

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 Full Feature Home Loan
- RAMS Fixed Rate Home Loan

Effective date: 5 October 2021

Target market class of consumers

Product description and key attributes

These products are fully featured home loans that have been designed for consumers 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), 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:

Attributes

- Available for owner occupied or investment purposes.
 - Progressive drawdown feature allows consumers to finance a new build or major renovation and only pay interest on the amount drawn.
 - Choice of rate types available to suit the consumer's needs:
 - Variable rate
 - A variable rate that moves both up and down.
 - Flexibility of unlimited additional payments and access to surplus funds via redraw.
 - Flexibility to switch from variable to fixed rate or from variable to part variable/part fixed rate.
 - Loan can be increased/topped up or switched to other home loan product types without break costs as a consumer's needs change throughout the life of the loan (subject to approval).
 - Offset: The optional Offset feature enables an individual consumer (ie not a company or a trust) to link an eligible RAMS transaction account to offset the credit balance against the loan's debit balance and interest.
 - Fixed rate
 - Provides rate and repayment stability and ease of budgeting for the fixed rate period.
 - Fixed Rate periods 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).
 - Additional repayments allowed, up to a maximum of \$30,000 during the fixed rate period before break costs may apply.
 - Redraw available, up to a maximum \$30,000 during the fixed rate period.
 - Fixed Rate Lock-In may be available.
 - 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.
 - Choice of repayment types available to suit the consumer's needs:
 - Principal and Interest (P&I)
 - Interest Only*
 - Interest Only* in Advance – to allow investment consumers who have a need to pay 12 months interest in advance for cash flow or tax purposes. This feature 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).

- Value Advantage Package: optional for a fully featured home loan, the package is available on eligible loans and is designed for consumers wanting to benefit from a variable interest rate discount and waiver of a range of fees on their Home Loan. Possible savings can be ascertained by each consumer through a discussion with a RAMS Home Loan Centre or Mortgage Support Team.
- No monthly account keeping fees, or fees for variations 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.
- Fees and charges may apply to selected features.

Eligibility

A Consumer must be:

- aged 18 and over;
- an individual or company or trust with an incorporated or individual trustee(s);
- an Australian permanent resident, temporary resident (some visa holders considered, subject to conditions); and
- the application needs to meet credit criteria, including that the loan is to 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:

- may want to access fee and interest discounts applied under a Value Advantage Package (Note: Package is standard under fixed rate but can be removed after settlement, and the unused fee refunded); and/or
- (for individuals) may want to link an eligible transaction account to their loan to access Offset interest benefits during any variable interest rate period, and
- may want a choice of rate type (variable or fixed) throughout the life of the loan,
- may be looking:
 - for finance to buy, build or renovate a residential property to live in or for investment purposes, or
 - to refinance a home or investment loan from another lender, secured by residential property, or
 - for variable rate bridging finance, or
 - to use the equity in the security property for other non-residential purposes,
- may need access to loan increase/top up, switching to other home loan product types or switching from variable to fixed rate or from variable to part variable/part fixed rate as a consumer's needs change throughout the life of the loan (subject to approval),
- may be investors who may wish to pay Interest Only in Advance.

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.

Consumers will need to have acceptable income and expenses to pass the bank's serviceability requirements to qualify for the loan amount requested.

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 Home Loan Centres.

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- Variations to existing home loans may also be performed by Unisys Mortgage Processing under a service provider agreement with Westpac.
- Licensed referrers – if they engage in retail product distribution conduct prior to 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 the distributor is accredited to sell these products.

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 1 year(s) of the effective date.
Periodic reviews	At least every 3 year(s) 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, and:</p> <ul style="list-style-type: none">• Significant changes in metrics. These include:<ul style="list-style-type: none">- Complaints,- Account activity and balance levels,- Switching and closed account volumes;• Distribution conditions found to be inadequate;• 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 product(s) covered by this TMD on a daily basis at a minimum, and for all other complaints about distribution of the product including conduct complaints, unless otherwise previously reported, on a quarterly calendar [ending in 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.