Target Market Determinations – Brighten Connect

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 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 Connect
Issuer	Brighten Home Loans Pty Ltd ACN 620 839 983
Date of TMD	Created on 22 December 2023 Last Reviewed on 7 September 2026 Version 20260904
Target Market	***Description of target market*** The above product is a full documentation (**Full Doc**) or alternative documentation (**Alt Doc**) loan secured over residential property by first mortgage. The product is designed to assist customers with the purchase or construction of a new home prior to the sale of their existing home. The product is acceptable for the following applicants: **<u>Full Doc Loan</u>** Suitable for customers over the age of 18 who are: • Employed (PAYG); • Self-employed; and able to provide evidence of their taxable income (e.g. pay slips and tax returns). **<u>Alt Doc Loan</u>** Suitable for customers over the age of 18 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. This product is available to Australian citizens, permanent residents, or temporary residents with onshore or offshore income. ***<u>class of consumers for whom this product, including its key attributes, is likely to be consistent with their likely objectives, financial situation and needs:</u>*** The product is a Full Doc Prime or Alt Doc Prime variable-rate bridging loan secured by first registered mortgage over residential property in a Category 1 or Category 2 postcode, designed to provide short-term funding either to purchase a new home before the sale of the customer's existing home, or to release equity from an existing property before its sale or refinance. It supports both single and multiple security structures, on either a No End

	Debt or End Debt basis. It is designed for consumers aged 18 or over who are Australian citizens, permanent residents, or temporary residents with an acceptable visa, and who: • on Full Doc, are PAYG-employed or self-employed able to evidence taxable income (e.g. payslips, tax returns); • on Alt Doc, are self-employed and verify income by alternative means (accountant's certificate, BAS or trading statements); • need short-term bridging finance, whether for a buy-now-sell-later purchase or an equity release, repaid primarily from the sale of the existing property; • seek a loan amount of between $250,000 and $15,000,000, with peak debt of up to $5,000,000 at a maximum LVR of 80%, and end debt of up to 80% LVR subject to the loan size and LVR guide for the applicable end debt product; and • have a credible, evidenced exit strategy to repay the peak/bridging debt within the Bridging Period, being a minimum of 6 months and a maximum of 12 months. Where there is an End Debt, the product suits customers who can service that ongoing debt once the existing property has been sold, noting that rental income from the property to be sold is excluded from servicing. For No End Debt scenarios, serviceability is not required, but a clear and acceptable exit strategy must be demonstrated. In each case customers should understand that they carry two properties during the Bridging Period. All customers must satisfy Brighten's credit assessment, serviceability (where applicable) and AML/CTF 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 product's specifications is set out below: • Loan term up to 30 years including a bridging term from 6 months to 12 months (Bridging Period). • During the Bridging Period, interest is capitalised to the loan. Hence, there are no repayments required from the customer during the Bridging Period. • Variable rate product only. • After Bridging Period, the loan may revert to one of our standard residential home loan products including Brighten Empower Prime, Brighten Boss Prime and Brighten Elevate. ***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 or construct a new residential property while they are selling an existing property. • Seeking to release equity for acceptable purposes from their existing properties before sale or refinance. • Seeking to keep their required repayments at a minimum until the sale of their existing property; and • Seeking additional features for their home loan including ability to make additional loan repayments. 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; • Overseas Citizens; Companies or company trustees 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); • 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 loan construct to understand: • Variable interest rates only; • Interest capitalized during Bridging Period • Loan converts to a variable principal and interest loan after the Bridging Period if there is a residual debt. To be eligible to qualify for this product, requirements must be met in relation to: • Employment; • Income; • Asset position; and • Exit strategy, 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 mortgage; • 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.

Distribution Conditions and Restrictions	***Distribution Channels*** 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: 1. Fall into a class of customers set out under the above heading, "*Classes of customers for whom the product is clearly unsuitable*"; or 2. Provide an unacceptable security type. Further eligibility requirements to qualify for this product include: 1. Employment requirements of the target market; and 2. Income requirements of the target market.
Review Triggers	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.
Review Periods	***Periodic reviews***: Every 24 months or within 10 business days of a Review Trigger being identified

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<td>Distribution Information Reporting Requirements</td>
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Distribution Partners must provide the following information to Brighten:
<table>
<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 targets 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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