



Vast Capital

MORTGAGE MANAGEMENT

TARGET MARKET DETERMINATION

FOR VL BRIDGING

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|-----------------------|-------------|
| Product | VL Bridging |
| Date Effective | 05/10/2021 |

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 our Terms and Conditions and any supplementary documents which outline the relevant terms and conditions under the product when making a decision about this product.

TARGET MARKET

DESCRIPTION OF TARGET MARKET

Full Doc Loan

Suitable for consumers over the age of 18 who are:

- Employed (PAYG);
- Self-employed;
- Self-funded retirees;
- Pensioners;
- able to provide evidence of taxable income (e.g. payslips and tax returns);
- Australian residents, citizens, expatriates or non-residents living overseas.

Alt Doc Loan

Suitable for consumers over the age of 18 who are:

- Self-employed;
- not to provide tax returns and instead verify their income with alternative methods such as an accountant's certificate, Business Activity Statements (BAS) or trading statements.
- Australian residents, citizens, expatriates or non-residents living overseas.

The Loan Products are likely to be suitable for consumers seeking the following:

Tel: +61 2 8821 7388 Fax: +61 2 8821 7389

Email: info@vcmm.com.au

Web: www.vcmm.com.au

Address: L 13, 122 Arthur St. North Sydney NSW 2060

Australian Credit License: 514 947



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- a term loan secured by a registered mortgage over residential property;
- redraw on the loan at no extra cost, subject to terms and conditions within the Letter of Offer noting that during the bridging period redraw is not available;
- flexibility of making additional repayments on their loan;
- rate fluctuations through variable rates;
- ability to pay interest only for a period of time (subject to lending assessment) and/or principal & interest.

Interest Only

This product allow interest only repayments during the bridging period reverting to a principal & interest repayment.

The purpose for which consumers with the above objectives and needs may seek to obtain this product is to purchase or construct a residential owner-occupied or investment property prior to having completed the sale of their existing property. Instead of having to cover two repayments, Vast Capital combines both loans and includes an interest budget within the total loan amount, meaning no repayments are required during the bridging period while the debt is at its peak.

PRODUCT DESCRIPTION AND KEY ATTRIBUTES

The key eligibility requirements and product attributes of this VL Bridging Loan are:

- Security property: Residential property within Australia that is able to be secured by a registered mortgage.
- Maximum loan term: 30 years
- Repayment type:
 - Principal & interest
 - Interest only: for a period of up to 2 years during the bridging period. Reverting to principal & interest once the bridging term has expired.
- Interest rate options: Variable
- Interest budget:
 - No residual debt: an interest budget is included in the approved loan amount that will cover repayments in full during the term of the Bridging Loan.
 - Residual debt: standard income serviceability testing to be applied based on the expected residual loan amount.
- Additional repayment: Yes
- Redraw: Yes but not available during the bridging period and subject to terms and conditions within the Letter of Offer.

EXCLUDED CLASS OF CONSUMERS

This product has not been designed for individuals who:

- do not meet the issuer's eligibility criteria.

DISTRIBUTION CONDITIONS / RESTRICTIONS

Distribution channels

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

- Accredited Brokers who hold an ACL

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- Authorised Credit representatives

Distribution conditions

This product should only be distributed under the following circumstances:

- to individuals that meet eligibility requirements; individuals that have the appropriate borrowing capacity, and in accordance with lending guidelines; by third party distributors authorised by us to distribute the products

Adequacy of distribution conditions and restrictions

This is based on an assessment of the distribution conditions and restrictions and that they are appropriate and will assist distribution in being directed towards the target market for whom the product has been designed.

TMD REVIEWS

INITIAL REVIEW

Within the 12 months of the effective date.

PERIODIC REVIEWS

Within the 12 months of the initial review.

REVIEW TRIGGERS

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

- material change to the terms or attributes of the Loan Product;
- where and when the Loan Product is not being distributed and purchased as envisaged by this TMD;
- an event or circumstance that would materially change a factor considered in making the TMD for the Loan Product;
- reporting from multiple distributors of 'significant dealings' in the Loan Product or numerous reports from one distributor of 'significant dealings' in the Loan Product;
- the issuer considers a 'significant dealing' has occurred;
- a sudden and unexpected increase in complaints about the suitability of the Loan Product or distribution of the Loan Product;
- regulatory inquiry by AFCA, ASIC or another regulatory authority as to the design or distribution of the Loan Product; and/or
- the use by ASIC or other regulators of Product Intervention Powers, regulatory orders or directions that affect the Loan Product.

Where a Material Issue has been identified during a Periodic Review or where a Review Trigger (defined above) has occurred, Vast Capital will as soon as practicable, or within 6 business days review the TMD. There are several outcomes that can arise from this review:

1. No action: Vast Capital may determine that the TMD remains appropriate;

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2. Amend or replace the TMD: An amended or new version of the TMD will be publicly available and provided to distributors within 10 business days of the Material Issue being identified or the occurrence of a Review Trigger;

3. Cease Loan Product distribution: If it is determined that the TMD is no longer appropriate within 10 business days of the Material Issue being identified or the occurrence of a Review Trigger, Vast Capital will issue an Immediate Cessation of Distribution Notice (Notice) to all people and entities distributing this Loan Product and cease distribution of the Loan Product immediately. Product distribution may only resume once a new or revised TMD has been published.

MONITORING & REPORTING OF THIS TMD

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

| Type of information | Description | Reporting period |
|---|---|--|
| Complaints | Number of complaints, details of the complaint, including name and contact details of complainant and substance of the complaint. | Within 10 business days of the end of each quarter.. |
| Significant dealing(s) where the distributor believes that a significant number of customers outside the target market are obtaining this product or the nature and extent to which the distribution of the product is inconsistent with the TMD. | Date or date range of the significant dealing(s) and description of the significant dealing | As soon as practicable, and in any case within 10 business days after becoming aware |

DOCUMENT CONTROL

| Version | Start Date | Comments |
|---------|------------|--|
| 1.0 | 05/10/2021 | Determination commenced as a result of the new DDO |