

# ANZ FIXED RATE HOME LOANS

## TARGET MARKET DETERMINATION

### PURPOSE OF THIS DOCUMENT

This target market determination is made by ANZ under section 994B of the *Corporations Act 2001* (Cth). Its purpose is to describe who this product has been designed for, conditions under which the product must be distributed and how this document will be monitored for ongoing appropriateness.

### TARGET MARKET

ANZ Fixed Rate Home Loans have been designed for customers who:	Key attributes of ANZ Fixed Rate Home Loans that make the product appropriate for the target market:
<ul style="list-style-type: none"><li>• Are seeking a term loan for consumer or investment purposes, that is paid off over time with regular payments;</li></ul>	<ul style="list-style-type: none"><li>• <b>Term:</b> Term loan of at least 1 year and up to 30 years in duration which allows for fixed rate periods within the term.</li><li>• <b>Repayment profile:</b> Customers make regular, scheduled repayments to pay down the loan balance over the term. An initial term may be agreed where the scheduled repayments are interest only (for up to 10 years for residential investment loans; 5 years for owner occupied loans) or interest only in advance where permitted (generally for a 1 year period).</li></ul>
<ul style="list-style-type: none"><li>• Can provide residential property security;</li></ul>	<ul style="list-style-type: none"><li>• <b>Security:</b> Customers must be able to provide residential property to secure the loan.</li></ul>
<ul style="list-style-type: none"><li>• Require certainty around repayments for a period and are prepared to have limited flexibility, for example, no rights to repay without extra charge, no progressive drawdown and no ability to access early repayments made to the loan; and</li></ul>	<ul style="list-style-type: none"><li>• <b>Repayment charges:</b> During a fixed rate period, charges apply to any early or extra repayments to the loan (above a threshold).</li><li>• <b>No redraw:</b> During a fixed rate period, customers are not able to access any extra repayments they have made to the loan in excess of their scheduled repayments.</li><li>• <b>No progressive drawdown:</b> Customers must take the loan in one amount.</li><li>• <b>Interest rate:</b> Product provides for a fixed interest rate for the nominated period which then converts to a variable rate at the end of that period.</li></ul>
<ul style="list-style-type: none"><li>• Can satisfactorily demonstrate that they are able to afford to repay the loan.</li></ul>	

## DISTRIBUTION CONDITIONS

ANZ applies the following conditions and restrictions to the distribution of ANZ Fixed Rate Home Loans so that the product is likely to be provided to customers in the target market.

	Condition	Why do we do this?
<b>Channel</b>	<p>ANZ Fixed Rate Home Loans can only be provided to customers through the following channels:</p> <ul style="list-style-type: none"> <li>• ANZ Branches, ANZ Private Bank, ANZ Customer Contact Centre;</li> <li>• ANZ Digital*;</li> <li>• ANZ Mobile Lenders†; and</li> <li>• ANZ accredited brokers.</li> </ul> <p>* This may include anz.com, ANZ App and Internet Banking.            † Mobile Lenders are credit representatives of ANZ and provide services only in relation to ANZ loans.</p>	<p>So that ANZ only considers providing ANZ Fixed Rate Home Loans if the customer's application for the loan is received through channels that are subject to appropriate conditions, controls and/or monitoring by ANZ.</p>
<b>Training &amp; Accreditation</b>	<p>ANZ Fixed Rate Home Loans can only be provided to customers by ANZ directly or through the following persons:</p> <ul style="list-style-type: none"> <li>• Authorised ANZ staff and ANZ Mobile Lenders who are accredited and trained; and</li> <li>• ANZ accredited brokers who are accredited and given instructions to an appropriate level for their tasks.</li> </ul>	<p>So that:</p> <ul style="list-style-type: none"> <li>• checks are conducted on matters like qualifications and past conduct for relevant individuals who are involved in the distribution of ANZ products; and</li> <li>• individuals understand the distribution process they are required to comply with when distributing ANZ products, as well as the legislative framework relevant to their activities.</li> </ul>
<b>Process</b>	<p>ANZ Fixed Rate Home Loans can only be provided to customers after ANZ collects the required customer information (including being provided information by ANZ Mobile Lenders and ANZ accredited brokers where relevant) and applies its affordability and suitability checking processes.</p>	<p>So that enquiries are made into a customer's needs and objectives and information is obtained which evidences a customer's ability to repay the loan. ANZ's affordability and suitability checking process includes measures to:</p> <ul style="list-style-type: none"> <li>• collect relevant financial information from customers (either directly or through ANZ's third party distribution channels);</li> <li>• analyse that information and assess whether the customer will be able to meet their financial obligations; and</li> <li>• make enquiries with customers about what they will use the loan for and what loan features they require so that the product is likely to be consistent with their needs and objectives.</li> </ul>

