

PREMIUM HOME PACKAGE HOME LOAN

TARGET MARKET DETERMINATION (TMD)

Issuer	Police Financial Services Limited ABN 33 087 651 661 trading as BankVic AFSL and Australian Credit Licence 240293
Date of Target Market Determination	5 th October 2021
Description of Target Market (TM)	BankVic's Premium Home Package provides customers with funding to buy, build or refinance a home, and access to package benefits that include discounted variable and fixed home loan rates.

PRODUCT

/ Features of this product

- A package home loan that provides funding for the purpose of buying, building, or refinancing a home.
- It is a full function loan with options that include discounted variable and fixed rates, plus specific discounts applied to other select products.
- Package variable rate loans include the option of an offset account to enable borrowers to directly manage and maintain access to additional repayments and provide the potential to reduce the interest payable over the term of the loan.
- Package fixed rate loans offer a set rate and repayment amount for the period of the fixed rate term. Package fixed rate loans are available for 1 - 5 year terms and revert to the package variable rate at the end of the fixed rate period.
- Borrowers can make additional repayments or more frequent repayments at no cost to support paying off the loan more quickly.
- This loan provides the option to apply for additional funding against the property, referred to as a loan top up.
- Repayments cover principal and interest. A package variable rate loan provides the option for funding property under construction.
- Annual package fee

/ Eligibility criteria

- Eligible for BankVic membership
- Aged 18+ years
- No history of loan/credit default, bankruptcy, or insolvency
- Has sufficient disposable income to service a loan over the life of the loan
- Has the funds to meet minimum deposit requirements
- Approval subject to BankVic credit assessment

/ Unsuitable

This product's key features, attributes and eligibility criteria as listed above are likely to be consistent with the objectives, financial situation and needs of customers in the Target Market.

This product is unsuitable for people who:

- Don't meet BankVic membership eligibility
- Are looking for a basic home loan with no added features or benefits
- Are looking for an interest only loan



PURPOSE

/ Target Market's likely objectives

- Funding to build, buy or refinance a property
- A full function home loan that provides access to package features
- An offset account to manage repayments, maintain access to equity and reduce interest
- Option to top up the loan to fund home improvements or other expenses

/ Target Market's likely needs

- A home loan to build, buy or refinance a property
- Access to package benefits that reward take-up of other products, in addition to a home loan
- Access to personalised guidance and support from an experienced lender
- Individual assessment of loan serviceability

/ Target Market's likely financial situation

- Has sufficient disposable income to service a home loan over the life of the loan
- Has the funds to meet minimum deposit requirements
- Regular income may include overtime and bonuses

/ Target Market accessibility

- BankVic website, mobile app and internet banking
- BankVic home loan specialists
- BankVic branches
- Other distributors: partner referrals
- Funds can be deposited or accessed (in the case of redraw or use of an offset account) using digital banking applications and during operating hours through a BankVic branch

Conditions: customers must meet the product eligibility requirements

/ TMD review triggers

- Material changes to the key product features, attributes, eligibility and/or terms and conditions
- Material increases in member complaints about the product or distribution of the product
- Government policy or regulatory change

/ TMD review period

- Minor review every 12 months
- Major review every 3 years

/ Distributor information reporting requirements

Reporting requirements

Complaints (as defined in section 994A(1) of the Act) relating to the product design, product availability & distribution. The distributor should provide all the content of the complaint, having regard to privacy.

Significant dealing outside of the Target Market, under s994F(6) of the Act. Reporting to include the dates, description, and volumes of the significant dealings.

Reporting period

Within 10 business days following end of calendar quarter

As soon as practicable but no later than 10 business days after the distributor becomes aware of the significant dealing.

About this document

This Target Market Determination (TMD) describes the type of customer who may suit this product based on their needs, objectives, and financial situation i.e. the target market. It also sets out who can distribute our products, how they can do this, and situations when we may need to review our products and the target markets. This document does not replace the terms and conditions or fees and charges applicable to the product which are available on our website.

We are required to have TMDs under the Treasury Laws Amendment (Design and Distributions Obligations and Product Intervention Powers) Act 2019. This ensures that BankVic is keeping our members at the centre of our approach to the design and distribution of our products.