

Target Market Determination

Fixed Rate Residential Investment Loan

Product	Fixed Rate Residential Investment Loan
Issuer	MyState Bank Ltd ABN 89 067 729 195 ACN 067 729 195 AFSL / ACL 240896
Date of TMD	30 April 2023
Target Market	<p><i>Description of target market</i></p> <p>The features of this product are likely to be consistent with the likely objectives, financial situation and needs of consumers who:</p> <ul style="list-style-type: none"> • are aged 18 years or over; and • meet the eligibility criteria including MyState’s Mortgage Lending Standard requirements; and • are looking to purchase or refinance a residential investment property; and • require the certainty of fixed repayments for the initial term of the loan. <p><i>Target Market Rationale</i></p> <p>Whilst the product has a cap on additional repayments and does not permit redraw, the product benefits consumers within the target market by offering them an interest rate which cannot vary during the initial fixed rate term, making household budgeting easier. Additionally the product benefits consumers within the target market by having an interest only repayment option which may be preferred in some instances for tax purposes.</p> <p><i>Description of product, including key attributes</i></p> <ul style="list-style-type: none"> • Fixed interest rate for an initial term of 1,2,3 or 5 years • Fixed interest rate based on the loan amount as a percentage of the property value at the time of purchase or refinance • \$10,000 additional repayments allowed per annum (redraw not available) • Minimum loan amount \$30,000 • Maximum loan term 30 years • Repayment options - principal and interest and interest only (higher interest rates may apply where repayments are interest only) • Repayment frequency – weekly, fortnightly or monthly • Establishment fee is payable (A higher fee may apply where the loan amount is above 80% of the value of the property) • Nil ongoing monthly or annual fees • Rate lock option available at time of application (a fee applies)

	<ul style="list-style-type: none"> • Lenders Mortgage Lenders Mortgage Insurance applies if loan amount is greater than 80% of the value of the property <p>Classes of customers for whom the product may not be suitable This product may not be suitable for customers who:</p> <ul style="list-style-type: none"> • do not meet the eligibility requirements; • require the flexibility to make additional repayments and redraw funds as required; • require an offset facility; • are looking to purchase or refinance an owner occupied property. 										
<p>Distribution Conditions</p>	<table border="1"> <thead> <tr> <th data-bbox="402 864 683 909">Channel</th> <th data-bbox="683 864 1406 909">Conditions</th> </tr> </thead> <tbody> <tr> <td data-bbox="402 909 683 954">Direct - online</td> <td data-bbox="683 909 1406 954">Not available</td> </tr> <tr> <td data-bbox="402 954 683 1088">Direct – by phone</td> <td data-bbox="683 954 1406 1088">Only authorised bankers are permitted to assist consumers with this product, as these staff will have the necessary training, skills and knowledge to assess whether the consumer is within the target market.</td> </tr> <tr> <td data-bbox="402 1088 683 1223">Direct – in branch</td> <td data-bbox="683 1088 1406 1223">Only authorised bankers are permitted to assist consumers with this product, as these staff will have the necessary training, skills and knowledge to assess whether the consumer is within the target market.</td> </tr> <tr> <td data-bbox="402 1223 683 1368">Third party – Accredited mortgage brokers</td> <td data-bbox="683 1223 1406 1368">All applications must comply with our policies and procedures issued to accredited brokers from time to time. Accredited mortgage brokers will have the necessary training, skills and knowledge to assess whether the consumer is within the target market or is in the best interests of the consumer.</td> </tr> </tbody> </table>	Channel	Conditions	Direct - online	Not available	Direct – by phone	Only authorised bankers are permitted to assist consumers with this product, as these staff will have the necessary training, skills and knowledge to assess whether the consumer is within the target market.	Direct – in branch	Only authorised bankers are permitted to assist consumers with this product, as these staff will have the necessary training, skills and knowledge to assess whether the consumer is within the target market.	Third party – Accredited mortgage brokers	All applications must comply with our policies and procedures issued to accredited brokers from time to time. Accredited mortgage brokers will have the necessary training, skills and knowledge to assess whether the consumer is within the target market or is in the best interests of the consumer.
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<p>Review Triggers</p>	<p>The review triggers that may reasonably suggest that the TMD is no longer appropriate include where there is:</p> <ul style="list-style-type: none"> • A significant dealing in the product to customers outside the target market; • A significant number of customer complaints in relation to their purchase or use of the product during the preceding 6 months; • A material change to the product or the terms and conditions; e.g. a material increase in interest rates or fees • A material change in the regulatory environment; • A significant number of loans for the product have been subject to a hardship variation; • A significant number of customers that have switched to alternate products whilst the product is still offered; • Regulatory attention relating to the design or distribution of the product; • Adverse media coverage relating to the design or distribution of the product. 										

Review Periods	<p>Last review date: 18 April 2023 Periodic reviews: every 2 years after the initial review</p>		
Distribution Reporting Requirements	<p>The following information must be provided to MyState by distributors who engage in retail product distribution conduct in relation to this product.</p> <p>Please send information to: DDOReporting@mystate.com.au</p>		
	Type of Information	Description	Reporting period
	Complaints	<p>Number (and nature) of complaints</p>	<p>Every 6 months</p>
Significant dealing(s) (excluding dealings which result from distribution under 'excluded conduct')	<p>Date or date range of the significant dealing(s); and</p> <p>Description of the significant dealing (e.g. why it is not consistent with the TMD);</p> <p>Why the dealing is significant;</p> <p>How the significant dealing was identified (e.g. complaint(s), review trigger);</p> <p>What steps, if any, have been or will be taken to address the significant dealing.</p> <p>The number of customers affected or potentially affected by the significant dealing.</p>	<p>As soon as practicable, and in any case within 10 business days of the significant dealing</p>	