

Target Market Determination

Basic Variable Residential Investment Loan

Product	Basic Variable Residential Investment Loan
Issuer	MyState Bank Ltd ABN 89 067 729 195 ACN 067 729 195 AFSL / ACL 240896
Date of TMD	30 November 2023
Target Market	<p>Description of target market 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 who: • meet the eligibility criteria including MyState's Mortgage Lending Standard requirements; and • are looking to purchase, build or refinance a residential investment property; and • require the flexibility to make additional repayments and redraw funds as required. <p>Target Market Rationale Whilst variable interest rates may fluctuate, the product benefits consumers within the target market by permitting them to make additional repayments to reduce interest payable whilst retaining the ability to draw on those additional repayments when required. Additionally the product benefits consumers within the target market by having an interest only repayment option that may be preferred in some instances for tax purposes.</p> <p>Description of product, including key attributes</p> <ul style="list-style-type: none"> • Variable interest rate based on the loan amount as a percentage of the property value at the time of purchase or refinance (rate may fluctuate over the loan term) • Redraw available for repayments made in advance of minimum required repayments • Minimum loan amount \$100,000 • Maximum loan term 30 years • Maximum Loan to Valuation Ratio (LVR) of 90% • Repayment options - principal and interest or 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 • Nil redraw fee for redraw conducted via internet banking (a fee applies for staff assisted redraw)

	<ul style="list-style-type: none"> 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 certainty of fixed repayments over a term of the loan; do not anticipate making extra repayments above the required minimum and do not require redraw features on their home loan; are looking to purchase or refinance an owner occupied property; require an offset facility. 										
Distribution Conditions	<table> <tr> <th>Channel</th><th>Conditions</th></tr> <tr> <td>Direct - online</td><td>Not available</td></tr> <tr> <td>Direct – by phone</td><td>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>Direct – in branch</td><td>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>Third party – Accredited mortgage brokers</td><td>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> </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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Review Triggers	<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; 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	Last review date: 20 November 2023 Periodic reviews: Every 2 years after the initial review		
Distribution Reporting Requirements	The following information must be provided to MyState by third party distributors who engage in retail product distribution conduct in relation to this product.		
	Please send information to:		
	DDOReporting@mystate.com.au		
	Type of information	Description	Reporting period
	Complaints	Number (and nature) of complaints	Every 6 months
Significant dealing(s) (excluding dealings which result from distribution under 'excluded conduct')	Description of the significant dealing (e.g, why it is not consistent with the TMD); Why the dealing is significant; How the significant dealing was identified (e.g. complaint(s), review trigger); What steps, if any, have been or will be taken to address the significant dealing. The number of customers affected or potentially affected by the significant dealing.	As soon as practicable, and in any case within 10 business days of the significant dealing	