

Strata Management Loan (L66)

Target Market Determination

This Target Market Determination (TMD) is required under section 994B of the Corporations Act 2001 (Cth). It sets out the target market for the product, triggers to review the target market and how the product is distributed.

This document is not a Product Disclosure Statement (PDS) and is not a summary of the product features or substitute for the product's terms and conditions or other disclosure documents. This TMD does not consider any person's individual objectives, financial situation or needs.

Issuer	Unity Bank Limited, ABN 72 087 650 637, AFSL & Australian Credit Licence 238311		
Effective Date	7 March 2025	Next Review Date	7 March 2027
Target Market	Description of Target Market		
	Owners corporations, body corporates, strata title communities and other corporate owners of professionally managed strata or community schemes who: <ul style="list-style-type: none"> are seeking a loan to complete strata improvement project work such as renovations, repairs, general maintenance, green projects or structural or aesthetic improvements are seeking a loan to fund a building's insurance premium or for professional services such as litigation and consultancy 		
	Description of Product, including key attributes		
	This is a commercial loan with a number of key attributes: <ul style="list-style-type: none"> no minimum loan amount maximum Loan-to-Value Ratio (LVR) dependent on the number of lots loan terms of up to 20 years (fixed interest rate loans up to 2 years) principal and interest or interest only repayment type variable or fixed interest rate (interest capitalisation not offered) repayment frequency for principal and interest can be weekly, fortnightly or monthly, for interest only repayment frequency is monthly ability to make unlimited extra repayments split loans with other loan products not permitted no redraw facility no mortgage offset facility loan establishment and ongoing fees based on the loan amount approved at the time of application Additional features, fees, charges, or conditions other than those displayed in this document may be available or applicable. This document must be read together with the Account and Access Facilities Terms and Conditions, Summary of Account and Access Facilities, Fees and Charges Schedule and Interest Rate Schedule.		
	Suitability, Needs, Objectives and Financial Situation		
This product has been designed for owners corporations who require funding for both scheduled and unexpected capital works, to cover financial obligations such as insurance premiums, or for other related professional services. The <u>crosses indicate</u> where the product is <u>not suitable</u> for owners corporations.			
Seeking funds to maintain or improve the value of a strata scheme		✓	

	Prefer bundling multiple repairs, refurbishments and other relevant expenses into one project, saving time and money while minimising disruption	✓
	Comfortable that minimum repayment amounts may change or the interest payable over the term of the loan may fluctuate due to changes in the interest rate	✓
	Have received approval by the Strata to enter into the Loan Agreement which must comply with the relevant laws of the Approved Jurisdiction in which that Strata Corporation is domiciled	✓
	Comfortable having the loan reviewed as least annually, for the purpose of assessing the borrower's ongoing capacity to service the loan and identify early warning signals in credit deterioration	✓
	Acting as an individual lot owner seeking to borrow funds relating to their own property maintenance or refurbishment (the loan funds the owners corporation, not individual owners)	✗
	Require access to a mortgage offset account or redraw facility	✗
	Seeking cover for personal or business contents contained within an individual lot of the strata property	✗
	Seeking funds to help manage strata levies in arrears	✗
	Cannot meet the product and credit assessment requirements	✗
Distribution Conditions	<p>This product is designed to be distributed through the following channels:</p> <ul style="list-style-type: none"> ▪ online through our website ▪ targeted advertising ▪ by phone or email through our Contact Centre ▪ our team of mobile lenders and relationship managers ▪ in person through our Service Centres <p>This product can only be issued to those who are eligible, meet the minimum account criteria and approved on a case-by-case basis. All applicants must be:</p> <ul style="list-style-type: none"> ▪ an Australian owners corporation as defined by the respective state strata legislation and laws ▪ able to meet our identity verification requirements ▪ able to meet the credit assessment criteria for the product including sufficient income to service the loan repayments <p>Only representatives who have the appropriate levels of authority may advise on and distribute this product. They will have been trained on this product and in particular, the target market and relevant acceptance criteria.</p> <p>All distribution channels are subject to appropriate controls and/or monitoring.</p>	
Reviewing this Target Market Determination	<p>The initial review of this document is within 12 months of product launch. Periodic reviews will be completed every 24 months from the last review.</p> <p>We may also review this TMD sooner if any of the below review triggers occur, or if an event or circumstance has occurred that would reasonably suggest that the TMD may no longer be appropriate:</p>	
	Review Trigger	Description
	Customer Trends	<p>Trends in customer outcomes that are significantly inconsistent with the intended product performance that reasonably suggests the TMD is no longer appropriate including:</p> <ul style="list-style-type: none"> ▪ number of accounts that customers opt to close shortly after the product is issued;

		<ul style="list-style-type: none"> ▪ number of accounts that appear inactive shortly after the product is issued; and ▪ unexpected changes in sales trends
	Complaints	Unexpected trends in complaints received from customers in relation to the use of the product including the understanding of risks, conditions suitability and/or key attributes.
	Incidents and breaches	Where deficiencies are identified in the products' design, distribution or disclosure documentation as a result of incidents related to potential breaches of legal or regulatory obligations.
	Material product or distribution channel change	<p>Where material changes are made to the products' key attributes or terms and conditions through any of the distribution channels including but not limited to:</p> <ul style="list-style-type: none"> ▪ Adding, removing or changing a key attribute ▪ A material pricing change to the associated fees and/or charges which impacts the overall value proposition ▪ A change in our acceptance criteria that impacts on the suitability of the product for the target market; ▪ A substantial change to the distribution strategy or channel(s) of the product.
	External events	<ul style="list-style-type: none"> ▪ There is a change in law or its application, a change in relevant industry code, an AFCA determination, a court decision, or ASIC or other regulatory guidance or action that materially affects the product. ▪ Significant change in economic and market conditions. ▪ Notification from ASIC requiring immediate stop of distribution.
Reporting	<p>We will collect and record details of:</p> <ul style="list-style-type: none"> ▪ Product related complaints received each month from customers or distributors. ▪ Any significant dealing which is not consistent with this TMD. Reporting must be within 10 business days of becoming aware of any such dealing. 	