

Target Market Determination – Secured Personal Loan

This Target Market Determination (“**TMD**”) provides consumers and distributors with an understanding of the class of consumers 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.

Product	Secured Personal Loan (“ product ”)
Issuer	Fin One Pty Ltd ABN 80 139 719 903 (trading as Finance One) (“ Finance One ”) Australian Credit Licence 387528
Effective Date	10 July 2023
Target Market	<p>Description of target market</p> <p>The Finance One secured personal loan is designed for persons seeking an advance of money to use for acceptable purposes and who have an acceptable, unencumbered asset that can be offered as security for the loan. The product suits those who want the certainty of a fixed interest rate and a fixed repayment amount.</p> <p>Acceptable purposes include travel, home renovations and repairs, education expenses, medical, dental, veterinary, weddings, vehicle repairs, solar panel expenses and debt consolidation.</p> <p>An acceptable asset must be under 25 years old at the end of the loan term and includes an unencumbered registerable motor vehicle, motorcycle, caravan, camper trailer. Other vehicles can be considered and multiple vehicles may be accepted.</p>
Product Description and Key Attributes	<p>Description of the product, including key attributes</p> <p>The key attributes of the Finance One secured personal loan include:</p> <ul style="list-style-type: none"> • term from 36 to 48 months • fixed rate of interest for the life of the loan

Consumer needs and objectives

- option to pay weekly, fortnightly or monthly
- regulated under the *National Consumer Credit Protection Act 2009*
- monthly account fees payable
- no early repayment penalty

The Finance One secured personal loan has classifications Silver, Gold and Platinum risk classes, all of which are covered by this TMD.

Consumer needs and objectives

The secured personal loan is designed for consumers who:

- need to borrow between \$5,000 - \$25,000
- want access to money to use for an acceptable purpose and who can offer an unencumbered asset as security
- want a fixed rate of interest for the life of the loan
- want the choice to make repayments at weekly, fortnightly or monthly intervals
- can choose to make extra repayments without penalty

Financial Situation

Description of financial situation of consumer for whom the product is suitable

This product is designed for consumers who:

- receive regular and ongoing income
- can afford to service a loan of at least \$5,000
- want to make regular repayments over a defined period
- may have past credit defaults
- meet additional lending and eligibility criteria

Excluded Classes

Classes of consumers for whom the product is not suitable

This product is not designed for consumers who:

- wish to use the finance for other than an acceptable purpose
- have had unpaid defaults within the last six (6) months
- have poor bank account conduct
- have regular financial and direct debit dishonours
- display multiple short-term cash lender activity
- are currently Bankrupt; or
- are currently not in personal control of their finances or are under third-party budgeting arrangements

Consistency Between Target Market and Product

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

The secured personal loan is designed to suit a wide group of consumers who require access to funds to use for an acceptable purpose. The loan is designed to compliment the purposes 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 fund their acceptable purpose outright, yet have sufficient regular income to service a loan.

Distribution Channels and Conditions

Distribution channels and conditions

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

- Finance One website
- Finance One direct business team

All distribution channels are familiar with the Finance One products and the relevant target market determinations.

Distribution conditions include ensuring that consumers have the appropriate borrowing capacity and meet the lending and eligibility criteria and requirements for the product. 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
- Monitoring and reporting can happen efficiently

Review Triggers

The review triggers that would reasonably suggest that this target market determination is no longer appropriate include, but are not limited to:

- Changes in responsible lending legislation and guidelines
- 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 is received from customers in relation to the product
- A material change to the product and/or the terms and conditions of the product; and/or
- Adverse external events occurring such as adverse media coverage or regulatory attention

Review Periods

Initial Review: 05/04/2022

Periodic Reviews: Periodic reviews of the TMD will be conducted at least every 18 months from the initial review date.

Distributor Reporting Requirements

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

Type of information	Description	Reporting period
Complaints	Number of complaints received and a brief description of the complaint	Every six (6) months

	Significant dealing(s)	Date or date range of the significant dealing(s) and description of the significant dealing(s)	As soon as practicable and in any case within 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 10 business days after becoming aware	