

TARGET MARKET DETERMINATION

Product Name:	Personal Loan (“Product”)
Issuer:	Resimac Asset Finance Pty Ltd ACN 098 034 041 Australian Credit Licence 391809 of Level 9, 45 Clarence Street, Sydney NSW 2000 (“RAF”, “we” and “us”)
Reference Documents:	Terms and Conditions, Key Facts Sheet and Credit Guide
Version:	1.0
Date Made:	22 September 2021
Last Reviewed:	N/A
Ceased Date:	In use

1. TARGET MARKET

Inside the Target Market

The features of this Product have been assessed as meeting the likely objectives, financial situation and needs of consumers who require finance for personal use for (including but not limited to) financing of solar panels, home renovations and holidays (or refinance other finance that has been provided for such a purpose) and:

1. Require a variable interest rate;
2. Can provide security by way of an interest recorded on the Personal Property Securities Register or encumbrance over real property, depending on the loan purpose and amount sought;
3. Require a loan of between \$5,000 and \$150,000;
4. Wish to repay the loan over a term of between 6 months and 5 years (and up to 7 years for energy efficient/green products) by making principal and interest repayments;
5. Are an Australian citizen currently living in Australia or a permanent Australian resident;
6. Are 18 years or older at the time of application; and
7. Have a repayment to net monthly income ratio <35%.

The Product is likely to be consistent with the likely objectives, financial situation and needs of consumers in the target market because the Product enables consumers in the target market to finance their various personal requirements at a reasonable cost.

Outside Target Market

Consumers will not be in the target market if they:

1. Require a consumer lease or novated lease product;
2. Require a fixed interest rate; or
3. Have material adverse credit.

Product description and key attributes

1. Variable rate.
2. Secured or unsecured.
3. Minimum loan amount \$5,000.
4. Maximum loan amount \$150,000.
5. Minimum loan term 6 months.
6. Maximum loan term 7 years.

7. Establishment fee is payable.
8. Monthly account keeping fee is payable.

Note that exceptions may be made to the above on a case by case basis.

2. DISTRIBUTION CHANNELS & CONDITIONS

The Product can only be distributed by accredited intermediaries.

The Product can be distributed by:

1. Us, directly to consumers (“Direct Channel”);
2. Brokers, directly to consumers (“Broker Direct Channel”); and
3. Brokers, through aggregators, to consumers (“Broker Channel”).

The distribution channels are appropriate because:

1. The Product has a wide target market;
2. Our Direct Channel distributors have been adequately trained to understand their design and distribution obligations;
3. We rely on existing distributors, methods, controls and supervision already in place;
4. Our accreditation process has controls in place to flag introducers who do not have the required skills and training to distribute our Product in accordance with this target market determination; and
5. Our application and approval process has controls in place to flag consumers who may be outside the target market.

3. REVIEW TRIGGERS

The following review triggers would reasonably suggest that the target market determination may no longer be appropriate:

1. A significant dealing of the Product to consumers outside the target market occurs;
2. Material changes are made to the Product terms and conditions;
3. A 30% increase in monthly complaint volume for the Product as compared to the average monthly complaint volume for the Product for the prior 6 months;
4. 30-day arrears rate for the Product is more than 3% higher than RAF’s 30-day arrears rate for all loans regulated by the National Consumer Credit Protection Act 2009.

4. REVIEW PERIOD

An initial review of this target market determination will occur within 12 months of the date of this target market determination. This target market determination will then be reviewed every 12 months thereafter.

5. INFORMATION REPORTING

Table 5.1 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.

Table 5.1

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))	Head of Compliance & Enterprise Risk 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 the Head of Compliance & Enterprise Risk (compliance@resimac.com.au)
	Brokers for significant dealings identified by them in relation to the Product		
	Aggregators for significant dealings identified by them in relation to the Product		
Material changes to the Product terms and conditions	Head of Product & Commercial Operations	As soon as practicable	By email to the Head of Compliance & Enterprise Risk (compliance@resimac.com.au)
Each individual consumer complaint (details of the complaint, including name and contact details of complainant and substance of the complaint) for active loans of this type	Compliance & Enterprise Risk Analyst for complaints received by us in relation to the Product	As soon as practicable and within 10 business days of receipt of complaint	For the Compliance & Enterprise Risk Analyst, by email to the Head of Compliance & Enterprise Risk (compliance@resimac.com.au) For brokers and aggregators, by completing and submitting a complaint information form (www.resimac.com.au/design-distribution-obligation-complaints)
	Brokers for complaints received by them in relation to the Product		
	Aggregators for complaints received by them in relation to the Product		
Consumer complaints information (number of complaints and general feedback relating to the Product and its performance) for active loans of this type	Compliance & Enterprise Risk Analyst for complaints received by us in relation to the Product	Quarterly	For the Compliance & Enterprise Risk Analyst, by email to the Head of Product & Commercial Operations (Product@resimac.com.au) For brokers and aggregators, by responding to our quarterly email survey within 10 business days after receipt
	Brokers for complaints received by them in relation to the Product		
	Aggregators for complaints received by them in relation to the Product		
30-day arrears rate for the Product	Head of Credit & Operations – Asset Finance	Monthly	By email to the Head of Product & Commercial Operations (Product@resimac.com.au)

6. REVISION MANAGEMENT

Date	22 September 2021
Current Version	1.0
Approved By	Jointly by: General Manager - Governance, Change and Culture; General Manager - Credit Risk & Asset Management; General Manager – General Manager – Asset Finance; and Head of Credit & Operations – Asset Finance.
Comments	Target market determination made