

Target Market Determination

AMP Essential Home Loan

Important information about this document:

1. A Target Market Determination (TMD) is required under section 994B of the Corporations Act 2001 (Cth).
2. This document is not a product disclosure statement and is not a summary of the product features, eligibility criteria, fees or terms and conditions for the product.
3. This document does not take into account any person's individual objectives, financial situation or needs.
4. Terms and conditions apply to the product. Persons interested in acquiring this product should carefully read the terms and conditions and home loan fees and charges guide available at amp.com.au/bankterms or by calling 13 30 30 before making a decision about this product. Fees and charges are payable and approval is subject to AMP Bank guidelines.

Product	AMP Essential Home Loan
Product options	<p>Owner Occupied</p> <p>A variable rate credit facility option for the product in respect of which the credit must be used to purchase, renovate, or refinance a loan for, a residential property for owner occupier purposes.</p> <p>Investment</p> <p>A variable rate credit facility option for the product in respect of which the credit must be used for to purchase, renovate, or refinance a loan for, a residential property investment purpose, or other investment purpose.</p>
Issuer	Issued by AMP Bank Limited ABN 15 081 596 009, AFSL and Australian Credit Licence 234517.
Start date	31 October 2023
Version	3

Target market

Customer description

This describes customers in the target market

Objectives and needs

A person who may seek a variable rate credit facility (with no offset facility) to:

- purchase a residential property, or
- refinance an existing home loan facility, or
- purchase other property or investments, and
- take advantage of potential future decreases in an interest rate and the flexibility to make additional repayments and/or repay the facility early.

but that is not to:

- purchase residential property that is vacant land and not develop the property within the first 12 months of the loan term,
- refinance an existing home loan facility, in respect of which the residential property is vacant land, and not develop the property within the first 12 months of the loan term, or
- provide credit to a person in its capacity as trustee of a self-managed superannuation fund (SMSF).

Financial situation

- a person who will have funds to make payment of fees, interest and repayments as and when such amounts become due and payable.

Product description

This describes the product

A variable rate credit facility (with no offset facility) with the following key attributes:

- the ability to use the credit to purchase a residential property or refinance an existing home loan facility,
- a variable rate with flexibility to make additional repayments (including early repayment of the facility), and
- the requirement to make payment of fees (but not a monthly fee), interest and repayments of the principal owing.

Appropriateness statement

This explains that the product is consistent with the likely objectives, financial situation and needs of the target market

AMP Bank has considered that the product is appropriate for the target market on the basis that the key attributes of the product listed in this determination directly address the objectives, financial situation and needs of customers in the target market as described in this determination.

Distribution conditions

Retail product distribution conduct (other than general advice)

This condition applies to all conduct (other than general advice) such as issuing, arranging and providing disclosure material

Distribution conditions

Distribution methods	Suitability
Direct through AMP Bank approved communication channels (including website, phone, or email)	Suitable
Through financial adviser authorised and accredited to distribute AMP Bank credit products	Suitable
Through mortgage broker or mortgage manager authorised to distribute AMP Bank credit products	Suitable
Through referral from comparison site provider to any of the above distribution channels	Suitable

Distribution method subject to the condition	Description of condition
Direct	The completed Borrower Interview Guide must be submitted with the application unless applying via the electronic application form
Through financial adviser	Distribution must be via personal advice
Through mortgage broker or mortgage manager	The completed Borrower Interview Guide or Fact Find must be submitted with the application.
Through referral from approved comparison site provider	Information about the product on the distributors' site must direct prospective customers to review the relevant AMP Bank product information page and include details of where to find the TMDs

Why the distribution conditions and restrictions will make it more likely that the customers who acquire the product are in the target market

The distribution conditions will make it likely that customers who acquire the product are in the target market because all customers who acquire the product will have:

- been asked questions via the Borrower Interview Guide or the Fact Find which allow the distributor to determine whether the customer is likely to be in the target market,
- received personal advice about the product, where the distributor is authorised to provide personal advice, and
- received warnings or questions about key attributes and key limitations of the product which are material to whether customers are in the target market.

<p>General advice</p> <p>This condition applies to general advice (including most marketing)</p>	<p>Distribution conditions</p> <table border="1"> <thead> <tr> <th data-bbox="502 129 1220 197">Distribution methods</th> <th data-bbox="1220 129 1546 197">Suitability</th> </tr> </thead> <tbody> <tr> <td data-bbox="502 197 1220 331">Advertising on television, radio, the internet (including social media), billboards and physical banners, brochures and other marketing material available to the general public</td> <td data-bbox="1220 197 1546 331">Suitable</td> </tr> <tr> <td data-bbox="502 331 1220 421">Other issuer approved communication channels (including telephone, email and social media)</td> <td data-bbox="1220 331 1546 421">Suitable</td> </tr> </tbody> </table> <p>Why the distribution conditions and restrictions will make it more likely that the customers who acquire the product are in the target market</p> <p>These conditions are appropriate as the target market is wide.</p>	Distribution methods	Suitability	Advertising on television, radio, the internet (including social media), billboards and physical banners, brochures and other marketing material available to the general public	Suitable	Other issuer approved communication channels (including telephone, email and social media)	Suitable
Distribution methods	Suitability						
Advertising on television, radio, the internet (including social media), billboards and physical banners, brochures and other marketing material available to the general public	Suitable						
Other issuer approved communication channels (including telephone, email and social media)	Suitable						
<p>Review triggers</p>	<p>AMP Bank, and any distributor of this product, must cease retail product distribution conduct in respect of this product when AMP Bank determines a material event or circumstance has occurred in relation to:</p> <ul style="list-style-type: none"> – a change in law which materially affects the product design or distribution – a significant number of default notices, hardship requests or refinance requests related directly to the appropriateness of the loan that the issuer determines may relate to the appropriateness of the determination – a material change to the product that is likely to result in the determination no longer being appropriate for the target market – evidence, as determined by the issuer, of the performance of the product, in practice, that may suggest that the product is not appropriate for the target market – material complaints (in number or significance) in relation to the terms of this product and/or the distribution conduct – reporting from distributors, or consistent feedback from distributors on the target market which suggests that the determination may no longer be appropriate – a material pattern of dealings in the product or of distributor conduct that is not consistent with the determination – a notification from ASIC requiring immediate cessation of product distribution or particular conduct in relation to the product 						
<p>Review periods</p>	<p>The first review, and each ongoing review, must be completed within each consecutive one year period from the Start date.</p>						

Distribution reporting requirements

The following information must be provided to AMP Bank by distributors who engage in retail product distribution conduct relating to this product:

Type of information	Description	Reporting period
Complaints	Information about complaints received relating to the product during the reporting period, and if complaints were received, a description of the number and the nature of the complaints and other complaint information set out in paragraph RG 271.182 of Regulatory Guide 271 Internal dispute resolution	Every six months with reporting to be submitted within 10 business days of the end of each reporting period
Significant dealing(s)	Information about any significant dealing in the product that is not consistent with the target market determination of which the distributor becomes aware	As soon as practicable, and in any case within 10 business days after becoming aware
Information request by AMP Bank	Information reasonably requested by AMP Bank	As soon as practicable, and in any case within 10 business days of the request from AMP Bank
Distributor feedback	Information discovered or held by the distributor that suggests that the determination may no longer be appropriate.	As soon as practicable, and in any case within 10 business days after becoming aware