

TARGET MARKET DETERMINATION (TMD)

Product	Regulated bridging loan
Issuer	Gippsreal Limited ABN 80 005 443 292 AFSL / ACL 219612 (we, us, our and Gippsreal)
Date of Issue	25 March 2023
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 Gippsreal 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) Gippsreal will make reasonable enquiries about the Borrower's financial situation. To assess whether this product is affordable to the Borrower, Gippsreal will consider the Borrower's financial

	<p>history, capacity, ability and willingness to perform their obligations under the proposed mortgage.</p> <p>1.5 Gippsreal 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 Gippsreal's responsible lending obligations.</p> <p>1.6 The product is likely to be unsuitable for Borrowers who:</p> <ul style="list-style-type: none"> (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.
<p>Distribution Conditions</p>	<p>2.1 Gippsreal has placed conditions and restrictions on the distribution of this product to ensure that it is directed towards Borrowers in the target market.</p> <p>2.2 Distribution Conditions</p> <ul style="list-style-type: none"> (a) To ensure this product will be distributed to Borrowers within the target market, Gippsreal will: <ul style="list-style-type: none"> (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. <p>2.3 Marketing and Promotional Materials</p> <ul style="list-style-type: none"> (a) The content and medium of delivery of marketing and promotional materials for this product will be consistent with this TMD. <p>2.4 Conflict of Interest</p> <ul style="list-style-type: none"> (a) Gippsreal 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) Gippsreal 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.

	<p>2.5 Information Sharing with Distributors</p> <p>(a) Gippsreal will provide to its distributors sufficient information to assist them with meeting their obligations to ensure distribution is consistent with this TMD.</p> <p>(b) Information is shared with distributors through lender updates as well as product fact sheets.</p> <p>2.6 If Gippsreal 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> <p>(a) amend this TMD to set out additional distribution conditions to ensure that such distribution does not occur; or</p> <p>(b) cease distribution.</p>
<p>Review Triggers</p>	<p>3.1 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> <p>(a) the numbers of defaults;</p> <p>(b) the number of applicants outside the target market;</p> <p>(c) a material change to this product;</p> <p>(d) promotional features that materially change this product;</p> <p>(e) complaints to AFCA;</p> <p>(f) employee feedback;</p> <p>(g) Key Risk Indicators reports;</p> <p>(h) internal complaints; and</p> <p>(i) the nature and number of complaints and complaint trends.</p> <p>3.2 Gippsreal 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 Gippsreal 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 Gippsreal when they identify a significant dealing that is not consistent with this TMD. Gippsreal acknowledges whether a dealing is significant may be dependent on the circumstances of a distributor's business however, this</p>

	<p>information will assist Gippsreal to determine whether the dealing is significant and reportable.</p>
<p>Review Periods</p>	<p>4.1 The first review of this TMD will occur on 25 March 2023.</p> <p>4.2 To ensure that this TMD remains appropriate for this product, Gippsreal 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. <p>4.3 Gippsreal 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:</p> <ul style="list-style-type: none"> (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. <p>4.4 If Gippsreal becomes aware of information that would reasonably suggest that this TMD is no longer appropriate (e.g. a review trigger has occurred), Gippsreal will stop issuing this product and direct its distributors to stop distributing until Gippsreal has reviewed this TMD and the product.</p>
<p>Distribution Information Reporting Requirements</p>	<p>5.1 Complaints, defaults and general feedback about a financial product are a useful indicator of whether a TMD may still be appropriate.</p> <p>5.2 Where Gippsreal 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 Gippsreal.</p> <p>5.3 Gippsreal requires a broker to provide the following information:</p> <ul style="list-style-type: none"> (a) complaint and all related information; and (b) general feedback relating to this product and its performance. <p>5.4 The following is an example of the type of information that must be provided to Gippsreal by its distributors who engage in the distribution of this product:</p>

	Type of Information	Description	Reporting Period
	Complaint / Significant Dealings / Others	<p>The following information is required:</p> <ol style="list-style-type: none"> 1. Distributor name 2. Date of complaint 3. Product 4. Nature of the complaint 5. AFCA status (if applicable) 	<p>Complaint / Others - As soon as complaint is received by the distributor</p> <p>Significant Dealings – As soon as practicable, and in any case within 10 business days after becoming aware.</p>