

Home Preparation Loan

Target Market Determination

This Target Market Determination (**TMD**) has been prepared in accordance with the Treasury Laws Amendment (Design and Distribution Obligations and Product Intervention Powers) Act 2019 (Cth) and related regulations. This TMD is designed to assist CampaignAgent to ensure that the features of its Home Preparation Loan (HPL) product are likely to be consistent with the likely objectives, financial situation and needs of the consumers for whom it is intended (**Target Market**) and to assist distributors to ensure that the product is distributed to the Target Market.

HPL is a financial product offered by CampaignAgent which provides vendors of residential real estate (and certain commercial real estate) with access to credit to cover the upfront costs of minor repairs and cosmetic improvements to their property once they have entered into a sales authority with their selected licensed real estate agent. It is a condition to an HPL loan that the consumer has used CampaignAgent's VPAPay product to cover the upfront costs of marketing and advertising their property. HPL enables vendors to defer the payment of the upfront costs of minor repairs and cosmetic improvements to their property through a loan to better align the repayment obligation with the receipt of the sale proceeds. Each loan is assessed to ensure there is sufficient equity in the property to repay the loan from the sale proceeds at settlement.

Target Market

HPL is for consumers who are seeking a loan to pay for the upfront costs of minor repairs and cosmetic improvements to their property. It has been specifically designed for:

- consumers who satisfy the HPL eligibility criteria, including but not limited to individuals who:
 - are over 18 years of age;
 - are an Australian citizen or permanent resident and who ordinarily reside in Australia; and
 - are the legal owner (or representative of the legal owner) of residential or certain commercial property;
- consumers who have used VPAPay in relation to the advertising and marketing costs associated with the sale of their property;
- consumers who require a loan to cover the upfront costs of minor repairs and cosmetic improvements to their property and to defer repayment of those costs to better align with the receipt of the sale proceeds; and
- consumers who have the capacity to repay the HPL loan (and CampaignAgent's fees) from the sale proceeds of the property.

Product Description

HPL is only available to consumers who satisfy the eligibility and loan criteria, and who supply all relevant supporting documentation to CampaignAgent's satisfaction. Unless the eligibility and loan criteria are met, consumers will be deemed ineligible to receive the product. The key attributes of HPL are:

- the ability to borrow between \$2,000 and up to the lower of: \$25,000; or 2% of the estimated sale price of the property, inclusive of any amount borrowed under VPAPay;
- the proceeds of the loan are transferred directly to the vendor to pay their chosen suppliers; and
- re-payment of the loan (including CampaignAgent's fees and interest) is due at the earlier of 9 months, deposit release, settlement or withdrawal of the property from sale.

CampaignAgent considers that HPL is likely to be consistent with the likely objectives, financial situation and needs of a consumer in the target market as the consumers' needs and objectives must be to obtain a loan for the upfront costs of minor repair and cosmetic improvements relating to the sale of their property and to defer payment of those costs to better align with the receipt of the sale proceeds.

Distribution

HPL is distributed by CampaignAgent directly to vendors who have used CampaignAgent's VPAPay product for the advertising and marketing of their property. Vendors apply directly to CampaignAgent online. CampaignAgent staff are required to undertake training and follow documented procedures in assisting prospective customers of HPL. CampaignAgent asks questions and seeks clarification where necessary to confirm that a customer is in the target market.

CampaignAgent considers that this distribution channel is:

- appropriate given the training and skills required of CampaignAgent staff assisting prospective HPL customers; and
- likely to result in consumers in the target market acquiring the HPL product.

Reporting

CampaignAgent acts as both the issuer and distributor of HPL. Accordingly, CampaignAgent will internally collate the information required to determine whether a review trigger has occurred such as, the number of complaints and the substance of complaints and whether a significant dealing has occurred.

Review

A review of the TMD will be triggered if one or more of the following events occur which may suggest that HPL is no longer appropriate for the target market:

- there is a material change in the number of customers who default on their obligations or experience financial hardship;
- a material number of systemic complaints are received regarding the terms and conditions of HPL or the manner of its distribution;
- there is a material change to the product attributes, terms and conditions of HPL or the manner of its distribution;
- material evidence of fraud occurs in relation to HPL by customers or distributors;
- there is a material change to Australian credit laws and regulations which impact HPL; and
- a significant dealing occurs in relation to HPL that is inconsistent with this TMD.

Review Periods

Ongoing Review:

every 12 months after the effective date.

Trigger Review:

within 10 business days of a trigger event occurring.