

Product	Mortgage Offset
Issuer	QPCU Limited trading as QBANK ABN 79 087 651 036 AFSL / ACL 241413 (we, us, our and QBANK)
Date of Issue	23 March 2022
Target Market	<p>1.1 This Target Market Determination (TMD) sets out the target market for our Mortgage Offset product.</p> <p>1.2 This product is a transaction account linked to an eligible home loan. The account is designed to assist Members* in paying off their home loan sooner whilst managing their everyday finances.</p> <p>1.3 The key features of this product include:</p> <ul style="list-style-type: none"> (a) Opening the account at the time of loan approval; (b) No minimum opening balance; and (c) Members can reduce the amount of interest payable on their eligible home loan and pay their loan off sooner. <p>1.4 This product is suitable for Members who are seeking to reduce the interest payable on their eligible home loan whilst wanting the flexibility to access their money.</p> <p>1.5 QBANK does not encourage Members to apply for this product if the above key attributes do not align with their objectives and requirements.</p> <p>1.6 QBANK has committed itself to the Customer-owned Banking Code of Practice (Code), and will only provide the product where it can satisfy itself that it will meet its obligations under the Code to do so.</p>
Distribution Conditions	<p>2.1 Distribution Conditions</p> <ul style="list-style-type: none"> (a) To ensure this product will be distributed to Members within the target market, QBANK will: <ul style="list-style-type: none"> (i) be selective regarding distributors; (ii) implement targeted advertising; (iii) provide specific content about this product on its website; (iv) use line scripts specific to this product at its call centre; (v) ensure authorised bankers are adequately trained; and (vi) provide guidance for distributors. <p>2.2 Selection of Distributors</p> <ul style="list-style-type: none"> (a) QBANK has a very strict process for accrediting brokers. (b) When accessing a broker's accreditation application, QBANK will consider the following factors:

- (i) the broker's resources;
- (ii) internal controls;
- (iii) past conduct;
- (iv) experience with the target market; and
- (v) competence to distribute the product to the target market.

2.3 Supervision and Monitoring

- (a) QBANK requires all distributors to complete a full accreditation process and knowledge competence test.
- (b) QBANK's Relationship Manager will regularly communicate with its distributors to reiterate education and conduct training sessions on this product.
- (c) QBANK is able to supervise and monitor the distribution of this product through review triggers which highlight any issues with distribution, e.g. where the product potentially has been distributed outside of the target market.

2.4 Conflict of Interest

- (a) QBANK has taken steps to ensure that its remuneration and incentive structures for this product do not result in distribution that is inconsistent with the TMD.

2.5 Information Sharing with Distributors

- (a) QBANK will provide to its distributors sufficient information to assist them with meeting their obligations to ensure distribution is consistent with this TMD.
- (b) Information is shared with distributors through lender updates as well as product fact sheets.

2.6 If QBANK becomes aware that the distribution conditions for this product are inadequate, where for example, significant distribution is occurring outside the target market, it will:

- (a) amend this TMD to set out additional distribution conditions to ensure that such distribution does not occur; or
- (b) cease distribution.

Review Triggers

3.1 There may be events and circumstances (called 'review triggers') that would reasonably suggest that this TMD is no longer appropriate. These review triggers include:

- (a) the number of applicants outside the target market;
- (b) a material change to this product;
- (c) promotional features that materially change this product;
- (d) complaints to Australian Financial Complaints Authority; and
- (e) the nature and number of all complaints and complaint trends.

	<p>3.2 QBANK will review this TMD within 10 business days if it knows, or reasonably knows, that a review trigger, or an event or circumstance that reasonably suggests that this TMD is no longer appropriate, has occurred.</p> <p>3.3 QBANK will notify the Australian Securities and Investments Commission within 10 business days of it becoming aware of a significant dealing in this product that is not consistent with this TMD.</p> <p>3.4 Distributors must notify QBANK when they identify a significant dealing that is not consistent with this TMD. QBANK acknowledges whether a dealing is significant may be dependent on the circumstances of a distributor's business, however this information will assist QBANK to determine whether the dealing is significant and reportable.</p>						
<p>Review Periods</p>	<p>4.1 The next review of this TMD will occur by 11 July 2022.</p> <p>4.2 To ensure that this TMD remains appropriate for this product, QBANK will review:</p> <ul style="list-style-type: none"> (a) periodically, and at least every six months; (b) in response to any review triggers; or (c) in response to other events or circumstances that would reasonably suggest that this TMD is no longer appropriate. <p>4.3 QBANK has integrated the review process into the product governance arrangements, and controls are in place to ensure that meaningful reviews take place. Possible outcomes from the review process include:</p> <ul style="list-style-type: none"> (a) no change to the way the product is distributed; (b) changing the product design, target market or distribution; or (c) ceasing to distribute this product. <p>4.4 If QBANK becomes aware of information that would reasonably suggest that this TMD is no longer appropriate (e.g. a review trigger has occurred), QBANK will stop issuing this product and direct its distributors to stop distributing until QBANK has reviewed this TMD and product.</p>						
<p>Distribution Information Reporting Requirements</p>	<p>5.1 Complaints, defaults and general feedback about a financial product are a useful indicator of whether this TMD may still be appropriate.</p> <p>5.2 Where QBANK engages mortgage or finance brokers to distribute this product, it requires the brokers to promptly provide any information about complaints and product feedback received to QBANK.</p> <p>5.3 QBANK requires a broker to provide the following information:</p> <table border="1" data-bbox="320 1794 1505 2033"> <thead> <tr> <th data-bbox="320 1794 628 1865">Type of Information</th> <th data-bbox="628 1794 1141 1865">Description</th> <th data-bbox="1141 1794 1505 1865">Reporting Period</th> </tr> </thead> <tbody> <tr> <td data-bbox="320 1865 628 2033">Complaint / Significant Dealings / Others</td> <td data-bbox="628 1865 1141 2033"> The following information is required: <ul style="list-style-type: none"> 1. Distributor name 2. Date of complaint </td> <td data-bbox="1141 1865 1505 2033">Complaint / Others - As soon as complaint is received by the distributor</td> </tr> </tbody> </table>	Type of Information	Description	Reporting Period	Complaint / Significant Dealings / Others	The following information is required: <ul style="list-style-type: none"> 1. Distributor name 2. Date of complaint 	Complaint / Others - As soon as complaint is received by the distributor
Type of Information	Description	Reporting Period					
Complaint / Significant Dealings / Others	The following information is required: <ul style="list-style-type: none"> 1. Distributor name 2. Date of complaint 	Complaint / Others - As soon as complaint is received by the distributor					

Level 1, 231 North Quay, Brisbane Qld 4000. PO Box 13003, George Street Qld 4003 | Phone: 13 77 28 | Email: info@qbank.com.au
Website: qbank.com.au | QPCU Limited T/A QBANK | ABN 79 087 651 036 | AFSL / Australian Credit Licence 241413 | BSB: 704 052

		<ol style="list-style-type: none">3. Product4. Nature of the complaint5. AFCA status (if applicable)	Significant Dealings – As soon as practicable, and in any case within 10 business days after becoming aware.
--	--	--	--

*Please visit <https://www.qbank.com.au/join/> to see our membership eligibility criteria.