

<b>Target Market Determination</b>	<b>Product Name:</b> Home Loan Offset account	<b>Product Code:</b> 152
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**Product Description:** A home loan offset account is a transactional account that can be linked to a home loan. The balance held in the account “offsets” the balance of the mortgage, helping to reduce the interest paid and overall term of the loan.

**Date Published:** 01 November 2024

**Version:** 6

**Effective From:** 01 November 2024

**Issuer Details:** **Defence Bank Limited**  
ABN 57 087 651 385 AFSL/Australian Credit Licence 234582  
PO Box 14537  
Melbourne VIC 8001

## 1. Target Market

### Details

This product is designed for retail clients who are likely to have the following:

Needs:

- wishes to pay out the home loan sooner.
- require access to funds when needed (readily available)
- reduce the interest payable on their home loan.
- be able to transact on the account with a debit card.
- require a transactional account with the ability to immediately access their funds using convenient access methods.

Financial situation:

- recently purchased a home
- have an eligible home loan

Objectives:

- reduce the amount of interest payable on a home loan so the home loan is repaid sooner
- to conveniently manage deposits and facilitate payments

## 2. Key Attributes

### Key Attribute Details

This is a Home loan Offset account and the key features of this product are:

- no minimum deposit
- no monthly, transaction (in Australia) or overdrawn fees
- at call/withdrawal limits
- Debit Card access available
- 100% offset of the account balance against the linked home loan balance when calculating interest on the loan
- apart from any offset against the linked loan account, no interest is payable on the account balance
- round up facility available
- online banking channels, e.g. Defence Bank online banking and Defence Bank App
- staff assisted channels, e.g over the counter or by phone

## 3. Distribution Conditions and Restrictions

### Details

Distribution conditions

This product is distributed by the issuer through the following channels:

- branches
- mobile lenders – if offered as part of the loan application
- call centres

Distribution conditions for this product include:

- ensuring that retail clients meet the eligibility requirements for the product
- ensuring that distribution through branches, mobile lenders and call centres is by appropriately trained staff
- ensuring the product is offered to those who have/or likely to have an eligible home loan

#### 4. Review Triggers

The review triggers that would reasonably suggest that the TMD is no longer appropriate are:

Details	Required data points	Threshold
A significant number of complaints is received from members in relation to their purchase or use of the product that reasonably suggests that the TMD is no longer appropriate	Complaints reporting	Three complaints per quarter in favour of the member
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	Notification of proposed material change/s to key product design, key attributes and or fees	As material changes are made.
A significant dealing of the product to retail clients outside the target market occurs	Product reporting	10% of members

#### 5. Review Frequencies

##### Initial Review

29 September 2022

##### Subsequent Reviews

At least every two years.

## 6. Distributor Information

The following information must be reviewed in relation to distribution of this product:

Information type	Details	Reporting period
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
Complaints	Number of complaints	quarterly
Sales outside the target market	Number of sales and \$ value of sales	quarterly
Sales inside the target market	Number of sales and \$ value of sales	quarterly