

Gateway Bank
Reverse Mortgage
Target Market Determination (TMD)
Effective Date: 6th October 2023

About This Document

This Target Market Determination (TMD) applies to Reverse Mortgage 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

Target Market


Product description (including key attributes)

Borrowing purpose:	Reverse Mortgage	
	Access equity in your owner occupier home for: <ul style="list-style-type: none">General living expenses, renovations, holidays, refinance, vehicle finance, gifting and debt consolidationCash out/equity release The property must be the primary place of residence.	
Repayment types:	<ul style="list-style-type: none">Interest is accrued daily and charged monthly, ongoing repayments are optional, and you may repay the loan at any time. The loan only needs to be repaid when you move out of the property or pass away.	
Interest rate types:	<ul style="list-style-type: none">Variable	
Optional feature(s):	Optional feature(s) can be requested by a customer: <ul style="list-style-type: none">A Gateway Eco Visa Debit Card to access your funds.	
Loan to valuation ratio (LVR)	<ul style="list-style-type: none">Maximum LVR is 15% of security property value for those aged 60, increasing by 1% for every year thereafter.	
Key eligibility criteria:	Borrower(s): <ul style="list-style-type: none">60 years of age or over.Eligible to become a member of Gateway Bank.Owns and occupies the security propertyHas sought independent legal advice. Security: <ul style="list-style-type: none">Must be zoned for residential use.A house, villa, home unit, townhouse, or duplex	

Fees:	<ul style="list-style-type: none"> Information on Loan Accounts Fees and Charges is available here www.gatewaybank.com.au/important-information
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Likely needs, objectives and financial situation

Reverse Mortgage is designed for:

	Likely needs and objectives
	<p>Borrowers that occupy their home and want their home loan to have:</p> <ul style="list-style-type: none"> The ability to access equity in their owner occupier home for general expenses or supplement their retirement income. Flexibility to make unlimited repayments and repay the loan at any time without penalties. Flexibility to make no repayments until such time the property is sold or transferred. Flexibility to make drawdowns when needed. A competitive ongoing variable interest rate. No annual or ongoing fees. <p>Likely financial situation</p> <ul style="list-style-type: none"> A retired person with equity tied up in their home and wishing to access the equity to supplement their pension.

Ineligible Persons

Reverse Mortgage is not designed for:

	<ul style="list-style-type: none"> Properties designed, zoned, or used for purposes other than residential use, such as commercial, industrial, and retail. A person seeking a 2nd mortgage. A person who does not own their own home. A person who is under the age of 60 years old. A person who wants a fixed rate loan. A person who owns a residence in an aged care facility or retirement village. A person who has not obtained independent legal advice. A person who is not eligible to become a member of Gateway Bank.

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: 6th October 2024

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.