<u>Target Market Determinations – Brighten Empower Prime & Empower and Brighten Boss Prime & Boss</u>

Legal Disclaimer:

This Target Market Determination **(TMD)** is required under section 994B of the *Corporations Act 2001* (Cth) **(the Act).** It sets out the class of customers for whom the product, including its key attributes, would likely be appropriate and consistent with their likely objectives, financial situation and needs. In addition, the TMD outlines the triggers to review the target market and certain other information. It forms part of Brighten Home Loans Pty Ltd ACN 620 839 983 **(Brighten)** design and distribution arrangements for the product.

This document is not a Product Disclosure Statement (**PDS**) and it is not a summary of the product features or terms of the product. The information contained in this TMD does not take into account any person's individual objectives, financial situation or needs.

Product	Brighten Empower & Empower Prime and Brighten Boss & Boss Prime
Issuer	Brighten Home Loans Pty Ltd ACN 620 839 983
Date of TMD	Created on 22 October 2021 Last Reviewed on 7 September 2026 Version 20260904
Target Market	***Description of target market*** The above products are full documentation (**Full Doc**) or alternative documentation (**Alt Doc**) loan secured over established residential property by first mortgage. The target market for these products includes individuals, Australian-registered companies, and trusts, provided that the directors/trustees meet the following individual applicant requirements: • Must be an Australian or New Zealand resident; and Minimum borrower age is 18 years. **<u>Empower Prime and Empower are Full Doc loans. Suitable for consumers who are</u>**: • Employed (PAYG); or • Self-employed; and able to provide evidence of their taxable income (e.g. pay slips and tax returns). **<u>Boss Prime and Boss are Alt Doc loans:</u>** Suitable for customers who are self-employed and who prefer to verify their income with alternative methods such as an accountant certificate, Business Activity Statements or trading statements. ***class of consumers for whom this product, including its key attributes, is likely to be consistent with their likely objectives, financial situation and needs:*** These are Full Doc (Empower Prime / Empower) or Alt Doc (Boss Prime / Boss) variable-rate loans secured by first registered mortgage over established residential property in an acceptable location. Empower/Boss Prime target consumers with a clear credit history; Empower/Boss accommodate consumers with limited or impaired credit history within policy limits. The target market is individuals, Australian-registered companies and trusts

	(directors/trustees meeting the individual requirements below), where applicants are aged 18 or over and are Australian or New Zealand residents, and who: • on Full Doc (Empower/Empower Prime), are PAYG-employed or self-employed evidencing taxable income; • on Alt Doc (Boss/Boss Prime), are self-employed verifying income by alternative means (accountant's certificate, BAS or trading statements); • seek to purchase, refinance or release equity in owner-occupied or investment property; • seek a loan of $50,000 up to $15,000,000 (Empower Prime / Boss Prime) or up to $2,500,000 (Empower / Boss), at an LVR of up to 80%; and • want a term of up to 30 years with principal-and-interest or interest-only (up to 5 years) repayments, and features such as 100% offset, redraw and up to 5 splits. Prime tiers suit customers with clean credit (paid defaults up to $500; arrears less than 1 month in the last 6 months). Near Prime tiers (Empower / Boss) suit customers with prior credit events within Brighten's accepted thresholds (unlimited defaults up to $1,000 paid or unpaid; unlimited paid defaults over $1,000 registered more than 24 months ago; maximum 1 month arrears in the last 6 months) who understand pricing reflects that risk. Prime accepts Category 1 and 2 postcodes; Near Prime also accepts Category 3 and other locations may be allowed on an exception basis. All customers must satisfy Brighten's serviceability requirements, and the security offered must meet Brighten's acceptable security and location (postcode category) criteria. ***Description of product, including key attributes*** Information about the products' specifications is set out below: • Purpose of the loans is purchase, refinance or equity release of owner occupied or investment property. • Repayment options include either Principal and Interest or Interest Only (max 5 years). • Offset Facility is optional and allows for 100% redraw; • Products facilitate up to 5 loan splits; • Repayment methods include Direct Debit, BPAY and Pay anyone; and • Loan term is up to 30 years. ***Description of likely objectives, financial situation and needs of customers in the target market*** This product is designed for customers who are: • Seeking to purchase residential property within Australia for either owner occupation or investment purposes. • Seeking to refinance residential property within Australia for either owner occupation or investment purposes. • Seeking to consolidate debt (i.e. credit cards, personal loans, business loans, etc.). • Seeking to make non-structural home improvements. • Seeking to make an "Off the Plan" purchase. Seeking to release equity for acceptable purposes.. • Seeking flexibility to make extra repayments without a fee; • Seeking flexibility to redraw funds as required; and • Seeking additional features on their home loan (i.e. Offset account). All customers must satisfy Brighten's credit assessment and AML/CTF requirements.

Classes of customers for whom the product is clearly unsuitable

We will not accept applications from Politically Exposed Persons without approval from compliance, or from applicants located in countries identified by FATF as having AML/CTF deficiencies.

