

# Target market determination

<b>Product name:</b>	Secured Commercial Loan ("Product")
<b>Issuer:</b>	Resimac Asset Finance Pty Ltd ACN 098 034 041 Australian Credit Licence 391809 of Level 22, 201 Kent Street, Sydney NSW 2000 ("we", "our" and "us")
<b>Effective date (from):</b>	17 March 2025
<b>Version</b>	1.0
<b>Status:</b>	In use

## 1. Document information and reference documents

This document is intended for its stated purpose which is as a Target Market Determination ('TMD'). This is not to be considered as a replacement for the Product's terms and conditions, or other relevant disclosure documents. For reference documents, please refer to the Terms & Conditions and Credit Guide, which are available upon request.

## 2. Target market

### Inside the target market

The features of this Product have been assessed as meeting the likely objectives, financial situation and needs of customers who:

1. Satisfy our credit eligibility criteria, which includes:
  - a) Having a credit rating acceptable to us;
  - b) Being a registered Australian company with a registered ACN;
  - c) Being a registered Australian company that either has an active ABN or is acting in the capacity of trustee of a trust with an active ABN; and
  - d) Being able to offer guarantees from individual guarantors who are be Australian citizens or permanent Australian residents currently residing in Australia and are over the age of 18 at the time of the application for credit;
2. Require a loan for a commercial purpose, including refinancing existing commercial debts, working capital, debt consolidation or business investment opportunities ('commercial purpose');
3. Are able to provide:
  - a) A first mortgage over a residentially zoned real property in a Category 3 location (smaller towns with variable property markets and smaller populations) or a Category 4 location (predominantly more remote and rural locations with small populations); or
  - b) A first mortgage over a commercially zoned real property in a Category 1 location (major metropolitan areas, including state capitals and large regional centres with significant populations), Category 2 location (medium-sized regional centres), Category 3 location, or Category 4 location; or
  - c) A second mortgage over a residentially zoned real property in a Category 1, 2, 3 or 4 location;
4. Require a business loan of between \$150,000 and \$5,000,000;
5. Require a loan term between 3 to 60 months;
6. Want the option of making interest only repayments;
7. Want a fixed or variable interest rate with the option of monthly repayments;
8. Want the option of pre-paying up to 12 months' interest (subject to eligibility criteria); and
9. Want the option of making principal and interest repayments to reduce the loan and build equity.

### Outside the target market

Customers may not be in the target market if:

1. They do not satisfy our credit eligibility criteria;
2. They require an unsecured loan;
3. The loan offers unclear commercial benefit or no commercial benefit to the borrowing entity, a guarantor, or the security provider;

4. The loan is for a purpose regulated by the National Credit Code;
5. They intend to use their loan to undertake construction or development on the security property within the loan term.
6. They are purchasing the property as a principal place of residence (PPR) for a loan contract party; or
7. They are purchasing a property with title to be held in the name of an individual

**Product description and key attributes**

1. Lending purpose: commercial purposes, including refinancing existing commercial debts, working capital, debt consolidation or commercial investment purposes.
2. Minimum loan amount: \$50,000.
3. Maximum loan amount: \$5,000,000.
4. Fixed or variable interest rates.
5. Minimum loan term: 3 months.
6. Maximum loan term: 60 months.
7. Repayment frequency – Fortnightly or monthly.
8. Key fees:
  - a) Commitment fee.
  - b) Legal fee(s).
  - c) Establishment fee.
  - d) Monthly account service fee.
  - e) Other fees, such as ongoing fees and late payment fees, may also apply.
9. Option to pre-pay up to 12 months’ interest (subject to eligibility and lending criteria).

**We may approve exceptions to the above on a case-by-case basis.**

### 3. Distribution channels and conditions

The following distribution channels and conditions have been assessed as being appropriate to direct the distribution of the Product to the target market:

1. Resimac Asset Finance, directly to customers (“Direct Channel”);
2. Accredited brokers, directly to customers (“Broker Direct Channel”); and
3. Accredited brokers, through our accredited aggregators, to customers (“Wholesale Channel”).

