b>	5 October 2023				
<b>Target Market</b>	<b>Description of target market</b>				
	<table border="1"> <thead> <tr> <th>Owner occupiers</th> <th>Investors</th> </tr> </thead> <tbody> <tr> <td> <p><b>Real clients who:</b></p> <ul style="list-style-type: none"> <li>➤ are seeking a loan to: <ul style="list-style-type: none"> <li>- build, purchase or renovate a home,</li> <li>- refinance and existing home loan; or</li> <li>- top up an existing loan for any worthwhile purpose</li> </ul> </li> </ul> </td> <td> <p><b>Retail clients who:</b></p> <ul style="list-style-type: none"> <li>➤ are seeking a loan to: <ul style="list-style-type: none"> <li>- build, purchase or renovate an investment property</li> <li>- refinance and existing investment loan; or</li> <li>- top up an existing loan for any worthwhile investment purpose</li> </ul> </li> </ul> </td> </tr> </tbody> </table>	Owner occupiers	Investors	<p><b>Real clients who:</b></p> <ul style="list-style-type: none"> <li>➤ are seeking a loan to: <ul style="list-style-type: none"> <li>- build, purchase or renovate a home,</li> <li>- refinance and existing home loan; or</li> <li>- top up an existing loan for any worthwhile purpose</li> </ul> </li> </ul>	<p><b>Retail clients who:</b></p> <ul style="list-style-type: none"> <li>➤ are seeking a loan to: <ul style="list-style-type: none"> <li>- build, purchase or renovate an investment property</li> <li>- refinance and existing investment loan; or</li> <li>- top up an existing loan for any worthwhile investment purpose</li> </ul> </li> </ul>
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<p><b>For principal and interest reducing:</b></p> <ul style="list-style-type: none"> <li>➤ need to make regular repayments of interest and principal over the term of the loan</li> </ul>					
<p><b>For interest only:</b></p> <ul style="list-style-type: none"> <li>➤ are seeking an interest only option for an approved purpose and are prepared to make monthly repayments</li> </ul>					

## Target Market (continued)

### Description of product, including key attributes

This is a Variable Rate Home loan secured over real property. The key attributes are:

- > loan amounts from \$30,000
- > loan terms of up to 30 years
- > variable interest rate
- > owner occupied or investment
- > interest only/principal and interest reducing/combinations
- > repayment frequency can be weekly/fortnightly/monthly
- > interest only option available – monthly repayment, subject to approval
- > minimum deposit 5%
- > a redraw facility available to redraw advance repayments
- > 100% loan offset account available
- > must provide a registered first mortgage over real property or other acceptable security

### This product is not suitable for retail clients who:

- > are able and willing to offer a higher deposit to secure a lower interest rate
- > are seeking a fixed interest rate
- > are seeking bridging finance to purchase a property prior to selling their existing property
- > need progressive drawdowns to complete the construction of a home

## Distribution Conditions

### Distribution conditions

This product is distributed directly by Qudos Bank through the following channels:

- > branches
- > call centres
- > online
- > mobile lenders

This product can also be distributed by mortgage brokers approved by Qudos Bank (approved distributors).

### Distribution conditions for this product include:

- > ensuring that clients meet the eligibility requirements for the product
- > ensuring that distribution through branches, mobile lenders and call centres is by appropriately trained staff

There are no other approved distributors for this product.

**Review Triggers**

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

- > 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

Qudos Bank's Product Governance Framework includes regular consideration of whether there has been a review trigger following each distribution information report.

**Period Reviews**

At least every 12 months from the date of this TMD.

**Distribution Reporting Requirements**

The following information must be provided to Qudos Bank by distributors who engage in retail product distribution conduct in relation to this product, by email to [DDOreporting@qudosbank.com.au](mailto:DDOreporting@qudosbank.com.au):

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 in relation to this TMD.  This will include written details of the complaints.	Every 3 months, within 10 business days of the end of each calendar quarter.
Sales <b>outside</b> the target market	Number of sales \$ value of sales.	Every 3 months, within 10 business days of the end of each calendar quarter.

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