

Target Market Determination

This document is the Target Market Determination (TMD) for the Bridgit (1) **Bridging Loan** and (2) **Equity Release Loan**. It is issued by Bridgit Financial Services Pty Ltd on behalf of the Issuer of the products.

A Target Market Determination (TMD) is a written document that:

- describes the class of customers that;
- make up the target market for the product (Target Market);
- specifies any conditions and restrictions on the distribution of the product (Distribution Conditions); and
- sets out the events or circumstances where we are required to review the TMD (Review Triggers).

We are required to have a TMD by law. This TMD is not a recommendation to acquire a Bridgit product nor does it replace our terms and conditions or other disclosure documents that we or one of our third party brokers and referrers (Distributors) may provide to our customers.

Bridgit Bridging Loan

Product Type Bridging Loan

Issued By (Bridgit, we, us, our) Bridgit Financial Services Pty Ltd ACN 648 580 901. Australian Credit Licence Number 532542

Date TMD approved 1 December 2022

TMD Version 2.0

Initial Review Period One year after the date of this TMD

Target Market Description



Product description and key attributes

The Bridgit Bridging Loan is a bridging loan designed for borrowers who wish to buy a new property before selling their current owner-occupied or residential investment property (Existing Property).

Borrowers must be able to repay the Bridgit Bridging Loan in full following the sale of the Existing Property (either from the sale proceeds or by a refinance with another lender).

The key attributes of the Bridgit Bridging Loan are:

- Loan Term – maximum six months;
- Minimum Loan Amount – \$500,000;
- Maximum Loan Amount – \$3,000,000 subject to the amount of equity in the Existing Property;
- Interest Rate – variable for the term of the loan;
- Repayments – interest is not payable and does not accrue during the first three months of the Loan Term. Interest is capitalized from month four (this means no repayments are made during the Loan Term);
- Early Repayments – at any time without penalty;
- Security – registered first mortgage over unencumbered real property acceptable to Bridgit;
- Maximum Loan to Value Ratio (LVR) -
 - 75% for residential property; and
 - 50% for vacant land.

Fees and charges (including an upfront ‘set-up cost’) apply.



Customers for whom the product is likely to be suitable (Target Market)

Bridgit considers that the Bridgit Bridging Loan will suit borrowers who want a loan to fund the purchase of a new owner occupied residential property or residential investment property before selling their Existing Property, but who want the flexibility of interest capitalisation until the Existing Property is sold.

Bridgit expects that customers in the Target Market will be:

- ‘downsizers’ and borrowers looking to relocate to a less expensive property; and
- ‘upsizers’ looking to relocate to a more expensive property.;

Customers within the Target Market will:

- be 18 years or over;
- be an Australian citizen or resident;
- not have been bankrupt in the past seven years;
- be able to demonstrate a good credit history over the past 5 years;
- can meet Bridgit's credit criteria;
- want to capitalise the interest for the term of the loan; and
- be able to provide security over their Existing Property that does not exceed the maximum LVR.



Ineligible consumers

The Bridgit Bridging Loan is not appropriate for customers who:

- are under 18 years old;
- would only be able to provide a 2nd mortgage security;
- wish to use the loan for construction purposes;
- would prefer the certainty of a fixed interest rate;
- do not meet Bridgit's credit criteria;
- would be unable to repay the loan in full upon the sale of the Existing Property; or
- have defined goals and objectives that are not met by this product.

Bridgit considers that the product, including its key attributes, is likely to be consistent with the likely objectives, financial situation and needs of consumers in the Target Market because:

- applicants will only be approved for the purposes set out above; and
- applications will only be approved if the customer meets Bridgit's credit assessment and security criteria (including maximum LVRs and the provision of 1st mortgage security).

Equity Release Loan

Product Type	Equity Release Loan
Issued By (Bridgit, we, us, our)	Bridgit Financial Services Pty Ltd ACN 648 580 901. Australian Credit Licence Number 532542
Date TMD approved	1 December 2022
TMD Version	2.0
Initial Review Period	One year after the date of this TMD

Target Market Description



Product description and key attributes

The Bridgit Equity Release Loan is a loan designed for borrowers who wish to access finance out of their current property whilst in the process of selling that property. These borrowers may require finance for home deposits, or to purchase residential property, vacant land, land lease, retirement or community property.

Borrowers must be able to repay the Bridgit Equity Release Loan in full following the sale of the property.

