

Target Market Determination Bridging Finance

Category	Description
Product	<p>Bridging Finance</p> <p>A short-term credit facility to purchase a replacement residential property for owner-occupier purposes (including construction), which bridges the finance gap between selling an existing property and purchasing the replacement property.</p>
Issuer	Issued by IMB Ltd trading as IMB Bank ABN 92 087 651 974, AFSL/Australian Credit Licence 237 391
Version	1.0
Start Date	5 October 2021
Review Date	The first review of this determination, and each ongoing review, must be completed within each consecutive 12-month period from the Start Date.
Target Market Class of consumers that comprise the target market for the product	<p>Consumer Description</p> <p>This describes consumers in the target market</p> <p>Objectives & Needs</p> <p>A person who may require a short-term credit facility:</p> <ul style="list-style-type: none"> to purchase a replacement residential property for owner-occupier purposes (including construction) which bridges the finance gap between selling an existing owner-occupied property and purchasing the replacement property, that may include refinancing an existing home loan facility secured by a mortgage over their existing owner-occupied residential property; that takes advantage of potential future decreases in an interest rate, and has flexibility to make additional repayments and/or repay the facility early; that, if the facility is used for construction purposes, the loan amount is drawn down progressively; and that is not required to be repaid until the earlier of: <ul style="list-style-type: none"> the sale of the existing property; or an agreed fixed date. <p>Financial Situation</p> <p>A person who owns an owner-occupied residential property which they intend to sell, and with sufficient equity to repay the credit facility and interest that has capitalised during the term of the facility when the property is sold and will have funds available to pay fees as and when such the fees become due and payable.</p>
	<p>Product Description</p> <p>This describes the product</p> <p>A short-term credit facility with the following key attributes:</p> <ul style="list-style-type: none"> the ability to use the credit to purchase a replacement residential property for owner-occupier purposes (including construction) which bridges the finance gap between selling an existing owner-occupied property and purchasing the replacement property and, if required, to refinance an existing home loan facility secured by a mortgage over existing owner-occupied residential property; a variable rate with flexibility to make additional repayments (including early repayment of the facility); if the facility is used for construction purposes, the loan amount is drawn down progressively; and the requirement to repay the facility and capitalised interest on the earlier of: <ul style="list-style-type: none"> the sale of the existing property; and a fixed date. <p>In general, it is only available to consumers that meet standard eligibility criteria.</p>

	<p>Appropriateness Statement This explains why the product is consistent with the likely objectives, financial situation and needs of the target market</p>	<p>The product is appropriate for the target market on the basis that the key attributes of the product listed in this determination are consistent with the objectives, financial situation and needs of consumers in the target market as described in this determination.</p>
<p>Distribution Conditions The conditions and restrictions on the distribution of the product</p>	<p>Marketing and Promotion This condition applies to marketing and promotional materials that describe the product</p>	<p>Condition 1 A distributor must only market and promote the product through:</p> <ul style="list-style-type: none"> • advertising on television, radio, the internet (including social media), billboards and physical banners, brochures and other marketing material available to the general public; • in person recommendations to access marketing material (including in branch communications, through mobile lenders and through broker and referrer networks); and • any other issuer approved communication channels (including telephone, email and social media). <p>This condition is appropriate as the target market is wide.</p>
	<p>Retail Product Distribution Conduct (other than Marketing) This condition applies to all conduct (other than marketing) such as issuing, arranging and providing disclosure material</p>	<p>Condition 2 A distributor must only engage in retail product distribution conduct (other than marketing and promotion activity) through:</p> <ul style="list-style-type: none"> • in person communications (including in branch, through mobile lenders, and through broker and referrer networks); • the issuer's and other approved third-party digital platforms; and • any other issuer approved communication channels (including telephone, email and social media). <p>This condition is appropriate as the target market is wide. It is also appropriate as the issuer has distributed this product using these methods, with limited risk to consumers.</p>
		<p>Condition 3 A distributor must only engage in retail product distribution conduct (other than general advice) if it:</p> <ul style="list-style-type: none"> • has identified the key difference between the product and other separate credit products (including home loan (owner occupied) and line of credit products) issued by the issuer, and (for mortgage brokers only) issued by other issuers; and • is reasonably satisfied that the consumer owns existing owner-occupied residential property which they intend to sell, and which they reasonably expect has sufficient equity to repay the credit facility and interest that has capitalised during the term of the facility when the property is sold and will have funds available to pay fees as and when such fees become due and payable. <p>This condition is appropriate as it requires a distributor to confirm that the consumer is in the target market.</p>
		<p>Condition 4 A distributor must only engage in retail product distribution conduct (other than general advice) if the distributor is:</p> <ul style="list-style-type: none"> • a representative of the issuer that is trained as a "home loan lender"; or • a mortgage broker that is part of an aggregator group accredited by the issuer. <p>This condition is appropriate as it requires a distributor to be appropriately trained and/or accredited to engage in all retail product distribution conduct (other than general advice).</p>

