



Target Market Determination

Home Loan (Variable Rate)

This document is the Target Market Determination (**TMD**) for the Mega ICBC Home Loan (Variable Rate).

A Target Market Determination (**TMD**) is a written document that:

- describes the class of customers that make up the target market for the Mega ICBC Home Loan (Variable Rate) (**Target Market**);
- specifies any conditions and restrictions on the distribution of the product (**Distribution Conditions**); and
- sets out the events or circumstances where we are required to review the TMD (**Review Triggers**).

We are required to have a TMD by law. This TMD is not a recommendation to acquire a *Mega ICBC Home Loan (Variable Rate)* nor does it replace our terms and conditions or other disclosure documents that we may provide to a customer.

Product Type	Variable Rate Home Loan
Issuer (the Bank, we, us, our)	Mega International Commercial Bank Co., Ltd. ARBN 079 372 688
AFSL / Australian Credit License Number	247346
Date TMD approved	21 April 2023
TMD Version	2023.1
Initial Review Period	One year after the date of this TMD
Subsequent Review Periods	At least every third anniversary of the date of this TMD

Target Market Description

Product description and key attributes	<p>The Mega ICBC Home Loan (Variable Rate) is a variable rate home loan.</p> <p>It may be used to:</p> <ul style="list-style-type: none">• purchase residential property for owner occupation or investment purposes,• renovate, improve or construct residential property for owner occupation or investment purposes,• refinance loan used to purchase a property for owner occupation or investment purposes; or• purchase land with intention of constructing a residential property for owner occupied or investment purposes.
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	<p>The key attributes of the Mega ICBC Home Loan (Variable Rate) are:</p> <ul style="list-style-type: none"> • Loan Term – up to 30 years (depending on the purpose of the loan), with a maximum 'interest only' period of four years; • Interest Rate – variable interest rate; • Loan Amount – the maximum loan amount is subject to credit approval. There is no minimum loan amount. • Repayments – principal and interest or 'interest only' • Repayment frequency - weekly, fortnightly or monthly, • Redraw – not available; • Early Repayments – available, subject to terms and conditions; • Security – mortgage over residential property; • Maximum Loan to Value Ratio (LVR) – up to 80% for owner occupied and investment properties; up to 50% for loans to purchase land only. <p>Fees and charges apply.</p>
Customers for whom the product is likely to be suitable (Target Market)	<p>The Bank considers that the Mega ICBC Home Loan (Variable Rate) will suit borrowers wishing to purchase real property, renovate real property or refinance an existing loan that was used to purchase or renovate real property, and who do not want a loan with a fixed interest rate.</p> <p>Customers within the Target Market will:</p> <ul style="list-style-type: none"> • intend to use the loan for one of the above purposes; • be 18 years or over; and • be an Australian citizen or permanent resident (Non-resident Taiwanese nationals will be considered on a case by case basis, provided they have all necessary approvals from the Financial Investment Review Board (FIRB)); • not have been bankrupt in the past seven years; • satisfy the Bank's credit criteria; • be willing and able to provide a first registered mortgage over real property (or other acceptable security) as security for the loan; • not want the flexibility of redraw over the entire Loan Term; and • not require an offset account.
Ineligible consumers	<p>The Mega ICBC Home Loan (Variable Rate) is not appropriate for customers who:</p> <ul style="list-style-type: none"> • are under 18 years old; • do not meet the Bank's credit criteria; • require the certainty of a fixed interest rate; • require an offset account; • want the flexibility of a 'redraw facility' over the entire Loan Term; or • have defined goals and objectives that are not met by this product.

The Bank considers that the product, including its key attributes, is likely to be consistent with the likely objectives, financial situation and needs of consumers in the Target Market because:

- applicants will only be approved for the purposes set out above; and
- applications will only be approved if the customer meets the Bank's credit assessment criteria (including the maximum LVR condition).

Distribution Conditions

Conditions and restrictions on distribution of the product

The Bank distributes its own loans. We do not accept loan applications from third party distributors.

Therefore, the Mega ICBC Home Loan (Variable Rate) is available only to customers calling or visiting one of our branch offices.

The Bank considers that its Distribution Conditions are appropriate and likely to result in the product being distributed to the Target Market, because the Mega ICBC Home Loan (Variable) is distributed only through the Bank's employees who:

- are well supervised by the Bank;
- are appropriately trained to discuss the features of the product with our customers; and
- understand that applications will not be approved unless it satisfies:
 - the loan purpose; and
 - the Bank's credit assessment criteria.

Review Triggers

Review Trigger

The Bank will review this TMD in the following circumstances.

- In our initial and periodic reviews
- we receive a significant number of complaints in relation to the product
- we identify a material adverse customer experience in relation to product appropriateness including rates of loan failure
- there is a material change to the product's key attributes or the manner of distribution
- there is a pattern of 'significant dealings' in the product which are inconsistent with the Target Market;
- ASIC orders that the distribution of the product cease, or ASIC or AFCA raise concerns about the design and distribution of the product; and
- any other event or circumstance that the Bank considers that it is appropriate for the TMD to be reviewed.

Review Trigger Reporting Requirements

The following reporting information is collected and reviewed by the Bank in respect of this product:

Product complaint data

Information relating to complaints received about the product or the distribution of the product, including:

- number of complaints,
- the third party's name;
- the product name; and
- the exact details of the complaint.

Quarterly within 10 business days of the end of each March, June, September and December.

Significant dealings	Any customer outside the Target Market who acquires the product	As soon as practicable but no later than 10 business days after the becoming aware of the significant dealing.
Feedback	Any feedback received about the product.	As soon as possible, but no later than within 20 business days of the receiving the feedback

Record Keeping

The Bank will keep records of the reasonable steps they have taken to ensure that this product is sold in a manner consistent with this TMD.

We will also keep complete and accurate records of

- all versions of the TMD for this product; and
- our decisions, and the reasons for those decisions about:
 - the determination of the TMD for this product;
 - the identification and tracking of review triggers;
 - the setting of review periods, and
 - all other the matters documented in this TMD.