

**Gateway Bank**  
**Green Home Loan**  
**Target Market Determination (TMD)**  
**Effective Date: 5th October 2021**

**About This Document**

This Target Market Determination (TMD) applies to Green Home Loan and is a document of Gateway Bank Limited. ABN 47 087 650 093. AFSL/Australian Credit Licence No. 238293.

This TMD seeks to give our customers, staff, product distributors, and other interested parties an understanding of the class of consumers for whom the product described has been designed, how the product is distributed, and having regard to the likely needs, objectives and financial situation of that class of customers.

This TMD is not, and should not be construed as, a full summary of the product's Terms and Conditions. Nor is it a substitute for the provision of financial advice and does not consider any individual Member's personal needs, objectives or financial situation. Examples used in this TMD are illustrative only and are not intended to be exhaustive.

A customer may fall within the target market described in this TMD but may not meet Gateway Bank Limited's eligibility criteria. When deciding about the product, consumers should refer to the product's Terms and Conditions/Product Disclosure Statement (PDS), which are available from [www.gatewaybank.com.au/important-information](http://www.gatewaybank.com.au/important-information)


**Target Market**

**Product description (including key attributes)**

Borrowing purpose:	Green Plus Home Loan
	<ul style="list-style-type: none"> <li>■ Purchase of a residential dwelling; or</li> <li>■ Refinance to repay an existing owner occupier home loan in full; or</li> <li>■ Renovating an existing owner occupier home, or</li> <li>■ Construct a new eco-build.</li> </ul> <p>The property must be the primary place of residence.</p> <p>For a Purchase or Refinance, the property must have established environmentally friendly and sustainable features.</p> <p>For Renovations, you must be looking to add environmentally friendly and sustainable features to an existing home.</p> <p>See 'Key eligibility criteria' to understand what environmental enhancements the property must have.</p>
Repayment types:	<ul style="list-style-type: none"> <li>■ Principal &amp; interest; or</li> <li>■ Interest only</li> </ul>
Interest rate types:	<ul style="list-style-type: none"> <li>■ Variable; or</li> <li>■ Split between Fixed and Variable with Fixed option for 1,2,3 or 5 years.</li> </ul>
Optional feature(s):	<p>Optional feature(s) can be requested by a customer:</p> <ul style="list-style-type: none"> <li>■ An extra 0.10%p.a. on a Term Deposit; and</li> <li>■ 10% discount off CGU General Insurance premiums.</li> <li>■ 100% loan offset account – available on variable rate only.</li> <li>■ Redraw facility – available on variable rate only.</li> <li>■ One fee free loan variation request annually, when changing the structure of an existing Gateway loan.</li> </ul>
Loan to valuation ratio (LVR)	<ul style="list-style-type: none"> <li>■ Maximum LVR is 80% of security property value.</li> </ul>


<p><b>Key eligibility criteria:</b></p>	<p><b>Borrower(s):</b></p> <ul style="list-style-type: none"> <li>■ Is over the age of 18.</li> <li>■ Eligible to become a member of Gateway Bank.</li> <li>■ Owns and occupies the security property or is planning to purchase a property for owner occupation.</li> <li>■ Has the ability to service loan repayments as per the lending eligibility criteria.</li> <li>■ At least a 20% deposit of the property purchase price.</li> <li>■ Must be zoned for residential use. A house, villa or Vacant Land – with the intent to construct a new eco-build.</li> </ul> <p><b>Security:</b></p> <ul style="list-style-type: none"> <li>■ Must be zoned for residential use.</li> <li>■ A house, villa or Vacant Land – with the intent to construct a new eco-build.</li> <li>■ <b>Option 1</b> The property has a Residential Efficiency Scorecard certificate completed by an accredited assessor showing an energy efficiency rating between a minimum 4 star or up to a maximum 6 star rating.</li> <li>■ <b>Option 2</b> If looking to make environmental enhancements to your home - you will need a Residential Efficiency Scorecard certificate completed by an accredited assessor showing an energy efficiency rating between a minimum 4 star or up to a maximum 6 star rating within 12 months of the loan funded date.</li> <li>■ <b>Option 3</b> The property must have at least 3 of the following: <ul style="list-style-type: none"> <li>▪ Solar &amp; photovoltaic (PV) panels</li> <li>▪ Solar battery storage systems</li> <li>▪ Rainwater tanks</li> <li>▪ Certified double glazing for windows</li> <li>▪ Solar hot water systems</li> <li>▪ External awnings</li> <li>▪ Solar pool heaters</li> <li>▪ Split systems, evaporative cooler or star rated zoned air conditioning units with either a minimum energy rating 4/6 stars or minimum 6/10 stars</li> <li>▪ Energy efficient LED lights in over 75% of the property</li> <li>▪ Home insulation that meets government standards for geographic area, see <a href="http://yourhome.gov.au/passive-design/insulation">http://yourhome.gov.au/passive-design/insulation</a></li> <li>▪ 5 Star + Gas or Electric Heating</li> <li>▪ Gas hot water systems</li> </ul> </li> </ul>
<p><b>Fees:</b></p>	<ul style="list-style-type: none"> <li>■ Annual package fee payable on settlement and annually thereafter.</li> <li>■ Inspection fee payable during the construction period – when constructing a new eco-build.</li> <li>■ Discharge fee payable when discharging your mortgage with Gateway <a href="http://www.gatewaybank.com.au/important-information">www.gatewaybank.com.au/important-information</a></li> </ul>

