

Target Market Determination – Housing Loans

TDML1 V.1

Product	L1 Premium Home Loan - Owner Occupied or Residential Investment
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 and/or Investors</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, Seeking loan offset account, Ability to make additional repayments, Need the facility to redraw advance repayments, Are seeking to attach an 100% offset facility. <p>Fixed Rate Loans</p> <ul style="list-style-type: none"> Need the certainty of a fixed interest rate and fixed repayments for a specified period of 1, 2 or 3 years. Revert to Premium Variable Rate on expiry of fixed rate period. <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,

	<ul style="list-style-type: none"> • 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 • 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 with Lenders Mortgage Insurance premium • Interest only/principal and interest reducing/combinations • Interest rate variable/fixed/combination • Repayment frequency monthly (weekly/fortnightly payments are allowed) • Redraw (Variable) • Offset (Variable & Fixed) • 100% offset of the account balance against the linked home loan balance when calculating interest on the loan (Variable & Fixed) • Interest only option available for up to 5 years - a margin of 0.10% applies • Progressive drawdown (variable only) • Split loans available • Additional repayments accepted (maximum of \$10,000 per annum in total during a fixed interest rate period) • Must provide a registered first mortgage over real property or other acceptable security • Included in fee rebate • No ongoing fees • Establishment fee applicable • Break costs may apply if a loan is paid out prior to fixed rate term expiry and/or additional repayments made in excess of \$10,000 per annum (Fixed) • Discharge fee applicable on discharge of mortgage • Switching fee applicable on switch of mortgage product • Refer to Fee Schedule for fee amounts • Existing Bank Orange home loan customers can switch into this product from an existing eligible home loan product with applicable fee • Direct credits, periodical payments, payroll allocations or online deposits • Customers must satisfy conditions for certain features (e.g. interest-only repayments).
Distribution Conditions	<p>Distribution conditions</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>First review date: 1 September 2026</p> <p>Next review date: 1 September 2028</p> <p>Periodic reviews: Every 2 years after first review date</p>																	
Distribution Information Reporting Requirements	<p>The following information must be provided to Orange Credit Union by distributors who engage in retail product distribution conduct in relation to this product:</p> <table><tr><th>Type of information</th><th>Description</th><th>Reporting period</th></tr><tr><td>Complaints</td><td>Number of complaints</td><td>Every month</td></tr><tr><td>Significant dealing(s)</td><td>Date or date range of the significant dealing(s) and description of the significant dealing (eg, why it is not consistent with the TMD)</td><td>As soon as practicable, and in any case within 10 business days after becoming aware</td></tr><tr><td>Sales outside the target market</td><td>Number of sales Dollar value of sales</td><td>Every 12 months</td></tr><tr><td>Sales inside the target market</td><td>Number of sales Dollar value of sales</td><td>Every 12 months</td></tr></table>			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
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