The key attributes of the Bridgit Equity Release Loan are:

- Loan Term – maximum six months;
- Minimum Loan Amount – \$75,000;
- Maximum Loan Amount – \$3,000,000 subject to the amount of equity in the property;
- Interest Rate – 0.75% per month compounding daily;
- Repayments – interest is not payable and does not accrue during the first two months of the Loan Term. Interest is capitalised from month three (this means no repayments are made during the Loan Term);
- Early Repayments – at any time without penalty;

- Security – registered first mortgage over unencumbered real property acceptable to Bridgit;
- Maximum Loan to Value Ratio (LVR) -
 - 75% for residential property; and
 - 50% for vacant land.

Fees and charges (including an upfront ‘set-up cost’) apply.



Customers for whom the product is likely to be suitable (Target Market)

Bridgit considers that the Bridgit Equity Release Loan will suit borrowers who want a loan to cover the costs of home deposits, or to purchase residential property, vacant land, land lease, retirement or community property.

Bridgit expects that customers in the Target Market will be borrowers wanting to access the equity in their existing property to finance the costs of home deposits, or to purchase residential property, vacant land, land lease, retirement or community property.

Customers within the Target Market will:

- be 18 years or over;
- be an Australian citizen or resident;
- not have been bankrupt in the past seven years;
- be able to demonstrate a good credit history over the past 5 years;
- can meet Bridgit’s credit criteria;
- want to capitalise the interest for the term of the loan; and
- be able to provide security over their property that does not exceed the maximum LVR.



Ineligible consumers

The Bridgit Equity Release Loan is not appropriate for customers who:

- are under 18 years old;
- would only be able to provide a 2nd mortgage security;
- wish to use the loan for construction purposes;
- would prefer the certainty of a fixed interest rate;
- do not meet Bridgit’s credit criteria;
- would be unable to repay the loan in full upon the sale of the property; or
- have defined goals and objectives that are not met by this product.

Bridgit considers that the product, including its key attributes, is likely to be consistent with the likely objectives, financial situation and needs of consumers in the Target Market because

- applicants will only be approved for the purposes set out above; and
- applications will only be approved if the customer meets Bridgit's credit assessment and security criteria (including maximum LVRs and the provision of 1st mortgage security).

Distribution Conditions



Conditions and restrictions on the distribution of the product

The Bridgit Bridging Loan and Equity Release Loan may:

- only be distributed: via an on-line application;
- by the customer calling Bridgit directly;
- through one of our approved brokers, acting under an Australian Credit Licence; or
- as a result of an introduction from one of our Referrers, acting in accordance with the 'Referrer exemptions' in Regulation 25(2) or 25(5) of the NCCP Regulations.

Bridgit considers that its Distribution Conditions are appropriate and likely to result in these products being distributed to the Target Market for the following reasons.

Legal relationships - Bridgit has:

- employment contracts with its employees; and
- formal legal agreements with its third-party Distributors.

Supervision – Bridgit

- closely monitors the performance of its staff; and
- undertakes periodic reviews in relation to the activities of our Referrers.

Training

- Staff and brokers acting under an Australian Credit License:
 - are appropriately trained to discuss the features of the product with customers; and
 - understand that applications will not be approved unless they satisfy Bridgit's credit assessment criteria; and
- Referrers are provided with clear instructions regarding the limitation on their activities.

Review Trigger Reporting Requirements

Our staff and Distributors must advise Bridgit if they become aware of any of the following matters within the timeframes specified.

	What must be reported	When must it be reported
Product complaint data	Information relating to complaints received about the product or the distribution of the product, including: <ul style="list-style-type: none">• number of complaints,• the identifier of the distributor;• the product name; and• the exact details of the complaint.	Immediately, but in any case, no later than next business day after becoming aware of the complaint.
Significant dealings	Any significant dealing of the product outside the Target Market	As soon as practicable but no later than 10 business days after becoming aware of the significant dealing.
Feedback	Any feedback received about the product or the Distribution Conditions for the product.	As soon as possible, but no later than within 20 business days of the receiving the feedback.

Record Keeping

Bridgit will keep records of the reasonable steps they have taken to ensure that these products are sold in a manner consistent with this TMD. Our third-party Distributors must also keep records of all customers they introduce to us.

Bridgit will also keep complete and accurate records of

- all versions of the TMD for these products; and
- our decisions, and the reasons for those decisions about:
 - the determination of the TMD for these products;
 - the identification and tracking of review triggers;
 - the setting of review periods, and
 - all other the matters documented in this TMD.