Target Market Determination – Tamleek Full Doc

This Target Market Determination (**TMD**) is a publicly available document required under section 994B of the *Corporations Act 2001* (Cth). It sets out the target market for the product, distribution conditions, circumstances in which this TMD must be reviewed and any reporting obligations, and has been prepared in accordance with the *Treasury Laws Amendment (Design and Distribution Obligations and Product Intervention Powers) Act 2019* (Cth) and associated Regulations.

TMDs are designed to assist issuers to ensure that the financial products they issue are likely to be consistent with the *likely objectives, financial situation and needs* of the consumers for whom they are intended (the target market) and to assist distributors to ensure that financial products are distributed to the target market.

This TMD is not a Product Disclosure Statement (**PDS**) or Supplementary Product Disclosure Statement (**SPDS**). This TMD is general in nature and should not be construed as financial advice. Consumers should obtain independent advice prior to acquiring the product to ensure that it is appropriate for their particular *objectives, financial situation and needs*.

Product	Tamleek Full Doc
Issuer	MCCA Asset Management Limited ABN 18 113 728 706 Australian Credit Licence 291356 (**MCCA**)
Product Description	a) Minimum finance facility amount of $50,000, maximum finance facility amount of $2.5 million. b) Minimum finance facility term of 15 years, maximum finance facility term of 30 years; c) Repayment on a monthly, fortnightly and weekly basis; d) A redraw facility is available – there are unlimited additional repayments; and e) Fees: i) Application Fee; ii) Valuation fee; and iii) Legal fee.
Date of Issue	6 October 2021
Date of Review	2nd May 2025
Target Market	The target market for this Product is consumers who: a) have a 20% deposit or sufficient equity to require a finance facility of under 80% LVR; b) have an owner-occupied property as security; c) want to save money with a low rate and no ongoing fees; d) require the ability to make additional repayments, and the ability to split finance facilities; and e) do not require a debit card and offset sub-account. MCCA will make reasonable enquiries about the consumer's objectives, needs, and financial situation, and must meet the eligibility and assessment criteria for this Product. **1.1 Customer Objectives and Needs** This Product is designed for consumers who seek to purchase or refinance a home at a cost that is reasonable and affordable with respect

to their financial situation, and who may require the ability to make additional repayments or split finance facilities.

1.2 Customer Financial Situation

The Product is designed for consumers who, in terms of their financial situation meet the following eligibility criteria:

a) are 18 years of age or older;
b) can afford the repayments and other fees and charges under the finance without hardship;
c) are Permanent Australian residents or Australian citizens (residing in Australia or overseas) where the security provided is in Australia; and
d) have ongoing and stable employment.

MCCA will make reasonable enquiries about the consumer's financial situation. When an application is made for this product, MCCA will consider the following:

a) Objectives:
    i) This product offers competitive affordability and is suitable for those who are seeking flexibility to make additional repayments or split finance facilities.

b) Finance Purpose:
    i) This product is suitable for those who are seeking to purchase or refinance an owner-occupied home.

c) Reasonable Enquiries:
    i) MCCA will make reasonable enquiries about the consumer's financial situation. To assess whether this product is affordable to the consumer, MCCA will consider the consumer's income or benefits, living expenses, other debts, credit history, specific life events, temporary difficulties and any information that will assist MCCA to understand the consumer's full financial position.

Classes of consumers for whom the product may not be suitable

MCCA will need to consider if this product is suitable to the consumer's objectives, finance purpose and financial position. This product is not suitable for consumers who do not meet our eligibility criteria, who are not looking to purchase or refinance an owner-occupied house, or who are not seeking additional features such as the ability to make additional repayments or split facilities.

MCCA will consider whether an applicant is:

a) a Customer of Convenience whose income is insufficient to satisfy servicing requirements, and who will receive little or no benefit of the transaction, but is responsible under the commitment;
b) an aged applicant who may not be able to clearly demonstrate their ability to repay the finance, and who does not have a satisfactory exit strategy to plan for repayment of the finance by the time they reach retirement age; or
c) a disadvantaged applicant who may be at some form of disadvantage due to language, age or medical capabilities. In this instance, the consumer will be offered the services of an

