

## Target Market Determination

This Target Market Determination ('TMD') is required under section 994B of the *Corporations Act 2001 (Cth)* ('the Act'). A TMD is designed to help consumers obtain only appropriate financial products.

This Target Market Determination (TMD) sets out the target market for **Domestic Insurance Premium Funding** ('IPF') and takes effect from 01/01/2024 when Clearmatch Originate Pty Ltd ACN 637 521 601, the Issuer, first accepted applications for IPF for domestic purposes.

This **Domestic Insurance Premium Funding** is not an investment product. The primary purpose of the product is funding of premiums entirely for domestic or household purposes and not for business purposes.

The TMD seeks to help consumers, distributors and staff with an understanding of the class of consumers for which the **Domestic IPF** product has been designed, having regards to the objectives, financial situation and needs of the target market.

This document does not provide a summary of the **Domestic IPF** products terms and conditions. For this a borrower should review all of the details set out in the IPF Credit Application form and the associated Terms and Conditions for the loan to ensure this product is right for them.

This TMD does not form part of the credit contract, nor does it affect or change a consumer's contractual relationship with Clearmatch in any way.

This TMD assesses the suitability of the product for its intended market. That assessment is of necessity very general in nature.

The TMD does not provide any financial advice as it does not take into account any particular person's individual objectives, financial situation or needs, but rather looks at the class of Borrowers for whom this product might be applicable.

Borrowers should consult with at least their broker, and/or seek appropriate advice from their financial advisor, lawyer or tax accountant when making a decision about acquiring the product.

TMDs are not required for credit facilities under the terms of which the credit is, or must be, applied wholly or predominantly for business purposes. As such, this TMD will not apply where more than 50% of the credit provided is to be applied to pay premiums for insurance taken out for business purposes.

### Class of borrowers

The information below summarises the overall class of borrowers that fall within the target market for **Domestic IPF**, based on the products key attributes and the overall class of Borrower's whose objectives, financial situation and needs that this product has been designed to meet, Borrowers such as those where the Broker determines:

- the insurance product funded is deemed to be ONLY domestic in nature<sup>1</sup>,
- the borrower does not have an ABN,
- the borrower is not the policy holder(s) of the insurance product
- or
- who are funding ONLY residential strata insurance premiums.

### Product description and key attributes

The key eligibility requirements and product attributes of Domestic insurance premium funding are:

- Short term loans for the funding of insurance premiums.
- Repayment by equal monthly instalments up to 12 months
- Loan to be repaid before insurance policy expiry date.

<sup>1</sup> Borrowers who wish to obtain a loan to fund the premiums for two or more policies, some of which are taken out for business purposes, are, by definition, excluded from the

target market if more than 50% of the credit provided is to be applied to pay premiums for business-purposes insurance.

## Class of Borrower objectives, financial situation, and needs

The domestic insurance premium funding product has been designed for consumers who wish to pay an insurance premium for a domestic insurance policy in instalments rather than a single up-front payment and whose likely objectives, financial situation and needs are aligned with the product:

- spreading their insurance costs over monthly fixed instalments,
- borrowing for their insurance premium without the need to provide additional security.

## Excluded class of consumers

This product has not been designed for consumers who:

- are funding products that are deemed wholly or predominantly for business or commercial purposes,
- are not the policy holder of the insurance product,
- are under the age of 18 years, or
- want to pay for their insurance in one lump sum.

This TMD also does not apply if the credit provided plus fees and charges exceeds \$500,000.

## The product and its key attributes

The **Domestic IPF** product is a simple loan to a consumer to pay an insurance premium (or premiums) for ONLY a Domestic insurance policy (or policies).

The loan is generally for a modest amount, typically repayable in installments - generally 10 or 12 evenly spread monthly payments with no large final payment.

The terms and conditions of the credit contract are clear, concise and suitable to the purpose of a general domestic loan contract.

## Consistency between the target market and the Domestic IPF Product

The **Domestic IPF** product is therefore, in light of the above, considered to be consistent with the likely objectives, financial situation and needs of the identified class of consumers in the target market and for whom the product has been designed. This is based on an analysis of the key terms, features and attributes of the product.

## Distributors of the product

Distributors of the product are obligated to take reasonable steps to ensure distribution of the product is consistent with this TMD.

The product must only be distributed by distributors who are previously authorised by us in writing to do so. Distribution channels are primarily through:

- insurance brokers, or
- their authorised representatives, or
- financial services representatives of an AFSL licensees.

The clients of, and the services offered by, such distributors are consistent with the target market for the product and the conditions are deemed appropriate.

Accordingly, the distribution method tends to make it certain that the product is distributed consistently with this TMD, and is only distributed to consumers in the target market.

Distributors must also use reasonable endeavours to ensure they do not distribute the product to any consumer:

- who is not a person desiring the product to assist them to pay an insurance premium
- who is under the age of 18 years
- having suspected poor creditworthiness, or known to have bad debts or poor financial means
- suspected of providing misleading or fictitious premium funding application details or
- suspected of other or previous fraudulent activity, whether relating to premium funding or not. All applications for the product must be made via the relevant online application portal.

## Reviewing this target market determination

We will review this target market determination in accordance with the below:

<b>Initial review</b>	Within the 12 months of the effective date.
<b>Periodic reviews</b>	At least every 2 years from the initial review.
<b>Review triggers or events</b>	<p>Any event or circumstances arise that would suggest the TMD is no longer appropriate. This may include (but not limited):</p> <ul style="list-style-type: none"><li>• a material change to the design or distribution of the product, including related documentation;</li><li>• occurrence of a significant dealing;</li><li>• distribution conditions found to be inadequate;</li><li>• external events such as adverse media coverage or regulatory attention; and</li><li>• significant changes in metrics, including, but not limited to, complaints, Authorised distributor feedback and financial viability</li></ul>

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

## Reporting and monitoring this target market determination

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

<b>Complaints Reporting</b>	Distributors will report complaints in relation to the product(s) covered by this TMD within 24 hours or as soon as practicable. This will include written details of the complaints.
<b>Complaints Register</b>	Distributors will provide a report of all complaints received in relation to the product(s) covered by this TMD on a quarterly basis.
<b>Significant dealings</b>	Distributors will report if they become aware of a significant dealing in relation to this TMD as soon as practicable or within 10 business days.