

TARGET MARKET DETERMINATION

Target Market Determination (TMD) Detail

Product: Australian Mortgage Home Loan

is a home loan available to owner occupied or investors meeting our credit criteria.

Product Issuer:

Volt Bank Limited ABN 67 622 375 722 Australian credit licence number 504782 (“Issuer”, “our” or “we”)

Effective Date:

5 October 2021

About the TMD

This Target Market Determination (TMD) document is not intended to provide financial advice. Please refer to our Terms and Conditions and Credit Guide before deciding product suitability. Our product terms and conditions will be provided to you upon request.

This TMD aims to provide an understanding of the class of customers we have designed this product for, being the target market. When considering the target market, we focused on our customers' objectives, financial situation, and needs within this class of people we believe this product to be suitable.

Target Market

Our Home Loans have broad base appeal to a variety of borrowers who meet our eligibility criteria, including those looking to combine the benefits of unlimited, fee free additional payments and redraw.

Our Home loans are designed to enable customers to purchase a home or access the equity they have built from owning their home for any suitable home loan purpose covered by our credit policy or refinance their home or residential investment loan from other financial institutions under Issuer's credit policy.

To borrow consumers must be:

- at least 18 years old;
- individual borrowers (as single or joint borrowers);
- an Australian citizen or a permanent Australian resident; and
- able to satisfy our credit criteria.

Suitability:

Our Home Loans would suit borrowers who:

- desire a low or no ongoing fee account, ability to pay off quickly and redraw if desired;
- have a regular income and can afford the repayments; and
- wants to purchase a home or a residential investment property.

Borrowers should be:

- intending to use our Home Loan predominantly for personal, domestic or household, purposes or to refinance, purchase or improve an investment property;
- comfortable using technology to manage their mortgage accounts;

Not suitable for:

The product may not be suitable for borrowers who:

- do not meet the eligibility criteria;
- are looking for a home loan with the ability to fix the interest rate on their loan;
- are looking to construct a property;
- are intending to use the loan for business purposes; or
- need to use cheques or cash to make repayments; or need to visit a physical branch.

Description of the Product, including key attributes

- Variable interest rate;
- Repayment options:
 - principal and interest; or
 - interest only
- Offset facility available
- Redraw available
- Minimum loan size: \$100,000
- Maximum Loan Size: \$1,500,000 (subject to Loan to Valuation Ratio (LVR) and credit policy)
- Maximum LVR 80%
- Loan Term: 10 to 30 years
- Security type: first registered mortgage over residential owner occupied or investment property.
- Employment types: PAYG borrowers (no companies or trusts)
- Loan purpose: purchase, personal cash advance or refinance

Distribution Conditions and Restrictions:

This product is designed to be accessed via accredited brokers and credit representatives.

This product should only be distributed under the following borrowers' circumstances:

- legal capacity to enter into a credit contract;
- ability to meet all the Bank's servicing criteria;
- satisfactory credit history;
- stability in employment with regular, predictable and verifiable income;
- stable residency (mobility from employment e.g. teacher, police officer is acceptable);
- no significant adverse changes expected to their financial situation in the next 3 years; and
- are over 18 years of age and Australian resident.

Distribution channels

This product is designed to be distributed via:

- Issuer Accredited Distribution Partners
- Issuer Credit Representatives
- Issuer Staff

Distribution conditions

Only these distribution channels are authorised to distribute this product as the individuals nominated understand the market this product has been designed for, have been trained in the relevant underwriting criteria and have the appropriate levels of authority.

The accredited brokers and credit representatives must be an AFCA member, have adequate professional indemnity insurance and be a member of MFAA or FBAA and have completed adequate training relevant to their responsible lending and compliance obligations.

Adequacy of distribution conditions and restrictions

This is based on an assessment of the distribution conditions and restrictions, and that they are appropriate and will assist distribution in being directed towards the target market for whom the product has been designed.

TMD Reviews:**Periodic reviews:**

We will review this document every 2 years from the effective date to ensure it remains appropriate, or earlier if other circumstances occur which trigger the need to review the TMD.

Review triggers:

The distribution of this product must be reviewed, and if needed changed or withdrawn, if we determine that a material event or circumstance has occurred, which may include:

- receiving a significant number of customer complaints regarding the terms and conditions of this product;
- we determine that product features (for example interest and charges) are not operating in accordance with the terms and conditions, or have significantly changed and do not match this TMD;
- receiving consistent distributor feedback or reporting which suggests this product does not meet this TMD;
- significant dealing in or distribution of this product outside of the suitability, conditions and restrictions of this TMD;
- a regulator requiring some or all of the activities involved in distribution of this product to be changed or withdrawn.

We must notify ASIC on the above within 10 business days after becoming aware of any of these matters.

Distribution information:

We will reassess the TMD to determine whether it is still appropriate based on the reporting from referring partners, or consistent feedback from referring partners or customers which suggests that the TMD may no longer be appropriate.