Applicants will not be considered from the following:

- Minors.
- Companies or company trustee's involving disqualified directors.
- Companies and/or individuals where a significant portion of their income is derived from the purchase / development / re-sale of property, unless to purchase or refinance their owner-occupied residence (cash out limited to $10,000).
- Bankrupts discharged < 2 years ago.
- Applicants under external administration.
- Superannuation funds (either applicant or security provider).
- Superannuation funds (either applicant or security provider).
- Public companies.
- Owner Builders.
- Limited Liability Companies.
- Associations.
- Churches.
- Clubs; and
- Borrowers of Convenience.

Explanation of why the product is likely to be consistent with the likely objectives, financial situation and needs of customers in the target market

This product is likely to be consistent with the likely objectives, financial situations and needs of the customers within the target market as it is a straightforward home loan to understand with variable interest rates only. Repayments may be principal and interest or interest only up to 5 years.

To be eligible to qualify for this product, requirements must be met in relation to:

- Employment; and
- Income, and
- Credit criteria being met following loan assessment,

which would mean that, without exceptional circumstances, the Borrowers will be able to meet their repayment obligations.

Customers will need to also provide sufficient security in accordance with Brighten's credit assessment criteria, including:

- Acceptable property and first mortgage as security;
- General or specific security agreements; and/or
- Guarantor who supports the loan by providing additional security.

The financial situation of the Target Market are customers that meet Brighten's credit assessment criteria which includes:

- Demonstrating the capacity to make the required repayments and the ability to pay off the loan without substantial hardship; and
- Where determined by Brighten to be required, (based on the customer's security, applicant and loan attributes), have an acceptable guarantor.

Brighten considers its processes in place, including assessing the customer's ability to service the loan account, will mean that the product will likely be consistent with the financial situation of the Target Market.

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<tr><td>Distribution Conditions and Restrictions</td><td>Distribution conditions

The Distribution Partners are appropriately licensed as an Australian Credit Licensee, employee of an Australian Credit Licensee, or Credit Representative, and under this licence are required to maintain appropriate professional development training, to distribute the product to customers who are in the target market.

The distribution channels and conditions are appropriate because:
Distribution Partners must comply with licensing and legislative requirements to ensure the product provided is in the best interests of each customer.
Brighten monitors application quality received from Distribution Partners, tracking trends that indicate poor practices, incomplete applications, or inadequate assessments.
Internal Distribution Partners have KPIs, monitoring and performance metrics in place and there is oversight regarding poor performing loans, fraud, AML/CTF breaches, and other unacceptable practices.
All external Distribution Partners have an agreement which includes commission or fee clawback clauses for poor performing loans, fraud, AML/CTF breaches, and other unacceptable practices.
We will not accept applications from customers who fall materially outside of the target market for this product.
Brighten also reserves the right in these agreements to terminate Brokers for any reason.
In order to distribute this product to a potential customer within the target market, the customer must not:
Fall into a class of customers set out under the above heading, "Classes of customers for whom the product is clearly unsuitable"; or
Provide an unacceptable security type.
Further eligibility requirements to qualify for this product include:
Employment requirements of the target market; and
Income requirements of the target market.</td></tr>
<tr><td>Review Triggers</td><td>The review triggers that would reasonably suggest that the TMD is no longer appropriate include the following events and circumstances:
A material change to the product or the terms and conditions of the product.
A significant dealing of the product, as decided by us, to customers outside the target market occurs.
Changes to the regulatory environment or relevant legislation which materially impacts upon the design and distribution of the product.
A material increase in customer complaints about the product or Distribution Partner conduct.
A material increase to default or hardship rates for the product.
A material or unexpected decline in applications from the target market.
A material or unexpected increase of customers seeking to switch to other products.
A notification from a regulator in relation to the distribution of the product.
Any other event or circumstance which reasonably suggests that the TMD is no longer appropriate.</td></tr>
<tr><td>Review Periods</td><td>Periodic reviews: Every 24 months or within 10 business days of a Review Trigger being identified.</td></tr>
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<td>Distribution Information Reporting Requirements</td>
<td>Distribution Partners must provide the following information to Brighten:
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<tr><th><u>Type of Information</u></th><th><u>Description</u></th><th><u>Reporting period</u></th></tr>
<tr><td>Customer Complaints</td><td>If received, number of complaints received in relation to the product, the nature of the complaint, circumstances giving rise to the complaint and the complaint outcome.</td><td>Every 6 months</td></tr>
<tr><td>Distribution Partner Complaints</td><td>If received, the extent and the nature of the complaints received about a Distribution Partner or from a Distribution Partner, whether external or internal, in relation to the product, the nature of the complaint, circumstances giving rise to the complaint and the complaint outcome and/or about difficulty in selling to the target market</td><td>Every 6 months</td></tr>
<tr><td>Significant dealing(s)</td><td>Date or date range of the significant dealing(s) and description of the significant dealing (i.e. why it is not consistent with the TMD)</td><td>As soon as practicable, and in any event within 10 business days after becoming aware.</td></tr>
<tr><td>Dealings outside of the target market</td><td>Date or date range of the dealing(s) outside of the target market (to the extent they are aware of such dealings) and the reason why distribution occurred.</td><td>Every 6 months</td></tr>
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