

# Target Market Determination

## Finance One Economy Asset Loan

<b>Issuer:</b>	Fin One Pty Ltd ABN 80 139 719 903 (trading as Finance One) (“Finance One”) Australian Credit Licence 387528
<b>Product:</b>	Economy Asset Loan (“Product”)
<b>Effective date:</b>	17 December 2025
<b>Initial review date:</b>	05 April 2022
<b>Review period:</b>	At least every 12 months from the initial review date.

### 1. About this document

This target market determination (“TMD”) is required under section 994B of the *Corporations Act 2001* (Cth) (“Corporations Act”). It provides consumers and distributors with an understanding of the class of consumers (as that term is defined in section 5 of the *National Consumer Credit Protection Act 2009* (Cth) (“NCCP Act”)) this product has been designed for, having regard to the likely objectives, financial situation and needs of those in the target market.

Consumers should refer to the terms and conditions of the product and any relevant supplementary documents which outline the relevant terms and conditions under the product when making a decision about the Product.

This document is not a full summary of the Product’s terms and conditions and is not intended to provide financial advice, legal advice or professional advice of any kind. Consumers should seek independent legal, financial and professional advice, before making a decision about the Product.

### 2. Target market

The Finance One economy asset loan is designed for consumers with low or limited income who are seeking finance to purchase vehicles or other acceptable assets\* and who want the certainty of a fixed interest rate and a fixed repayment amount.

An acceptable asset must be under 25 years old at the end of the loan term and includes an unencumbered registerable motor vehicle and motorcycle asset registerable on the Personal Properties Securities Register (“acceptable assets”).

### 3. Product description and key attributes

<b>Product Description and Key Attributes</b>	<p>The key attributes of the Product include:</p> <ul style="list-style-type: none"><li>• term from 36 to 48 months</li><li>• fixed rate of interest for the life of the loan</li><li>• acceptable assets may be purchased via private sales and dealer sales</li><li>• option to pay weekly, fortnightly or monthly</li><li>• regulated under the NCCP Act</li></ul>
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	<ul style="list-style-type: none"> <li>• fees and charges including:           <ul style="list-style-type: none"> <li>◦ application fees</li> <li>◦ monthly service fees</li> <li>◦ risk fees</li> <li>◦ fixed interest rates</li> </ul> </li> <li>• no early repayment penalty</li> </ul>
<b>Likely needs and objectives</b>	<p>The Product is designed for consumers who:</p> <ul style="list-style-type: none"> <li>• are seeking to borrow between \$5,000 - \$10,000</li> <li>• want finance to purchase an acceptable asset</li> <li>• want a fixed rate of interest for the life of the loan</li> <li>• want the choice to make repayments at weekly, fortnightly or monthly intervals</li> <li>• can choose to make extra repayments without penalty</li> </ul>
<b>Likely financial situation</b>	<p>This Product is designed for consumers who:</p> <ul style="list-style-type: none"> <li>• are receiving regular Centrelink payments and who earn less than \$40,000 per annum or who want to purchase a security asset for less than \$8,000 in retail value</li> <li>• receive regular and ongoing income</li> <li>• can afford to service a loan of at least \$5,000</li> <li>• want to make regular repayments over a defined period</li> <li>• may have past credit defaults</li> <li>• meet additional lending and eligibility criteria</li> </ul>
<b>Excluded class of consumers</b>	<p>Finance One has deemed that the Product is not designed/suitable for consumers who:</p> <ul style="list-style-type: none"> <li>• are under the age of 18</li> <li>• are seeking a variable interest rate</li> <li>• wish to use the finance for other than purchasing an acceptable asset</li> <li>• have had unpaid defaults within the last twelve (12) months</li> <li>• have poor bank account conduct</li> <li>• have regular financial and direct debit dishonours</li> <li>• display multiple short-term cash lender activity</li> <li>• are currently Bankrupt; or</li> <li>• are currently not in personal control of their finances or are under third-party budgeting arrangements</li> </ul>

**Explanation of why the product is consistent with the objectives, financial situation and needs of consumers in the target market:**

The Product is designed to suit consumers who receive a low household income and who have difficulty obtaining finance through lenders with more onerous pre-requisites. The loan is designed to compliment the asset types being financed and the circumstances of the consumers – including the ability for consumers to pay out the loan early without penalty.

Consumers in the target market are unlikely to have sufficient savings to purchase an asset outright yet have sufficient regular income to service a loan.

**4. Distribution channels and conditions**

This Product is designed to be distributed through the following channels:

- Finance One website;
- directly via appropriately authorized Finance One employees within the direct business team;
- authorised brokers (who hold an Australian Credit Licence, are representatives of an Australian Credit Licence holder or those who operate under an exemption to the licensing requirements under the NCCP Act); and/or
- approved third-party referral partners with whom Finance One has a formal agreement.

All distribution channels must be accredited with Finance One and must be familiar with the Finance One products and the relevant TMD. In the case of referral partners, Finance One will observe the alignment of consumers with the target market prior to entering into any loan.

Finance One has distribution conditions in place designed to help ensure the Product is only distributed to consumers who fall within the target market. These distribution conditions include measures such as ensuring that consumers have the appropriate borrowing capacity and meet the lending and eligibility criteria and requirements for the Product. This also includes reviewing website content to ensure appropriate messaging to consumers who fall within the target market.

Finance One ensures that any information in relation to the Product is disseminated in a timely and readily accessible manner to all distributors and authorised internal sales consultants.

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

The distribution conditions ensure alignment to the target market by ensuring that:

- All distributors are made aware of the target market and criteria for loan eligibility;
- Finance One has taken reasonable steps to ensure distribution is aligned with the target market; and
- Monitoring and reporting can happen efficiently.

## 5. Reviewing this TMD

Finance One will review this target market determination if any of the following triggers occur, where they reasonably suggest that this TMD is no longer appropriate:

- Material changes in the regulation of Credit Contracts under the NCCP Act and associated regulations;
- A significant increase in default rates;
- A significant increase in the number of hardship notices within close proximity to loan origination;
- A significant dealing in the Product outside of the target market occurs;
- A significant number of complaints are received from customers with active loans in relation to the Product;
- A material change to the Product and/or the terms and conditions of the Product;
- ASIC uses their product intervention power in Part 7.9A of the Corporations Act to intervene in relation to the Product; and/or
- Adverse external events occurring such as adverse media coverage or regulatory attention.

## 6. Information reporting requirements

The following information must be provided to Finance One by all distributors who engage in retail product distribution conduct in relation to the Product:

Information	Description	Reporting period
Complaints	Number of complaints related to the risks, key terms, conditions or key attributes of this product, a brief description of the complaint and resolution of the complaint.	Every six (6) months
Significant dealing(s)	Date or date range of the significant dealing, description of the significant dealing, why the dealing is significant and not consistent with this TMD, and how the distributor identified the significant dealing.	As soon as practicable and in any case within ten (10) business days after becoming aware
Distribution conditions found to be inadequate	Internal review of process finds distribution conditions are inadequate.	As soon as practicable and in any case within ten (10) business days after becoming aware