TARGET MARKET DETERMINATION (TMD)

Product	RHL Capitalizer Full Doc (Variable & Fixed Rate)
Issuer	• BC Securities Pty Ltd • ACN: 609 155 688 • Australian Credit Licence number: 482240
Version	3.0
Date of TMD	31 March 2024

Target Market	*Description of target market, including likely objectives, financial situation and needs*
	
	The features of this product have been assessed as meeting the *likely objectives, financial situation and needs* of consumers who:
	
	• meet the eligibility criteria, including:
	  ○ being an Australian resident; and
	  ○ having a satisfactory credit rating;
	• are:
	  ○ self-employed; or
	  ○ salaried employees; or
	  ○ an Australian registered company; or
	  ○ a trustee of an Australian family or unit trust (the beneficiary and Trustee must meet the eligibility criteria of an individual or a company;
	• require a loan to fund the purchase or refinance of an owner occupied or investment residential property;
	• require the option of a variable or fixed interest rate;
	• require the option of a sub-offset account;
	• require the ability to make unlimited extra repayments and access redraw; and
	• require the option of either principal and interest or interest only repayments.
	
	Variable Rate
	
	Whilst variable interest rates may fluctuate, the product meets the likely objectives, financial situation and needs of consumers in the target market because it provides consumers with the ability to make additional repayments and/or deposit funds into a sub-offset account to reduce interest payable whilst retaining the ability to draw on those funds when required.
	
	Fixed Rate
	
	Whilst the product has a limit on additional repayments the product meets the likely objectives, financial situation and needs of consumers in the target market because the fixed rate provides certainty of repayments during the fixed period, making consumer budgeting easier.
	
	Owner Occupied Residential Property

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	This product allows consumers to finance the purchase or refinance of an owner-occupied residential property with the ability to select principal and interest or interest only repayments. *Investment Residential Property* This product allows consumers to finance the purchase or refinance of an investment property to earn rental income whilst providing consumers with the ability to select principal and interest repayments in order to reduce the overall debt and build equity or interest only for tax purposes.	
Product Description	Key Attributes	
	Security property	Residential
	Maximum loan term	40 years
	Maximum LVR	• 80% without LMI • 95% with LMI
	Minimum loan amount	$100,000
	Maximum loan amount	$2,500,000
	Maximum single borrower exposure	$5,000,000
	Repayment type	• Principal & Interest • Interest Only
	Fixed rate options	1 – 5 years
	Fixed rate premium	Yes (varies by years)
	30+ year premium	Yes
	Interest only premium	Yes
	Maximum IO period	5 years
	Large loan premium	Yes
	Self-Employed premium	Yes
	Investor premium	Yes
	Offset account	Yes
	Offset account premium	No
	Redraw	Yes, within facility limit
	Security location	Metro, non-metro & regional considered
	Security	1st registered real property mortgage
	Settlement fee	Payable
	30+ year premium waiver upfront fee	Payable
	Documentation fee	Payable
	Annual package fee	Payable
	Discharge fee	Payable
	Classes of consumers for whom the product may not be suitable	
	This product may not be suitable for consumers who • do not meet the issuer's eligibility criteria; • are Australian non-resident and/or Expat customers.	
Distribution Conditions	The following distribution channels and conditions have been assessed as being appropriate to direct the distribution of the product to the target market: • Mortgage Managers – must be authorised to distribute this product under a Mortgage Origination and Management Agreement; and	

	• Mortgage brokers (subject to BID) – must be accredited by BC Invest to distribute this product. The distribution channels and conditions are appropriate because our distributors are: • subject to a higher duty under BID (mortgage brokers) to ensure that the product is in the best interests of the particular consumer; • provided with detailed product specifications to enable assessment of customer suitability and eligibility; • trained on the BC Invest Credit Policy to support the introduction of customers and loan proposals that are consistent with this TMD and within our Credit Policy eligibility criteria; • applications submitted by the Distribution partners include a Cover Sheet, Credit Notes and recommendation for consideration by the BC Invest Credit Officer; • each application is assessed to ensure the application and customers eligibility and situation is appropriate for the loan applied for and consistent with this TMD; and • loan applications are not accepted from distribution channels that are not formally authorised by the issuer.		
Review Triggers	The following review triggers would reasonably suggest that the TMD may no longer be appropriate: • A significant dealing of the product to consumers outside the target market occurs; • A consistent and regular number of complaints are received from consumers in relation to the product; • Material changes are made to the product specification, including features, fees and BC Invest Credit Policy will trigger a review of the product TMD; • There are high rates of refinance from BC Invest for this product; • There are high default rates; and • There are material regulatory changes or updated regulator guidance that may affect the TMD.		
Review Periods	Next Review	March 2025	
	Review period	Annually (end March each year)	
	Trigger Review	Within 10 business days of the identification of a trigger event.	
Distribution Information Reporting Requirements	The following information must be provided to us by distributors who engage in retail product distribution conduct in relation to this product:		
	Type of Information	Description	Reporting Period
	Specific complaints	Details of the complaint, including name and contact details of complainant and substance of the complaint.	As soon as practicable and within 10 business days of receipt of complaint.
	General information about complaints	Number complaints	Every 6 months (end September & March)

	Significant dealing(s) where the distributor believes that a significant number of customers outside the target market are obtaining this product	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

This document should not be taken as financial product advice and has been prepared as general information only without consideration for your particular objectives, financial circumstances or needs. More information about the product can be found on our website, or in your loan contract.