

Target Market Determination (TMD)

Product	Regulated Bridging Loan
Issuer	RELI Capital Limited ABN 80 005 443 292 AFSL / ACL 219612 (we, us, our and RELI Capital)
Date of Issue	25 March 2024
Target Market	<p>1.1 This Target Market Determination (TMD) sets out the target market for our Regulated bridging loan product.</p> <p>1.2 This product offers lending to persons (Borrowers) whom major banks and mainstream lenders are unable or unwilling to assist for the following reasons:</p> <ul style="list-style-type: none"> (a) Urgent settlement timeframes; (b) Short term loan required; and/or (c) The inability of the Borrowers to demonstrate serviceability and/or repay the loan in accordance with rigid lending credit criteria. <p>1.3 Borrowers must satisfy the following criteria to be eligible to apply for this product:</p> <ul style="list-style-type: none"> (a) Require a loan for an approved purpose for a period of between 3 and 24 months; (b) Provide first mortgage security over residential property, including vacant land; (c) The ability to service and/or repay the loan at maturity without incurring financial hardship. <p>1.4 RELI Capital will make reasonable enquiries about the Borrower's circumstances upon application for this product including the following:</p> <ul style="list-style-type: none"> (a) Loan Purpose <ul style="list-style-type: none"> (i) This product is suitable for those who are unable to secure finance from major banking sources. This could be for a number of reasons, as listed at 1.2. (b) Financial Position <ul style="list-style-type: none"> (i) RELI Capital will make reasonable enquiries about the Borrower's financial situation. To assess whether this product is affordable to the Borrower, RELI Capital will consider the Borrower's financial history, capacity, ability and willingness to perform their obligations under the proposed mortgage. <p>1.5 RELI Capital will not accept Borrowers who do not meet the above criteria or where the objectives, loan purpose and financial position do not align with the Borrower's needs and requirements in accordance with RELI Capital's responsible lending obligations.</p>

**Distribution
Conditions**

- 1.6 The product is likely to be unsuitable for Borrowers who:
- (a) Do not meet the eligibility criteria;
 - (b) Require finance for a time period less than 3 months or greater than 24 months; and
 - (c) Do not have residential property (including vacant land) to offer as first mortgage security.

2.1 RELI Capital has placed conditions and restrictions on the distribution of this product to ensure that it is directed towards Borrowers in the target market.

2.2 Distribution Conditions

- (a) To ensure this product will be distributed to Borrowers within the target market, RELI Capital will:
 - (i) be selective regarding distributors;
 - (ii) implement targeted advertising;
 - (iii) provide specific content about the product on its website;
 - (iv) ensure its lending staff are adequately trained; and
 - (v) provide guidance for distributors.
- (b) The above distribution conditions will assist direct distribution towards the target market.

2.3 Marketing and Promotional Materials

- (a) The content and medium of delivery of marketing and promotional materials for this product will be consistent with this TMD.

2.4 Conflict of Interest

- (a) RELI Capital will take steps to ensure that its remuneration and incentive structures for this product do not result in distribution that is inconsistent with this TMD.
- (b) RELI Capital performs diligent reviews of all applications to ensure the loan amount applied for does not exceed the Borrower's requirements or capacity as described in Section 1.3.

2.5 Information Sharing with Distributors

- (a) RELI Capital 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.

Review Triggers

2.6	<p>If RELI Capital becomes aware that the distribution conditions for this product are inadequate, where for example, significant distribution is occurring outside the target market, it will:</p> <ul style="list-style-type: none"> (a) amend this TMD to set out additional distribution conditions to ensure that such distribution does not occur; or (b) cease distribution.
3.1	<p>There may be events and circumstances (called 'review triggers') that would reasonably suggest that this TMD is no longer appropriate. These review triggers include:</p> <ul style="list-style-type: none"> (a) the numbers of defaults; (b) the number of applicants outside the target market; (c) a material change to this product; (d) promotional features that materially change this product; (e) complaints to AFCA; (f) employee feedback; (g) Key Risk Indicators reports; (h) internal complaints; and (i) the nature and number of complaints and complaint trends. <p>3.2 RELI Capital 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 RELI Capital will notify ASIC 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 RELI Capital when they identify a significant dealing that is not consistent with this TMD. RELI Capital acknowledges whether a dealing is significant may be dependent on the circumstances of a distributor's business however, this information will assist RELI Capital to determine whether the dealing is significant and reportable.</p>

Review Periods

4.1	<p>The first review of this TMD will occur on 25 March 2023.</p>
4.2	<p>To ensure that this TMD remains appropriate for this product, RELI Capital will review this TMD:</p> <ul style="list-style-type: none"> (a) periodically, and at least each 12 months; (b) in response to any review triggers; or (c) other events or circumstances that would reasonably suggest that this TMD is no longer appropriate.

**Distribution
Information Reporting
Requirements**

- 4.3 RELI Capital will integrate the review process into the product governance arrangements, and controls will be put in place to ensure that meaningful reviews take place. Possible outcomes from the review process include:
- (a) no change to the way this product is distributed;
 - (b) changing the product design, target market or distribution; or
 - (c) ceasing to distribute this product.
- 4.4 If RELI Capital becomes aware of information that would reasonably suggest that this TMD is no longer appropriate (e.g. a review trigger has occurred), RELI Capital will stop issuing this product and direct its distributors to stop distributing until RELI Capital has reviewed this TMD and the product.

- 5.1 Complaints, defaults and general feedback about a financial product are a useful indicator of whether a TMD may still be appropriate.
- 5.2 Where RELI Capital 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 RELI Capital.
- 5.3 RELI Capital requires a broker to provide the following information:
- (a) complaint and all related information; and
 - (b) general feedback relating to this product and its performance.
- 5.4 The following is an example of the type of information that must be provided to RELI Capital by its distributors who engage in the distribution of this product:

Type of Information	Description	Reporting Period
Complaint / Significant Dealings / Others	The following information is required:	Complaint / Others - As soon as complaint is received by the distributor
	1. Distributor name	
	2. Date of complaint	Significant Dealings – As soon as practicable, and in any case within 10 business days after becoming aware.
	3. Product	
	4. Nature of the complaint	
5. AFCA status (if applicable)		