

Target Market Determination

Club Wyndham South Pacific ARSN 092 334 015

1. About this document

This target market determination (**TMD**) applies to Club Wyndham South Pacific (**Club**) and seeks to offer customers, distributors and employees with an understanding of the class of consumers for which the Club has been designed, having regard to the objectives, needs and financial situation.

This document is not a full summary of the Club's features and is not intended to provide financial advice. Customers must refer to the Product Disclosure Statement (**PDS**) and any supplementary documents which outline the relevant features, benefits and risks when making a decision to acquire an interest in the Club.

2. Issuer

Wyndham Vacation Clubs South Pacific Ltd ACN 090 503 923, AFS Licence No. 225200

3. Date from which this TMD is effective

5 October 2021

4. Class of customers that fall within this target market

The Club has been designed for customers whose likely needs, objectives and financial situation (as listed below) are aligned with the Club's key attributes.

Product description

Key product attributes of the Club are:

Time-sharing scheme	A points-based timeshare managed investment scheme established in March 2000. The Club offers customers the ability to own interests (<i>Vacation Credits</i>) that can be exchanged annually to holiday at any of the Club properties. Vacation Credits are renewed annually and expire after two years if not used.
Ownership types and term	Premier Ownership – term for Premier Owners is until 29 February 2080 Standard Owners – term is 40 years or until 29 February 2080 whichever is the lesser term
Holiday options	Club owners can choose to holiday at any of the Club properties in 52 locations within the South Pacific, North Pacific, South East Asia and Europe. Owners select the location and date of accommodation subject to the number of Vacation Credits held and availability of the accommodation. Bookings can be made up to 13 months in advance at property types ranging from studio rooms to presidential apartments.
“Owning” holidays	After paying the initial purchase price, Club owners “own” their holidays each year and are only required to pay annual levies to maintain their interest in the Club and ability to exchange Vacation Credits for accommodation.
Exchange rates fixed	The annual Vacation Credits allocated to each Club apartment each year can never be increased and the number of Vacation Credits issued (i.e. sold) is limited to the number of Vacation Credits allocated against all Club apartments. This means that Vacation Credits issued cannot exceed the amount of accommodation available for use each year by Club owners.
Beneficial interest	Premier Owners have a beneficial interest in all of the Club assets. On winding up of the Club, the proceeds of sale of Club assets less all liabilities will be distributed to Owners in proportion to the number of Vacation Credits held at the time of winding up.
Use of Vacation Credits	Club owners have the right to use, rent, lend, gift, sell or transfer their Vacation Credits (and ownership).

Objectives and needs

This product has been designed for individuals who:

- Recognise the need or express the desire for regular holidays
- Express the desire for holiday flexibility including location and type of accommodation
- Reside in the South Pacific or who have close connections (family or business) within the South Pacific
- Between the ages of 25 and 72

Financial situation

Customers should have the financial capacity to pay the purchase price for the product together with ongoing annual levies over the period they intend to retain Club ownership, having regard to their personal circumstances and hardship considerations. Customers should therefore be:

- Earning minimum income of \$75,000 per annum per household; or
- Have personal savings; or
- Otherwise have the financial capacity to pay the purchase price (including ability to borrow the purchase price without financial hardship) together with the annual levies

Excluded class of consumers

This product has not been designed for individuals who:

- Do not wish or have no ability to holiday whether locally, nationally or internationally;
- Do not have the financial ability to pay the purchase price (including access to any finance without financial hardship) and the annual levies.
- Prefer camping or caravanning holidays rather than holiday resorts;
- Do not want to obtain a long term holiday product; or
- Are seeking to generate a financial return as this is a lifestyle product

Consistency between target market and the product

The Club is likely to be consistent with the objectives, needs and financial situation of the class of customers in the target market, as the key terms, features and attributes of the Club are consistent with the identified class of consumers. The Club provides flexible, affordable holiday options at a consistent standard of comfort for Club owners. Where customers undertake a sales presentation, the sales consultant will consider the customer's specific objectives, needs and financial situation when making any recommendation to a customer. Where individual customers do not attend a presentation or where only general advice is provided, the customer will need to consider whether the Club meets their specific objectives, needs and financial situation.

5. How this product is to be distributed

Distribution channels

This product is designed to be distributed through the following means:

- To existing Club owners
- By way of a sales presentation to customers who have expressed an interest to know more about the Club (including presentations in person or by way of technology such as telephone, webinar or other online media)

Distribution conditions

This product should only be distributed under the following circumstances:

- The product can only be marketed and sold by the Distributor in accordance with an authorisation under the Issuer's AFSL.
- When the product is distributed by a timeshare adviser, the adviser must be acting in compliance with their authorisation under the Issuer's AFSL and must limit distribution to situations where:
 - They provide personal advice and arrange for the customer to complete an application to purchase the product; or
 - Where no personal advice is provided, otherwise satisfy themselves that this product is suitable for the customer and arrange for the customer to complete an application to purchase; and

In either case, the customer will be given a PDS before an application to purchase the product is completed.

Adequacy of distribution conditions and restrictions

The method of distribution identified for this product is appropriate and the distribution conditions and restrictions have been prepared with the purpose of ensuring that any customer who acquires the product are likely to be in the target market for this product.

6. Reviewing this TMD

We will review this TMD in accordance with the below:

Review periods	Initial review within 12 months of the effective date.
Periodic reviews	At least every 2 years from the initial review, including any intervening review triggers.
Review triggers or events	<p>A review trigger or other event or circumstances arise that would suggest the TMD is no longer appropriate. Review triggers may include (but not limited to):</p> <ul style="list-style-type: none"> • a substantial change to the design of the Club including a significant increase in the purchase price or fees payable by customers; • occurrence of a significant dealing being a material pattern of dealings in the Club that is not consistent with this TMD; • external events such as adverse media coverage or regulatory request; • significant changes in metrics, including, but not limited to, unexpectedly high number of material complaints from Club owners that the product does not meet their objectives or significant increase in customers experiencing financial hardship • significant changes in the law that could materially affect the Club's design or distribution

Where a review trigger has occurred, this TMD will be reviewed within 10 business days.

7. Reporting and monitoring this TMD

We will collect the following information from our distributors in relation to this TMD.

Reporting requirement		Reporting period
Complaints	Distributors must report all complaints in relation to the product received from customers	Within 10 business days following the complaint
Significant dealings	Distributors will report if they become aware of a significant dealing in relation to this TMD	As soon as practicable but no later than 10 business days after distributor becomes aware of the significant dealing
Sales data	Sales and customer data in relation to the Club	Within 10 business days following end of calendar quarter