

Target Market Determination

For Residential Full Doc Home Loan

Version: 1.2

1. About this document

This target market determination (TMD) seeks to offer consumers, distributors and staff with an understanding of the class of consumers 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. Consumer must refer to the terms and conditions and any supplementary documents which outline the relevant terms and conditions under the product when making a decision about this product.

Product Issuer: Loanworks home loans are serviced by Sintex Consolidated Pt Ltd ABN 75 065 917 535 (AFSL and Australian Credit License 385129) on behalf of the credit provider Permanent Custodians Limited ACN 001 426 384

Terms and Conditions to which this target market determination applies

This TMD applies to the Residential Full Doc Home Loan referred to in the following Terms and Conditions:

- Sintex Home Loan General Terms and Conditions (RMBS)

Date from which this target market determination is effective

1 May 2024

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 the Residential Full Doc Home Loan, based on the key attributes of the product and the objectives, financial situation and needs that the product has been designed to meet.

The Residential Full Doc Home Loan has been assessed as being suitable for consumers who require credit for the purposes of:

- purchasing residential property that will be for private use;
- purchasing residential property that will be for investment use;
- refinancing an existing loan secured by a residential property they already own;
- conducting non-structural renovations to a residential property they already own;
- releasing equity to purchase personal assets, including but not limited to cars, boats, furniture, caravans and motorbikes;
- releasing equity to purchase or invest in their own business using a residential property they already own as security;
- releasing equity in a residential property to be used for investment purposes;



- consolidating an existing home loan with other existing debts, such as personal loans and credit cards, into one easy to manage repayment.

The product has been assessed as meeting the needs and objectives of the consumers in the target market because it provides a combination of flexible loan features and responsive customer support.

Product description and key attributes

The key eligibility requirements and product attributes of this Residential Full Doc Home Loan are:

- Individual borrowers must be minimum age of 18 years
- The borrower can be an individual, company or trust
- Minimum Loan amount of \$100,000
- Maximum Loan amount of \$2,000,000
- Maximum LVRs:
 - 80.01% to 90% for loans up to \$1,000,000 (including capitalised LMI)
 - Up to 80% for loans up to \$2,000,000
- Up to 30-year loan term
- Repayments can be either Principal & Interest, or Interest Only for up to 5 years then reverting to Principal & Interest repayments (further 5-year Interest Only periods may be available on application)
- Variable rate, 1 to 5 year Fixed rate Options or a combination of both variable rate and fixed rate available
- Weekly, Fortnightly or Monthly Repayment Frequency (Interest Only loans must be paid monthly)
- Unlimited Additional Repayments for Variable rate Loans
- Increases to existing loans subject to serviceability if within maximum LVR and loan amount criteria
- Security Substitutions
- Unlimited redraw on variable rate loans

Objectives, financial situation, and needs

This product is likely to be suitable for borrowers who:

- Require credit to purchase or refinance a residential property, or to access the equity in the property for personal, business or investment purposes
- Are able to service the loan without hardship
- Have an income source which is either PAYG, Self employed or a combination of both
- Are able to meet minimum deposit requirements for purchases
- Are not in arrears or default if refinancing an existing loan

Excluded class of consumers

This product is unlikely to be suitable for borrowers who:

- have unpaid defaults noted on their credit report
- have unsettled judgements noted on their credit report without reasonable explanation
- Currently declared bankrupt

The product has been assessed as being unlikely to be suitable for these consumers because their financial position or past credit conduct suggest that they could not make repayment of a loan without hardship.

Consistency between target market and the product

We have assessed that the key terms, features and attributes of the product are likely to be suitable for consumers within the target market.



3. How this product is to be distributed

Distribution channels

This product is designed to be distributed through the following means:

- Accredited Mortgage Managers
- Accredited Brokers who hold an ACL
- Authorised Credit representatives

Distribution conditions

This product should only be distributed:

- to borrowers who meet eligibility requirements;
- to borrowers who are able to service the repayments without hardship; and
- by third party distributors who have the necessary skill and experience and have been authorised by us to distribute the products

Adequacy of distribution conditions and restrictions

We have assessed that the distribution conditions and restrictions are appropriate and will assist distribution in being directed towards consumers in the target market because all distributors are legally required to meet a higher standard than the 'reasonable steps' obligation under DDO, by making an assessment that the product is in the best interests of the consumer.

4. Reviewing this target market determination

We will review this target market determination in accordance with the below:

Initial review	Within 12 months of the effective date.
Periodic reviews	At least every three years from the initial review.
Review triggers or events	<p>Any event or circumstances arise that would suggest the TMD is no longer appropriate. This may include (but not limited):</p> <ul style="list-style-type: none"> • a material change to the design or distribution of the product, including related documentation; • occurrence of a significant dealing; • where distribution conditions are found to be inadequate; • Greater than 5 complaints regarding the product or its distribution in any given month. • A greater than 3% increase in total arrears for any given month • A greater than 3% increase in total hardships for any given month • there are significant regulatory changes; • the occurrence of external events such as adverse media coverage or regulatory attention in relation to the product, where it suggests that the target market for the product may not be appropriate.



Where a review trigger has occurred, a review of this target market determination will be completed within 10 business days.

5. Reporting and monitoring this target market determination

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

<p>Individual Customer Complaints</p>	<p>Distributors will need to report to us within 10 business days of becoming aware of a customer complaint in relation to the product. This can be done via an email to compliance@loanworks.com.au. The following details will need to be provided:</p> <ul style="list-style-type: none"> • the date of the complaint; • details of the complaint, including name and contact details of complainant and reason for complaint:
<p>Consumer Complaints</p>	<p>Distributors will report all complaints in relation to the product(s) covered by this TMD on a quarterly basis. The report will include:</p> <ul style="list-style-type: none"> • the number of complaints, even if it is zero; • the nature of the complaints received • other complaint information set out in paragraph RG 271.182 of Regulatory Guide 271 internal dispute resolution. <p>The reports need to be received within 10 business days of the end of the reporting period.</p> <p>Reporting period end dates are as follows:</p> <ul style="list-style-type: none"> • 31 March • 30 June • 30 September • 31 December
<p>Significant dealings</p>	<p>Distributors will need to report to us within 10 business days of becoming aware of a significant dealing in relation to the product. This can be done via an email to compliance@loanworks.com.au. The following details will need to be provided:</p> <ul style="list-style-type: none"> • the date or the date range which the dealing occurred; • a description of the dealing; • an explanation of why the dealing is considered significant; • an explanation of why the dealing is considered to be inconsistent with the TMD; • how the dealing was identified (e.g., through monitoring, complaints etc); and • what steps have been or will be taken in relation to the significant dealing.



6. Document Control

Version	Start Date	Comments
1.0	05/10/2021	Determination commenced as a result of the new DDO.
1.1	10/11/2023	Product issuer clarified Updates to loan purpose Needs and Objectives reviewed Reporting timeframe updated from yearly to quarterly Updates to reporting requirements
1.2	01/05/2024	Update to Maximum LVRs

