

Mortgage Offset Account

1. ABOUT THIS DOCUMENT

This Target Market Determination (TMD) is a publicly available document required under section 994B of the Corporations Act 2001 (Cth). It seeks to provide consumers, distributors and staff with an understanding of the class of consumers and therefore the target market for which this product has been designed, having regard to the objectives, financial situation and needs of the target market.

This document is not to be treated as a full summary of the product's terms and conditions and is not intended to provide financial advice. Members must still refer to our Financial Services Guide (FSG) and any supplementary documents which outline the relevant terms and conditions relating to the product when making a decision about this product.

Please see the Terms & Conditions and Financial Services Guide (FSG) to which this Target Market Determination applies.

Date from which this Target Market Determination is effective: 30 July 2025

2. CLASS OF CONSUMERS THAT FALL WITHIN THIS TARGET MARKET

The information below summarises the overall class of consumers that fall within the target market for this product, based on the product key attributes and the objectives, financial situation and needs of our members that it has been designed to meet.

This product has been designed for consumers whose likely objectives, financial situation and needs (as listed below) are aligned with the product (including the key attributes).

- This product is suitable for members who are looking to pay off their Home Loan sooner. The balance in this account will offset against their Home Loan daily, and reduce the interest charges payable on their home loan. This account can also be used as a savings account that the consumer can build the balance for future expenses or goals. This may also include their next property purchase which would assist them in building a Property Portfolio.

Product description and key attributes

The key eligibility requirements are:

- An existing, or becoming a member of the Bank.
- Aged 18 years or older and be a permanent resident of Australia.
- Have an eligible variable home loan with the Bank.

The key product attributes are:

- 100% Offset.
- Calculation - balance will offset daily against the Home Loan, benefit of interest saved is shown monthly on the Home Loan.
- Funds are available at call.
- No on-going monthly or annual fees.
- Not charged a fee to have a Mortgage Offset facility.
- Not charged a higher Home Loan interest rate to have Mortgage Offset facility.
- No minimum or maximum balance (benefit only covers up to Home Loan balance).
- No minimum or maximum deposit.
- No minimum or maximum withdrawals - branch transactions allowed; fees may apply for type of withdrawal.
- Option for salary deposited to the account.
- Contributes to Reduced Fees Program.
- Quarterly statements.

Mortgage Offset Account

Banking facilities available on this account:

- Internet Banking
- Electronic funds transfer
- BPAY
- Direct Credit
- Direct Debit
- Periodical Payments
- PayTo®

Objectives, financial situation, and needs

This product has been designed for individuals who:

- Would like to pay off the Home Loan sooner by reducing the Interest charges.
- Would like the option of automatic payments via Periodical Payment & Direct Debit from this account.
- Would like the option to manage & move around funds via Internet Banking.
- Don't want to pay monthly or annual fees.
- Are looking to have funds available at call.
- Wish to be able to access funds without penalty.
- Have an eligible home loan with Border Bank.
- Wish to deposit salary to the Mortgage Offset Account if they wanted.
- Would like to own home sooner.
- Would like to remove the financial stress of having to apply for finance by having funds readily available for future expenses or goals.
- Would like their money to work for them by saving them interest on their home loan, whilst funds are at call for other expenses.

Consistency between target market and the product

This product is likely to be consistent with the likely objectives, financial situation and needs of the class of customers in the target market. This is based on an analysis of the key terms, features and attributes of the product and a finding that these are consistent with the identified class of customers.

This product is designed for consumers with a home loan who would like to build up their savings, whilst also reducing the interest charges payable on their loan by offsetting the balance in this account against their home loan. This account also allows consumers to save for future expenses and other savings goals they may have, whilst having funds readily available when required.

Excluded class of consumers

This product has not been designed for individuals who:

- Are a non-Australian resident.
- Individuals under 18 years.
- Want card access to account.
- Have a fixed or interest only home loan with the Bank.
- Want to earn interest on their savings.

Mortgage Offset Account

3. HOW THIS PRODUCT IS TO BE DISTRIBUTED

Distribution conditions

This product can only be distributed and/or in accordance with the relevant product terms and conditions as outlined in the Terms and Conditions and other relevant material (as amended from time to time). This product is designed to be distributed through:

- In-store retail branch network.
- Relationship Managers.
- Member Experience Team.

This product should only be distributed under the following circumstances:

- An existing, or becoming a member of the Bank.
- Be 18 years of age or over.
- Access the product through the appropriate distribution channels.

Adequacy of distribution conditions and restrictions

The Bank's 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 Bank's application process would make it more likely that a product covered by this TMD will be acquired by persons in the Target Market.

4. REVIEWING THIS TARGET MARKET DETERMINATION

We will review this Target Market Determination in accordance with the below:

Periodic reviews	At least every 12 months from the effective date.
Review triggers or events	Any event or circumstances arise that would suggest the TMD is no longer appropriate. This may include (but is not limited to): • If we make a material change to the design or distribution of the product, including related documentation; • If significant inconsistencies occur while dealing in the product; • If any other event occurs indicating that this TMD may no longer be appropriate; • An alteration in the eligibility criteria, lending criteria or application process; • 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, regulators 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 has occurred, this Target Market Determination will be reviewed within 10 business days.

Mortgage Offset Account

5. REPORTING AND MONITORING THIS TARGET MARKET DETERMINATION

We may collect the following information from our distributors in relation to this TMD.

Complaints	The Bank will report all complaints in relation to the product covered by this TMD on a quarterly basis. This will include but not limited to the number and nature of complaints received regarding the product's design, key attributes and distribution.
Significant dealings	The nature and the circumstances of the significant dealing (including why the dealings occurred outside the Target Market), the date range of when the significant dealing occurred, the number of consumers to whom the report relates and whether consumer harm or detriment has or likely occurred as a result of the significant dealing. The Bank will report if they become aware of a significant dealing in relation to this TMD within 10 business days.
Sale and Transaction Data	Distribution information required e.g. transaction data, outcomes from sale practices like promotions and monitoring on a monthly basis. Member data relevant to sale.

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