



HOME BUYER

Target Market Determination

For Shariah – Fixed Payment
Products Bai' Mu'Ajjal and Istisna
Shariah Compliant Products

Baytulmaal Finances Limited
ABN 16 122 787 311 AFSL/ACL 355 094

Home for
Islamic Investment



Salam!

Introduction

This Target Market Determination (**TMD**) which is required by Australian law is to make sure that our customers objectives and needs are considered when designing and distributing our credit products. This TMD describes the type of customers that our product is targeted at (**the Target Market**) and any conditions around how we allow the product to be distributed to our customers (**Distribution Conditions**). We have also included the events or circumstances that will cause us to review this TMD and ensure that it is still appropriate for our product (**Review Triggers**).

IMPORTANT: This TMD is general in nature and should not be construed as or used to substitute for professional financial or legal advice. It is important to understand that this TMD does not consider the specific objectives, financial situation, or needs of any customer on an individual level. If you are considering acquiring the product(s) referred to in this TMD, to ensure that these product(s) align with your unique personal and financial circumstances, we strongly recommend that you carefully review the product(s) relevant terms and conditions and credit guide and seek independent financial or legal advice before making any decision.

This TMD is available to the public free of charge either directly downloaded at www.baytulmaal.com.au or by requesting a copy of the TMD by email at info@baytulmaal.com.au

Products	Shariah Fixed Payment Products – Bai’Mu’Ajjal and Istisna Contracts (for Australian residents only)
Product Manager	Baytulmaal Finances Limited (Baytulmaal), ABN 16 122 787 311, Australian Financial Services Licence and Australian Credit Licence 355 094
Issuer	<p>This product will be issued by a Financier which will be named in a property acquisition agreement and ancillary documents and these products are managed and serviced by the Product Manager.</p> <p>The product is issued by Baytulmaal Finances Limited ABN 16 122 787 311 Australian Credit Licence 355 094 to be referred to as (Baytulmaal/we/us).</p>
Effective Date of TMD	8 July 2025
TMD Version	2025.7
Next Review Due	At least every 2 years from the Effective Date of this Target Market Determination

Product Details and Key Attributes

Product Features	Shariah Fixed Payment Deferred Sale – Bai’ Mu’Ajjal	Shariah Fixed Payment Construction, Renovation, Refurbishment – Istisna
Purpose	Acquisition of completed Shariah compliant residential and commercial property including religious, educational and community direct real property	Construction or renovation or refurbishment of Shariah compliant residential and commercial property including religious, educational and community direct real property
Client Profile	Australian resident, individual, company , unincorporated not for profit or trust	Australian resident, individual, company , unincorporated not for profit or trust
Instalment Payment Type	Fixed repayments only over contract term	Fixed repayments only over contract term
Instalment Payment Frequency	Monthly fixed repayments over contract term	Monthly fixed repayments over contract term
Contract Term	5, 10, 15, 20, 25	5, 10, 15, 20, 25 (term under 5 years can be considered, subject to approval)
Minimum Contract Value	\$50,000 (subject to meeting credit conditions)	\$50,000 (subject to meeting credit conditions)
Maximum Contract Value	\$2,500,000 (a higher amount subject to liquidity of Fund, credit conditions and Directors’ approval).	\$2,500,000 (a higher amount subject to liquidity of Fund, credit conditions and Directors’ approval).
Minimum Client Contribution or Downpayment	10% of Contract Value (unless a lesser amount allowed by Financier)	10% of Contract Value (unless a lesser amount allowed by Financier)
Redraw	No redraw allowed	No redraw allowed

Location	Australian capital cities, major regional cities and larger regional towns	Australian capital cities, major regional cities and larger regional towns
Property Profile	Shariah compliant residential, commercial, community, educational, religious and medical/ care facilities	Shariah compliant residential, commercial, community, educational, religious and medical/ care facilities
Security	1 st registered mortgage (over financed property or substitute property(s)) PPSR, guarantor, liens or charges taken as applicable and required by Financier	1 st registered mortgage (over financed property or substitute property(s)), PPSR, guarantor, liens or charges taken as applicable and required by Financier
Guarantor Required	Yes, guarantor required to guarantee contract repayment obligations of the client	Yes, guarantor required to guarantee contract repayment obligations of the client

Target Market

We have undertaken an assessment of the product and are of the view that the Product Attributes are likely to be consistent with the Objectives and Needs of the Target Market.