The distribution conditions are as follows:

Channel	Conditions
<b>Direct:</b> Online or by email or by phone or in person	<p>Only authorised staff are permitted to assist consumers with this Product.</p> <p>Authorised staff have the necessary training, skills and knowledge to:</p> <ul style="list-style-type: none"> <li>ensure that consumers meet the eligibility requirements for the Product;</li> <li>ensure that the Product is only distributed in accordance with the most up-to-date version of this TMD; and</li> <li>ensure that third party distributors are appropriately authorised to distribute the Product.</li> </ul>
<b>Broker Direct and Wholesale:</b> Accredited brokers directly to customers or through accredited aggregators	<p>Accredited brokers are permitted to assist consumers with this Product:</p> <ul style="list-style-type: none"> <li>directly; and</li> <li>through our accredited aggregators.</li> </ul> <p>All applications submitted by accredited brokers must comply with our policies and procedures issued to accredited brokers from time to time.</p>

The distribution channels and conditions make it likely that the customers who acquire the Product are in the target market because:

1. Customers will be provided with sufficient information about the Product before they apply for the Product;
2. Our staff and third-party accredited distributors are adequately trained to understand this TMD, including the key Product attributes and the target market for the Product; and
3. We require customers to provide specific information and documentary evidence to confirm they meet our credit eligibility requirements for the Product.

#### 4. Review triggers

The review triggers that would reasonably suggest that the TMD may no longer be appropriate include:

1. A significant dealing of the Product to customers outside the target market occurs;
2. Material changes are made to the Product terms and conditions;
3. There is an increase in complaints above internally set thresholds in relation to the suitability, appropriateness, or distribution of the Product that reasonably suggests that the TMD may no longer be appropriate;
4. There are significant adverse shifts in metrics, such as notable negative trends in internal delinquency data, cancellations, product switching, defaults on repayments or late repayments; or
5. Material external events such as relevant litigation, adverse media coverage or regulatory attention occur which may suggest the TMD may no longer be appropriate.

#### 5. Review period

First review date:	Maximum of 12 months from of the date of this TMD.
Periodic reviews:	Every 12 months after the initial review and each subsequent review.
Trigger reviews:	Review to be completed within 10 business days of the identification of a trigger event or the specified periodic review date.

#### 6. Information reporting

The table below sets out the information which we require to be reported to us in respect of the Product by persons who engage in retail distribution conduct in respect of the Product. Unless otherwise stated, the first reporting period commences on the date this target market determination is made and each subsequent reporting period commences at the end of the prior reporting period.

Information required to be reported	Who is required to report?	How frequently is a report required (reporting period)?	How will the report be made?
Significant dealing(s) (Date or date range of the significant dealing(s) and description of the significant dealing (e.g. why it is not consistent with the target market determination)).	Our General Counsel for significant dealings identified by us in relation to the Product.	As soon as practicable, and in any case within 10 business days after becoming aware.	By email to our General Counsel ( <a href="mailto:compliance@resimac.com.au">compliance@resimac.com.au</a> ).
	Brokers for significant dealings identified by them in relation to the Product.		
	Aggregators for significant dealings identified by them in relation to the Product.		

Information required to be reported	Who is required to report?	How frequently is a report required (reporting period)?	How will the report be made?
Material changes to the Product terms and conditions.	Our General Manager - Product & Credit.	As soon as practicable.	By email to our General Counsel ( <a href="mailto:compliance@resimac.com.au">compliance@resimac.com.au</a> ).
Each individual customer complaint (details of the complaint, including name and contact details of complainant and substance of the complaint) for active loans of this type.	Our Enterprise Risk & Dispute Resolution Manager for complaints received by us in relation to the Product.	As soon as practicable and within 10 business days of receipt of complaint.	For our Enterprise Risk & Dispute Resolution Manager, by email to our General Counsel ( <a href="mailto:compliance@resimac.com.au">compliance@resimac.com.au</a> ).
	Brokers for complaints received by them in relation to the Product.		For brokers and aggregators, by completing and submitting a complaint information form ( <a href="https://resimac.com.au/design-distribution-obligation-complaints">resimac.com.au/design-distribution-obligation-complaints</a> ).
	Aggregators for complaints received by them in relation to the Product.		
Customer complaints information (number of complaints and general feedback relating to the Product and its performance) for active loans of this type.	Our Enterprise Risk & Disputes Resolution Manager for complaints received by us in relation to the Product.	Quarterly	For our Enterprise Risk & Dispute Resolution Manager, by email to our General Manager - Product & Credit ( <a href="mailto:product@resimac.com.au">product@resimac.com.au</a> ).
	Brokers for complaints received by them in relation to the Product.		For brokers and aggregators, by responding to our quarterly email survey within 10 business days after receipt.
	Aggregators for complaints received by them in relation to the Product.		
30-day arrears rate for the Product.	Our Head of Credit & Operations - Asset Finance	Monthly	By email to our General Manager - Product & Credit ( <a href="mailto:product@resimac.com.au">product@resimac.com.au</a> ).

## 7. Revision management

Review period:	Annually
Current version:	1.0
Approved by:	<ul style="list-style-type: none"> <li>• General Manager - Asset Finance;</li> <li>• General Manager - Product &amp; Credit; and</li> <li>• General Counsel.</li> </ul>
Comments:	Target market determination made.