

RAMS Target Market Determination (TMD).



This TMD is issued by Westpac Banking Corporation ABN 33 007 457 141 as credit provider for loans originated by RAMS Financial Group Pty Limited ABN 30 105 207 538

Product: This TMD applies to:

- RAMS Fixed Rate Home Loan
 - RAMS Full Feature Home Loan
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Effective date: 31 May 2023

Target market class of consumers

Product description and key attributes

These products are fully featured home loans that have been designed for borrowers who are looking for a flexible home or investment loan that offers an optional offset feature (only available on a variable rate portion) as well as a Value Advantage Package which provides a discount on their loan's variable interest rate (optional for a Full Feature Home Loan, required for a Fixed Rate Home Loan). These products are for the purchase or construction of a residential property, to use the equity in their property for other non-residential personal purposes or to refinance an existing loan.

The key product attributes (including the key eligibility requirements) to acquire these products:

Key Product Attributes:

- Available for owner occupied or investment purposes;
- Progressive drawdown feature allows borrowers to finance a new build or major renovation and only pay interest on the amount drawn until construction is complete;
- Choice of rate types available to suit the borrower's needs:
 - Variable rate
 - A variable rate that could move both up and down;
 - Flexibility of unlimited additional payments;
 - Access to available funds built up with additional payments via redraw;
 - Flexibility to switch from variable to fixed rate or from variable to part variable/part fixed rate;
 - The optional Offset feature allows the balance in an eligible linked RAMS transaction account (individual borrower only, companies and trusts not applicable) to offset against the amount owed on the home loan when calculating interest;
 - Principal and Interest (P&I) repayments with option (subject to eligibility) of an Interest Only period*.
 - Fixed rate
 - Fixed interest rate and set repayment for a selected period of 1, 2, 3, 4, 5 or 10 years (NB: the 10 year fixed rate period is not available for owner occupiers repaying Interest Only);
 - The fixed interest rate available on settlement date is applied unless fixed rate lock-in is selected for a fee;
 - Additional repayments allowed, up to a maximum of \$30,000 during the fixed rate period before break costs may apply. Prepayment amount greater than \$30,000 is allowed, which may incur break costs;
 - Redraw available, up to a maximum \$30,000 during the fixed rate period;
 - Loans originated on a fixed rate must opt in to the Value Advantage Package (and therefore agree to pay the Package fee), which can be cancelled at any time after settlement and unused Package Fees refunded;
 - The Offset feature is not available during a fixed rate period;
 - At the expiry of the fixed rate period, or if the fixed rate period is broken early (at which point break costs may apply), the loan will automatically revert to a variable rate Full Feature Home Loan;
 - Principal and Interest (P&I) repayments with option (subject to eligibility) of an:



- Interest Only period*
- Interest Only in advance period* for investment borrowers who have a need to pay 12 months interest in advance for cash flow or tax purposes. This is not available for owner occupied loans and must be selected at origination.

* Note: Interest Only repayments revert to P&I repayments after the initial Interest Only period. The P&I repayments for a loan that reverts from Interest Only will be set so as to repay the loan balance over the remaining term, and will be higher than if P&I repayments were made from the start of the loan (that is, over the full term of the loan).

- The Value Advantage Package (optional for a Fully Featured home loan) gives access to benefits on eligible products including an interest rate discount on their variable rate home loan(s). Annual package fee and eligibility criteria apply;
- No monthly account keeping fees for Packaged loans;
- Package can be removed or re-added at any time after settlement, in which case the package benefits will cease or be reinstated (respectively);
- Access to available funds for individuals via debit card or cheque access, online transfers or cash withdrawals from ATMs and for companies and trustees via cheque access or online transfers.

Key eligibility requirements:

- Borrower must be aged 18 and over; and
- Borrower must be an individual or company or trust with an incorporated or individual trustee(s);
- Borrower must be an Australian permanent resident, temporary resident (some visas holders considered, subject to conditions); and
- Borrower must meet the credit criteria, which includes demonstrating the ability to meet repayment obligations; and
- Loan must be secured by Australian residential property.

Class of consumers

These products are designed for a class of consumers whose likely needs, objectives and financial situation (as set out below) are aligned with the product and the product's key attributes.

