

Target Market Determination

This document is a target market determination (“TMD”) made by Direct Finance Loans Pty Ltd ABN 68 165 728 576 Australian Credit Licence 472240 (the “Issuer”), the issuer of the product covered by this TMD (the “Product”). The Issuer is required by section 994B of the *Corporations Act 2001* (Cth) to make this TMD.

This TMD was made or last updated on 5th October 2021.

1. Products

Name of the Product: Small Amount Credit Contract (SACC)

Type of the Product: Short Term Personal Loan

Key attributes of the Product:

- Up to \$2,000
- Must be repaid between 16 days and 1 year
- Unsecured
- The maximum charges consist of an establishment fee of 20% of the amount borrowed plus monthly fees of 4% each month.

2. Target market

The retail clients who comprise the target market for the Product are:

- customers who may have difficulty accessing credit from banks, credit unions or building societies due to having a bad credit record or not having established any credit history at all; or
- borrowers who may need quick access or approval on a small personal loan or prefer a shorter application process than what banks and many larger lenders offer.

Some customers may also want an unsecured loan, the option to borrow below \$2,000 and are attracted to paying the loan off in a short timeframe.

The likely objectives, financial situation and needs of consumers in the target market for the product are:

Objectives	Have access to emergency funding in a short time frame.
Financial situation	Low savings and limited access to mainstream funding but still have capacity to make repayments for a short term loan.
Needs	Require funds urgently to satisfy payment of bills, car repairs or leisure activities or similar.

The Product is likely to be consistent with the likely objectives, financial situation and needs of consumers in the target market for the Product because:

A fast loan approval process is provided, with the loans being offered over a short term for any worthwhile purpose. The application process allows the customer to receive the funds quickly to address urgent requirements.

3. Distribution

The conditions and restrictions on retail distribution of the Product are:

The product is only available online through our website which limits application amounts and allows the customer to select the loan amount they require.

We do receive other targeted online application leads through a third party provider and these customers are specifically seeking Small Amount Credit Contracts.

These distribution conditions will make it likely that the consumers who acquire the Product are in the target market, because:

All leads we receive are targeted for applications within the price ranges we provide and are for the purposes we offer.

4. When this TMD may no longer be appropriate

The events or circumstances that would reasonably suggest that this TMD is no longer appropriate (a "Review Trigger") are:

If we receive complaints about the suitability of the products we offer.

If we experience rates of default which are materially higher than we had expected.

5. TMD review periods

After the TMD is made, the first review of the TMD will be made within six months.

After the first review of the TMD, each following review of the TMD will be made within twelve months.

The Issuer will also review the TMD if a Review Trigger has occurred or if any other event or circumstance has occurred that would reasonably suggest that the TMD is no longer appropriate, and the Issuer knows about this event or circumstance. The Issuer will review the TMD within 10 business days after it first knows about the event or circumstance.

6. Complaints reporting

The reporting period for the reporting of information by distributors about the number of complaints about the Product is not applicable because there are no third parties involved in distribution of the product (beyond lead referrals).

7. Information needed by the Issuer

The Issuer needs the information set out below to identify promptly whether a Review Trigger for the TMD has occurred or whether another event or circumstance has occurred that would reasonably suggest that the TMD is no longer appropriate:

If we receive complaints about the suitability of the product.

If we experience rates of default which are materially higher than we had expected.

The distributors of the Product who must provide this information to the Issuer (if any) are:

Not Applicable

The reporting periods for when this information should be provided by distributors to the Issuer are: Not Applicable