<p>Review Triggers</p> <p>The events and circumstances that would reasonably suggest the determination is no longer appropriate</p>	<p>The issuer, and any distributor of this product, must cease retail product distribution conduct in respect of this product when the issuer determines a material event or circumstance has occurred in relation to:</p> <table border="1"> <tr> <td data-bbox="384 327 624 394">Material Complaints</td> <td data-bbox="624 327 1445 394">Material complaints (in number or significance) in relation to the terms of this product and / or the distribution conduct.</td> </tr> <tr> <td data-bbox="384 394 624 551">Financial Difficulty</td> <td data-bbox="624 394 1445 551">A significant number of customers experiencing financial difficulty (as evidenced by, for example, default notices, hardship requests refinance request information) related directly to the appropriateness of the product that the issuer determines may relate to the appropriateness of the determination.</td> </tr> <tr> <td data-bbox="384 551 624 640">Product Performance</td> <td data-bbox="624 551 1445 640">Evidence, as determined by the issuer, of the performance of the product, in practice, that may suggest that the product is not appropriate for the target market.</td> </tr> <tr> <td data-bbox="384 640 624 775">Distributor Feedback</td> <td data-bbox="624 640 1445 775">Reporting from distributors (including the issuer's representatives and third parties), or consistent feedback from distributors on the target market which suggests that the determination may no longer be appropriate.</td> </tr> <tr> <td data-bbox="384 775 624 842">Substantial Product Change</td> <td data-bbox="624 775 1445 842">A substantial change to the product that is likely to result in the determination no longer being appropriate for the target market.</td> </tr> <tr> <td data-bbox="384 842 624 909">Significant Dealing</td> <td data-bbox="624 842 1445 909">A material pattern of dealings in the product or of distributor conduct that is not consistent with the determination.</td> </tr> <tr> <td data-bbox="384 909 624 976">Notification from ASIC</td> <td data-bbox="624 909 1445 976">A notification from ASIC requiring immediate cessation of product distribution or particular conduct in relation to the product.</td> </tr> </table>	Material Complaints	Material complaints (in number or significance) in relation to the terms of this product and / or the distribution conduct.	Financial Difficulty	A significant number of customers experiencing financial difficulty (as evidenced by, for example, default notices, hardship requests refinance request information) related directly to the appropriateness of the product that the issuer determines may relate to the appropriateness of the determination.	Product Performance	Evidence, as determined by the issuer, of the performance of the product, in practice, that may suggest that the product is not appropriate for the target market.	Distributor Feedback	Reporting from distributors (including the issuer's representatives and third parties), or consistent feedback from distributors on the target market which suggests that the determination may no longer be appropriate.	Substantial Product Change	A substantial change to the product that is likely to result in the determination no longer being appropriate for the target market.	Significant Dealing	A material pattern of dealings in the product or of distributor conduct that is not consistent with the determination.	Notification from ASIC	A notification from ASIC requiring immediate cessation of product distribution or particular conduct in relation to the product.
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<p>Reporting Period</p>	<p>The reporting period for this determination is every 3 months commencing from the Start Date.</p>														
<p>Reporting Information</p> <p>The kinds of information needed to identify whether a review trigger has occurred, who must report this information and the reporting period</p>	<p>A person that engages in retail product distribution conduct in respect of this product (distributor) must provide the following information in writing to the issuer within the times specified below:</p> <table border="1"> <tr> <td data-bbox="384 1155 624 1424">Complaint Information</td> <td data-bbox="624 1155 1445 1424"> <p>Information about complaints received in relation to the product during the reporting period, and if complaints were received, a description of the number of complaints and the nature of the complaints received and other complaint information set out in paragraph RG 271.182 of Regulatory Guide 271 Internal dispute resolution.</p> <p>The distributor must provide the information as soon as practicable, or in any event, within 10 business days after the end of each reporting period.</p> </td> </tr> <tr> <td data-bbox="384 1424 624 1615">Financial Difficulty</td> <td data-bbox="624 1424 1445 1615"> <p>Information about customers experiencing financial difficulty related directly to the appropriateness of the product of which the distributor becomes aware.</p> <p>The distributor must provide the information as soon as practicable, or in any event, within 10 business days after the end of each reporting period.</p> </td> </tr> <tr> <td data-bbox="384 1615 624 1771">Distributor Feedback</td> <td data-bbox="624 1615 1445 1771"> <p>Information discovered or held by the distributor that suggests that the determination may no longer be appropriate.</p> <p>The distributor must provide the information as soon as practicable, or in any event, within 10 business days after the end of each reporting period.</p> </td> </tr> <tr> <td data-bbox="384 1771 624 1962">Significant Dealing</td> <td data-bbox="624 1771 1445 1962"> <p>Information about any significant dealing in the product that is not consistent with the target market determination of which the distributor becomes aware.</p> <p>The distributor must provide the information as soon as practicable, or in any event, within 10 business days after becoming aware of the significant dealing.</p> </td> </tr> <tr> <td data-bbox="384 1962 624 2054">Information Requested by Issuer</td> <td data-bbox="624 1962 1445 2054"> <p>Information reasonably requested by the issuer.</p> <p>The distributor must provide the information by the date requested by the issuer.</p> </td> </tr> </table>	Complaint Information	<p>Information about complaints received in relation to the product during the reporting period, and if complaints were received, a description of the number of complaints and the nature of the complaints received and other complaint information set out in paragraph RG 271.182 of Regulatory Guide 271 Internal dispute resolution.</p> <p>The distributor must provide the information as soon as practicable, or in any event, within 10 business days after the end of each reporting period.</p>	Financial Difficulty	<p>Information about customers experiencing financial difficulty related directly to the appropriateness of the product of which the distributor becomes aware.</p> <p>The distributor must provide the information as soon as practicable, or in any event, within 10 business days after the end of each reporting period.</p>	Distributor Feedback	<p>Information discovered or held by the distributor that suggests that the determination may no longer be appropriate.</p> <p>The distributor must provide the information as soon as practicable, or in any event, within 10 business days after the end of each reporting period.</p>	Significant Dealing	<p>Information about any significant dealing in the product that is not consistent with the target market determination of which the distributor becomes aware.</p> <p>The distributor must provide the information as soon as practicable, or in any event, within 10 business days after becoming aware of the significant dealing.</p>	Information Requested by Issuer	<p>Information reasonably requested by the issuer.</p> <p>The distributor must provide the information by the date requested by the issuer.</p>				
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