Needs, objectives and financial situation

These products are designed for consumers who:

- need a loan for owner occupied or residential investment purposes;
- may want progressive drawdown for construction purposes;
- may want a choice of rate type (variable or fixed) throughout the life of the loan;
- may want to access benefits including an interest rate discount on their home loan(s) applied under a package;
- (for individuals) may want to link an eligible transaction account to their loan to access Offset interest benefits during any variable interest rate period;
- are looking to buy, build or renovate a residential property to live in or for investment purposes; or
- are looking to refinance a home or investment loan from another lender, secured by residential property; or
- may be looking for variable rate bridging finance; or
- may be looking to use the equity in the security property for other non-residential purposes;
- may be investors who may wish to pay Interest Only in Advance;
- are able to meet repayment obligations.



These products are not designed for consumers who:

- need a loan for predominantly business purposes;
- are seeking a basic product without a package and/or an offset facility.

Alignment to target market

These products are likely to be consistent with the likely objectives, financial situation and needs of the class of consumers in the target market. This is based on an assessment of the key terms, features and attributes of the products and a determination that these are consistent with the identified class of consumers.

Distribution conditions and restrictions:

Distribution channels

These products are designed to be sold via the following means:

- RAMS Credit Representatives within RAMS Home Loan Centres;
- The Credit Provider or its service provider(s);
- Licensed Referrers referring the consumer to a RAMS Home Loan Centre.

Distribution conditions and restrictions

These products should only be distributed under the following circumstances:

- If a consumer meets the eligibility criteria for these products;
- If distributed by a RAMS Credit Representative within a RAMS Home Loan Centre who:
 - is required to meet our accreditation requirements, including completion of product and regulatory training;
 - is required to comply with the agreements in place between RAMS and the Franchisee who owns and operates their RAMS Home Loan Centre;
 - is able to discuss the product features, eligibility, interest rates, fees and charges including key differences from other home loan products we offer;
 - has access to tools and resources such as product information and repayment calculators;
 - is required to follow the policies, procedures and systems provided by us and RAMS Financial Group, including in relation to eligibility criteria and assessing the borrower's ability to meet repayment obligations;
 - is required to use our approved application systems to provide us with the borrower's details and product requirements to be assessed by our systems and staff to ensure applications meet the eligibility criteria, including the borrower's ability to meet repayment obligations.
- If distributed by us or our service provider(s), by staff who:
 - are required to be trained to meet role-based accreditation requirements;
 - are able to discuss the product features, eligibility, interest rates, fees and charges including key differences from other home loan products we offer;
 - have access to tools and resources such as product information and repayment calculators;
 - are required to follow policies, procedures and systems, including in relation to eligibility criteria and assessing the borrower's ability to meet repayment obligations.
- If distributed by a Licensed Referrer who:
 - has been approved to refer as a Licensed Referrer by us; and



- meets our Licensed Referrer requirements; and
- is required to have, and comply with, the referrer agreement in place between itself and the RAMS Franchise they refer to.

Appropriateness of distribution conditions and restrictions

We have assessed that the distribution conditions and restrictions will make it likely that consumers who acquire the products are in the target market. We consider that the distribution conditions and restrictions are appropriate and will direct distribution towards the class of consumer for whom the products have been designed.

TMD reviews

We will review this TMD in accordance with the below:

Initial review	Within 2 years of the effective date.
Periodic reviews	At least every 2 years from the last review.
Review triggers	<p>The review triggers (which reasonably suggest the TMD is no longer appropriate) that may result in an earlier review of the TMD include material changes to the design or distribution of the products including related documentation, material changes in law or taxation policy that may affect the operation of the products, or:</p> <ul style="list-style-type: none"> • Significant changes in metrics. These include: <ul style="list-style-type: none"> • Customer complaints, e.g. relating to key product attributes, product suitability and sales conduct; • Switching and closed account volumes; • Distribution conditions found to be inadequate; • Any direction from ASIC which requires us to cease distribution of the product; • Occurrence of a significant dealing.

Distribution information

We will collect the following information from our distributors directly or indirectly in relation to this TMD.

Complaints	Distributors will report all complaints in relation to the products covered by this TMD on a daily basis at a minimum, and for all other complaints about the distribution of the product, including conduct complaints, unless otherwise reported, on a quarterly basis covering the periods [ending March, June, September, and December] basis. This will include written details of the complaints.
Significant dealings	Distributors will report if they become aware of a significant dealing in relation to this TMD that is inconsistent with the TMD within 10 business days.
Other information required	<p>The reporting timeframe for a significant dealing:</p> <ul style="list-style-type: none"> • Within 10 business days of the date of the distributor becoming aware of the significant dealing .