Product designed for customers who:	Key Product attributes appropriate for target Market
<p>Seeking a property acquisition product compliant with Shariah principles and with certainty of fixed repayments over a set period for following purposes.</p> <ul style="list-style-type: none"> • purchasing or renovating a residential owner occupied or investment property; • purchase of house and land package; • building and construction finance; • purchasing or renovating a commercial, educational, medical, religious or community owner occupied or investment property; • renovation and refurbishment – commercial other permitted uses • off the plan purchase 	<p>Repayments will be fixed for the selected term. Term may extend from 5 years to 25 years or lesser term subject to approval). Instalment payments are required to be made monthly.</p> <p>Fees, charges, and third-party costs will be payable as detailed in the relevant contract and ancillary documentation.</p>

Eligibility Criteria for the Product

To be eligible for this product the customer must meet certain eligibility criteria, including that the customer:

- have a desire to acquire or construct or renovate a permitted property under a Shariah compliant form of contract;
- are individual borrowers (as single or joint borrowers);
- will acquire or build or renovate only those property types allowed under the religion of Islam;
- are Australian resident companies, trusts, unincorporated not for profit entities;
- at least 18 years of age and above;
- is an Australian Citizen or a permanent resident;
- meets our finance eligibility criteria;
- provide sufficient security in accordance with our eligibility criteria; and/or
- guarantor who supports the contract obligations also meets our eligibility criteria.

Financial Situation

The financial situation of the Target Market are customers that:

- meet our eligibility conditions and credit assessment criteria which includes demonstrating serviceability of the proposed fixed instalments under contract;
- demonstrate the capacity to make the required repayments and the ability to meet the full contract obligations without substantial hardship; and

- have a credit worthy guarantor who can support the contract obligations when required for the life of the contract term.

Upon application we will undertake an assessment to determine the customer’s ability to service the finance, which is our process of determining that the product is consistent with the financial situation of the Target Market.



Distribution Conditions & Approved Channels

Baytulmaal has oversight over how the product is promoted and issued. The following distribution channels and conditions have been assessed as being appropriate to direct the distribution of the product to the Target Market product and in accordance with our process requirements.

Distribution Channels	Product Distribution
<ul style="list-style-type: none">• Staff assisted channels (e.g., via email or phone)	<ul style="list-style-type: none">• Our staff have the necessary training, knowledge, and accreditation (if required):<ul style="list-style-type: none">» to understand and can discuss the features and rates of our products;» to understand and can discuss the key differences of our products;» to assess whether the consumer is within the target market;» to assess whether the consumer meets our eligibility lending criteria; and» to have access to product resources such as repayment calculators, stamp duty & upfront cost calculator, pricing tools etc.• Our staff are qualified to assess the credit worthiness of the prospective client.• We have approval control systems and processes in place that checks and flags applicants who maybe outside the Target Market.

Review Triggers

Baytulmaal has outlined below its review triggers of this product (Review Triggers). This TMD will also be reviewed if an event or circumstance has occurred that would reasonably suggest that the TMD may no longer be appropriate. Our review triggers of this product are:

Review triggers	Description
Customer outcomes	<ul style="list-style-type: none">• Unexpected trends in consumer outcomes which are significantly inconsistent with the intended product performance.• Unexpected early-stage arrears are detected. A significant number of defaults occur.• A significant number of late repayments are being recorded.• Evidence that the product or distributor conduct are significantly different to the target market.
Complaints	<ul style="list-style-type: none">• A significant number of material complaints are received by the Financier
Incident Data	<ul style="list-style-type: none">• A material incident or significant number of incidents in relation to the product's design or distribution that identifies breaches of our legal or regulatory obligations.
Changes to the Product	<ul style="list-style-type: none">• The material alteration of the product or product terms and conditions (e.g., adding to, removing, or changing a key product attribute; significant change to distribution channel and distribution strategy).
Significant Dealings	<ul style="list-style-type: none">• A significant dealing of the product to customers outside the target market occurs.
Notification from ASIC	<ul style="list-style-type: none">• The receipt of a product intervention power order from ASIC requiring us to immediately cease retail product distribution conduct in respect of the product.

If a review trigger occurs, Baytulmaal will complete a review of the TMD within ten (10) business days. Meanwhile, it will cease to offer this product to our customers until our TMD review concludes and any necessary changes to the product or TMD, including distribution methods, are made.



Distributor Reporting Requirements

The following data must be provided to us by any person who engages in retail product distribution conduct in relation to this product:

Type of information	Description	Reporting period
Complaints	Number of complaints, details of the complaint, including name and contact details of complainant and substance of the complaint	Quarterly, and in any case no later than 10 business days from the end of the quarter.
Significant dealing(s)	Date or date range of the significant dealing(s) and description of the significant dealing (e.g., why it is not consistent with the TMD)	As soon as practicable, and in any case within 10 business days after becoming aware.
Feedback	Details of any suggested feedback and improvements	As soon as practicable, and in any case within 15 business days after becoming aware.
Information requested	Any other information requested by the Product Manager	As soon as practicable, and in any case within 10 business days after receiving such request.



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