Green Home Loan is designed for:

	Likely needs and objectives
	<p>Borrowers that occupy their home or are looking to build, purchase or refinance their owner occupier home and want their home loan to have:</p> <ul style="list-style-type: none"><li>■ A redraw facility to provide flexibility with the ability to make unlimited additional repayments to reduce interest on a variable rate loan without penalties.</li><li>■ Ability to split your interest type between variable or fixed for 1,2,3 or 5 years.</li><li>■ 100% loan offset account to save on loan interest charges on a variable rate loan.</li><li>■ No application fees.</li><li>■ One fee free loan variation request annually, when changing the structure of an existing Gateway loan.</li><li>■ An extra 0.10%p.a. on a Term Deposit; and</li><li>■ 10% discount off CGU General Insurance premiums.</li></ul> <p>Likely financial situation</p> <ul style="list-style-type: none"><li>■ A person who can pay the ongoing loan repayments in accordance with the chosen home loan structure, loan term, repayment, and interest rate type.</li></ul>

## Ineligible Persons

Green Home Loan is not designed for:

	<ul style="list-style-type: none"><li>■ Properties designed, zoned, or used for purposes other than residential use, such as commercial, industrial, and retail.</li><li>■ Properties that do not have at least 3 of the environmental enhancement requirements listed in the 'key eligibility criteria'.</li><li>■ A person who does not have the ability to service ongoing loan repayments and does not have the appropriate level of deposit to meet lender or Lenders Mortgage Insurance lending criteria.</li><li>■ A person who is not eligible to become a member of Gateway Bank.</li></ul>
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## Distribution

### Distribution channels

The product under this TMD may be distributed or advertised through any of the following means:

- Online through Gateway Bank Website; or third-party websites
- In-store retail branch
- Direct sales team
- By calling our contact centre
- Other third-party distributors such as nationally accredited brokers

All these channels are monitored by Gateway Bank Ltd and staffed by persons who have been trained in the distribution of the Product covered by this TMD and the Gateway Bank application process.

## Distribution conditions and restrictions

The distribution of the product is subject to the following conditions and restrictions:

- The Gateway Bank application process has been tailored to identify the Target Market described in this TMD as part of the eligibility criteria for the product covered by this TMD, and the use of the Gateway Bank application process would make it more likely that a product covered by this TMD will be acquired by persons in the Target Market.
- Accredited third parties (mortgage brokers) must operate under Australian Credit Licences and have successfully completed Gateway's accreditation training. Both direct and third-party distributors are bound by the terms and conditions of the product and the Target Market described in this TMD.
- Products under this TMD can be distributed either directly by Gateway Bank, or by distributors approved by Gateway Bank.

## Review Triggers

We will undertake a review of this TMD in the following circumstances:

- If we make a material change to the design or distribution of the product, including related documentation;
- If a significant inconsistent dealing in the product occurs;
- If any other event or circumstance occurs indicating that this TMD may no longer be appropriate;
- An alteration in the eligibility criteria;
- Identified systemic issues in the product or across the product lifecycle;
- Relevant material external events such as relevant litigation, adverse media coverage or regulatory attention;
- Relevant feedback, information or notification received from distributor, regulator such as ASIC or APRA or other interested parties;
- Significant changes in metrics. These include sales, portfolio changes, risk tolerance, loss ratios and complaints; and
- Any significant dealings that are inconsistent with the TMD.

Where a review trigger or event occurs, we will review this TMD within 10 business days.

## Review Periods

### Periodic review

We will undertake periodic reviews of this TMD at least every 12 months from the initial review.

Next review due date: 5th October 2022

## Distribution Information

We require distributors to provide the following information in relation to their distribution of the product covered in this TMD:

### Complaints and Feedback

All complaints in relation to this product on a monthly basis to Gateway Bank.

All feedback in relation to this product on a monthly basis to Gateway Bank.

### Significant dealings

Notification if they become aware of a significant dealing in relation to this TMD that is inconsistent with this TMD within 10 business days.