

Target Market Determination Plenti car loans

This Target Market Determination is a document which sets out the group of customers that form the target market for Plenti's car loan product. It also outlines any conditions on distribution of the product as well as triggers for review of this determination.

Product

Plenti car loans, including Plenti classic auto and premium auto products

Issuer

This product is issued by Plenti Finance Pty Ltd ACN 636 759 861 and is managed by Plenti RE Limited ACN 166 464 635.

Date of TMD

5 October 2021

Target Market

Description of target market

This product has been designed for a broad range of individual borrowers who

- are seeking a fixed-rate loan of amounts generally between \$5,000 and \$100,000;
- meet our credit and eligibility criteria including residency requirements;
- are over 18 years old;
- have likely *objectives, financial situation and needs* that will be met by a loan which enables them to:
 - finance the purchase or refinance of a registrable car, caravan, trailer, or other eligible vehicle that meets our policy requirements;
 - repay the loan amount by regular instalments; and
 - provide security in the form of the vehicle being financed by the loan proceeds in order to obtain a lower interest rate than would apply to an unsecured loan;
- *Balloon loan option*: allows for a lump-sum balloon repayment at the end of the loan term. This may be suitable for a borrower who is seeking to make lower periodic repayments throughout the term of their loan or who intends on upgrading, refinancing or selling the vehicle at a future date before the end of the loan term. A balloon repayment option is only available through certain distribution channels.

The product is likely to be consistent with the likely objectives, financial situation and needs of consumers in the target market because the product's key attributes enable consumers in the target market to

finance the purchase of an eligible vehicle and spread the cost over the term of the loan. The product also provides consumers with the certainty of a fixed interest rate for the term of the loan.

Classes of consumers for whom the product may be unsuitable

This product may not be suitable for people who:

- do not meet our credit and eligibility criteria;
- have a poor credit history or are currently or formerly bankrupt;
- do not wish to pay by direct debit;
- require finance for a vehicle which will be used for the predominant purpose of rideshare, other taxi services, or as a permanent residence; or
- want to deal with a lender in person or via a branch.

Description of product, including key attributes

- Fixed rate secured car loan
- Loan amounts generally between \$5,000 and \$100,000
- Loan terms generally between 2 to 7 years
- Application fee is generally payable
- Ongoing account management fees may be payable
- Additional repayments are available with no additional fees
- Redraw is unavailable

Distribution conditions

Plenti car loans can be distributed via the below distributors. In all cases, applications for car loans must be submitted to Plenti via its website, an approved API or the Plenti sales team.

1. Direct – Plenti’s website and sales team

Plenti sales staff are required to undertake training prior to assisting applicants with car loans and must follow all documented procedures. Plenti will ask screening questions as part of an application to ensure that a prospective borrower is within the target market set out above.

Plenti considers this is an appropriate distribution channel because of the broad nature of the target market and the requirement for all sales staff to have the necessary training, skills and knowledge to assess whether the consumer is within the target market.

2. Third Party – Accredited aggregator/ broker partners

Broker partners must be appropriately licensed to provide credit assistance in relation to car loans. These partners are not permitted to distribute Plenti car loans until they have undertaken an appropriate accreditation process, including entering into an agreement with Plenti. All applications submitted must comply with our policies and procedures issued to accredited broker partners from time to time.

Plenti considers this is an appropriate distribution channel because:

- accredited brokers that are subject to BID have a higher duty to ensure that the product is in the best interests of the particular consumer;
- brokers who are not subject to BID are trained in relation to relevant regulatory requirements;
- of the industry knowledge of aggregator and broker partners; and
- of the broad nature of the target market.

3. Third Party – Car dealers, OEMs and other suppliers

Car dealers, OEMs and other suppliers of cars, caravans or eligible vehicles must be appropriately licensed to provide credit assistance in relation to the product, unless they are exempted from licensing requirements. Car dealers and other suppliers may distribute the product after undertaking an appropriate accreditation process and entering into an appropriate agreement with Plenti. Plenti will generally only enter into agreements with car dealers and suppliers it deems to be reputable and have the necessary resources to comply with relevant laws.

Plenti considers this is an appropriate distribution channel due to the industry knowledge of car dealers and suppliers and the broad nature of the target market.

4. Third Party – Other intermediaries and rate comparison sites

Other intermediaries may include rate comparison sites who present Plenti car loans among a number of loan options to a prospective borrower, or referrers who assist a customer in accessing Plenti's products. These partners must accurately represent the key attributes of the product and, where multiple products are presented, must only present it among other "like" products.

Plenti considers this is an appropriate distribution channel due to the broad nature of the target market.

Review Triggers

The review triggers that would reasonably suggest that the TMD is no longer appropriate include where:

- we make a material change to the car loan product, including to the key attributes or fees;
- we receive systemic complaints regarding the design or distribution of the product;
- we become aware of a significant dealing in the product which is not consistent with this TMD; or
- we identify materially adverse changes in relevant credit performance metrics, such as early repayment rates, late payment rates, default and loss rates, hardship rates, or an overrepresentation of a distributor in decline or arrears data.

Review Periods

First review date:

6 months after the date of this TMD.

Periodic reviews:

Every 12 months after the initial and each subsequent review.

Trigger review:

Review to be completed within 10 business days of the identification of a trigger event.

Reporting by our distributors

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

Type of information	Description	Reporting period
Specific complaints	Details of the complaint, including name and contact details of the complainant and the substance of the complaint.	As soon as practicable and within 10 business days of receipt of complaint.
General information about complaints	Number of complaints received in the reporting period.	Every 6-month reporting period.
Significant dealing(s) where the distributor believes that a significant number of customers outside the target market are obtaining this product	Date or date range of the significant dealing(s) and description of the significant dealing.	As soon as practicable, and in any case within 10 business days after becoming aware.

This document should not be taken as financial product advice and has been prepared as general information only without consideration for your particular objectives, financial circumstances or needs. More information about the product can be found on our website, or in your loan contract.