	interpreter or the ability to be accompanied by a person of their choice to interviews. The applicant will need to obtain independent legal and financial advice and provide supporting evidence displaying their ability to make repayments.
Negative target market statement	Not suitable for a person requiring credit for business purposes. Not suitable for a person requiring a home loan without an redraw facility.
Appropriateness statement	MCCA has considered that this Product including its key attributes is appropriate for the target market including the likely objectives, financial situation and needs of consumers in the target market.
Review triggers	The events that may suggest that the TMD is no longer appropriate include: a) If the product details or terms and conditions change; b) If the credit guidelines change; c) if a significant dealing of the Product to consumers outside the target market occurs; d) if there are a significant number of complaints received from consumers in relation to the Product that reasonably suggests that the TMD is no longer appropriate; e) the number of successful vs unsuccessful lodged applications; f) the number of consumers refinancing from MCCA to another financial institution; g) the average finance duration; h) employee feedback; and i) Key Risk Indicator Reports. If MCCA knows that a review trigger has occurred, or if an event or circumstance occurs that reasonably suggests that this TMD is no longer appropriate, MCCA will review this TMD within 10 business days. MCCA will notify the Australian Securities and Investments Commission within 10 business days of it becoming aware of a significant dealing in this product that is not consistent with the TMD. Distributors must notify MCCA when they identify a significant dealing that is not consistent with this TMD. MCCA acknowledges whether a dealing is significant may be dependent on the circumstances of a distributor's business. However, this information will assist MCCA to determine whether the dealing is significant and reportable.
Review periods	The first review will occur 12 months after the introduction of this TMD, and this TMD will be reviewed every 12 months thereafter.
Distribution Conditions	MCCA has placed conditions and restrictions on the distribution of this product to ensure that it is directed towards consumers in the target market Distribution Conditions: a) To ensure this product will be distributed to consumers within the target market, MCCA will: i) be selective regarding distributors; ii) implement targeted advertising; iii) provide specific content about the product on its website; iv) use line scripts specific to the product at its call centres and offices; and v) provide guidance for distributors. b) The above distribution conditions aim to direct distribution towards the target market.

	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. Selection of Distributors: a) MCCA has a strict process for accrediting new brokers. Accrediting a broker will typically involve a face-to-face meeting with a MCCA staff member, followed by the broker completing an accreditation application form and providing supporting documentation to MCCA's appropriate manager for internal assessment. b) When assessing a broker's accreditation application form, MCCA will consider: i) the broker's resources; ii) internal controls; iii) past conduct; iv) experience with the target market; and v) competence to distribute the product to the target market. Supervision and Monitoring: a) MCCA requires all distributors to complete a full accreditation process and knowledge competence test on the product. The Home Lending guide is provided to the distributor when they are accredited. b) MCCA will regularly communicate with its distributors to reiterate education and conduct training sessions on this product. c) MCCA is able to supervise and monitor the distribution of this product through Key Risk Indicators which highlight any issues with distribution e.g. where the product has been potentially distributed outside the target market. Conflict of Interest: a) MCCA will take steps to ensure that its remuneration and incentive structures for this product do not result in distribution inconsistent with this TMD. b) Commission rates are fixed and do not vary based on the finance amount. In addition, MCCA performs diligent reviews of all applicants to ensure the finance amount applied for does not exceed the applicant's requirements or capacity. Sharing information with Distributors: a) MCCA will provide its distributors with 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 and product fact sheets. Inadequate Distribution Conditions: a) If MCCA becomes aware that distribution conditions for this product are inadequate, it will: i) amend this TMD to set out additional distribution conditions to ensure that distribution outside the target market does not occur; or ii) cease distribution.

Reporting period	The reporting period for this determination is quarterly during each calendar year: i) first reporting period ending on 31 March. ii) second reporting period ending on 30 June. iii) third reporting period ending on 30 September. iv) fourth reporting period ending on 31 December.
Reporting information	Distributors must provide the issuer with the following information in writing as soon as practicable or within 10 business days after the reporting period unless otherwise specified: a) Complaint information Complaints related to the risks, key terms, conditions or key attributes of this Product including: i) the number of complaints; ii) the nature and circumstances of the complaints; and iii) whether or not there has been or is likely to be consumer harm or detriment, and if so, the nature of the harm or detriment. b) Feedback from the distributors Feedback that the target market or Product attributes may no longer be appropriate, including the following: i) consumer understanding of the risks, key terms, conditions or key attributes of this Product; ii) the credit limit amounts for the Product; and iii) ability to repay the interest amounts owed under the loan. c) Significant dealings If a distributor becomes aware of a significant dealing in the Product or an issue with the distributors conduct that is not consistent with this TMD, they must notify the issuer in writing as soon as practicable, and in any event within 10 business days after becoming aware. d) Other information requested by MCCA Any other information requested in writing by MCCA from time to time subject to: i) the request being necessary to enable MCCA to meet its legal and compliance obligations; and ii) MCCA providing at least 30 days prior notice before the end of reporting period mentioned above in this TMD.