## REVIEW THE TARGET MARKET DETERMINATION (TMD)

ANZ will review the TMD periodically to ensure it remains appropriate.

Periodic Reviews of the TMD	Timing
<ul style="list-style-type: none"><li>Initial review</li></ul>	<ul style="list-style-type: none"><li>No later than 18 months from the date the TMD is made.</li></ul>
<ul style="list-style-type: none"><li>Subsequent ongoing review</li></ul>	<ul style="list-style-type: none"><li>No later than 18 months from the date of the previous review.</li></ul>

### Review Triggers

In addition, ANZ will review this document earlier if one or more of the following occurs, where they reasonably suggest that the TMD is no longer appropriate:

- There is a material change to the product or its distribution.
- There is a change in law or its application, a change in relevant industry code, an AFCA determination, a court decision, or ASIC or other regulatory guidance that materially affects the product.
- There is a significant increase beyond expected levels in complaints or disputes, or a significant change in the nature of complaints or disputes relating to the product.
- ANZ has information about the way in which the product is being distributed, operating or being used by customers that reasonably suggests the TMD is no longer appropriate.
- Any other event occurs or information is received (for example, significant dealings in the product that are not consistent with the TMD) that reasonably suggests the TMD is no longer appropriate.

## REPORTING

Regulated Persons must provide the following information to ANZ:

Category	Description	Reporting period	Reporting timeframe
<b>Complaints</b>	<ul style="list-style-type: none"><li>• Whether any complaints relating to the product were received during the reporting period; and</li><li>• If so:<ul style="list-style-type: none"><li>- the number of complaints received during the reporting period; and</li><li>- the substance of those complaints and any general feedback relating to the product or its performance.</li></ul></li></ul>	Every calendar quarter.	As soon as practicable and in any case within 10 business days of the relevant reporting period.

In addition, ANZ accredited brokers must provide the following information to ANZ:

Category	Description	Reporting period	Reporting timeframe
<b>Regulator Feedback</b>	Any other significant feedback from a regulator or consumer group which relates to the suitability of the product or its distribution.	Every calendar quarter.	As soon as practicable and in any case within 10 business days of the relevant reporting period.
<b>Significant dealings</b>	<ul style="list-style-type: none"><li>• Date(s) the significant dealing occurred;</li><li>• Description of the significant dealing and why it is not consistent with the TMD;</li><li>• Why the dealing is significant;</li><li>• How the significant dealing was identified; and</li><li>• What steps, if any, have been, or will be, taken in relation to the significant dealing.</li></ul>	See reporting timeframe.	As soon as practicable and in any case within 10 business days of becoming aware of the significant dealing.

## IMPORTANT INFORMATION

This target market determination is not a recommendation, opinion or advice that any person acquire the product or is within the target market for the product. It does not summarise the terms or risks of the product and is not an offer of, or invitation to apply for, the product to any person in Australia or elsewhere. It does not set out all obligations of regulated persons in relation to the product or this target market determination. Go to <https://www.anz.com.au/support/rates-fees-terms/target-market-determinations> for more information about target market determinations. Go to <https://www.anz.com.au/personal/home-loans/compare-home-loan/fixed-rate/> for information about the product.