



ERN (AUST) Pty Ltd ACN 095 939 530

Australian Credit Licence 507411

Trading as ATM Loans

TARGET MARKET DETERMINATION

Medium Amount Credit Contracts

DATE

The date from which this TMD is effective is 5 October 2021

INTRODUCTION

This document is intended to comply with our obligations under the Treasury Laws Amendment (Design and Distribution Obligations and Product Intervention Powers) Act 2019, which requires the determination of a target market for our products, and associated purposes. It will give the consumer assistance in determining whether the product is aimed at them, whilst at the same time allowing us to gauge whether the products are meeting their intended market. This document is called the Target Market Determination, hereinafter referred to as "TMD".

It is also intended to provide consumers, and where appropriate, distributors with an understanding of the class of consumers for which the product has been designed. It takes into account the objectives, needs and financial situation of those members of the target market.

This TMD is not intended to replace other documents related to the products provided by us which set out the terms and conditions relating to the product upon which we expect you to rely when making a decision about applying for the product, including, and in particular, the contract document which will be sent to you prior to you entering into an agreement with us.

PRODUCT

The product to which the TMD relates is the **MEDIUM AMOUNT CREDIT CONTRACT** ("MACC") offered by us, as that term is defined in section 204 of the National Credit Code found in Schedule 1 of the Consumer Credit Protection Act 2009, that is, loans in which:-

- the amount borrowed is between \$2,001 and \$5000, and
- the loan period is no longer than 2 years.

TARGET MARKET

MACCs have been designed for consumers who:

1. are in need of a regulated consumer loan of an amount of between \$2,001.00 and \$5,000.00 for any legal personal purpose;
2. can repay the loan in no longer than 2 years;
3. have an acceptable credit history;
4. need a rapid response to the loan application;
5. can provide adequate security when required;
6. are not in financial hardship, and
7. have legal capacity to enter into a loan agreement.

These are regarded as the key attributes of the loan.

CONDITIONS AND RESTRICTIONS ON SUPPLY

We will not supply a MACC to any consumer:

1. who is not of legal capacity (either by age or mental or other disability);
2. who is in financial hardship (or who in our opinion is likely to be so within the foreseeable future);
3. who does not presently have the capacity to repay the loan within the expected loan length, or
4. where the loan, if provided, would not meet the consumer's requirements or objectives.

HOW WILL WE KNOW IF THE PRODUCT IS NOT MEETING THE TARGET?

Based on the description of the target market above, we believe that it is unlikely that the product will not meet the target market. Nevertheless, we will maintain a watch on the consumers who access the loans to ensure that the majority are within the target market. If they are not, we will review the product and change its key attributes to ensure that the target market is met.

DISTRIBUTION

It is intended that the sole method of distribution to consumers will be by us, as the credit provider, alone. Access will primarily be by way of our website or by making direct contact with us. We do not have authorised representatives, or agents for the purposes of distribution.

REVIEW

We will review this TMD on the occurrence of any of the following triggering events

- on there being a relevant amendment to National Consumer Credit Protection Act or any associated Act or Regulation which has the effect of significantly altering the rules relating to the provision of MACCs
- on the occurrence of a "significant dealing". We will consider whether there has been a significant dealing:
 - where a significant proportion of consumers who take out a MACC are not in the target market;
 - there is actual or potential harm to those consumers who are not in the target market (for example, where a consumer could have obtained a loan at lower cost from a mainstream lender);
 - the extent to which the income gained from those outside the target market is different to those within the target market
 - the period of time over which those outside the target market took out MACCs
- on the occurrence of any of the following events:
 - the number of complaints to AFCA in relation to MACCs exceeding 0.5% of the number of MACCs in any calendar month,
 - the number of internal complaints made by consumers in relation to MACCs exceeding 1% of the number of MACCs in any calendar month,
 - the receipt of more than one letter from ASIC or any regulator in relation to the method of the provision of MACCs in any calendar month.
- on or about 5 October 2022, being the first anniversary of the TMD
- if there is no other triggering event, each two years from the last review.

A triggering event will require the review to be undertaken within one month.

REPORTING

As noted above, we do not use distributors in the provision of MACCs to consumers. As a result, whilst the law requires a TMD to set out what information must be provided by distributors to us, in our view, this is not necessary. The TMD will be revisited if we commence distribution through a distribution network.



ERN (AUST) Pty Ltd ACN 095 939 530

Australian Credit Licence 507411

Trading as ATM Loans

TARGET MARKET DETERMINATION

Small Amount Credit Contracts

DATE

The date from which this document is effective is 5 October 2021

INTRODUCTION

This document is intended to comply with our obligations under the Treasury Laws Amendment (Design and Distribution Obligations and Product Intervention Powers) Act 2019, which requires the determination of a target market for our products, and associated purposes. It will give the consumer assistance in determining whether the product is aimed at them, whilst at the same time allowing us to gauge whether the products are meeting their intended market. This document is called the Target Market Determination, hereinafter referred to as “TMD”.

It is also intended to provide consumers, and where appropriate, distributors with an understanding of the class of consumers for which the product has been designed. It takes into account the objectives, needs and financial situation of those members of the target market.

This TMD is not intended to replace other documents related to the products provided by us which set out the terms and conditions relating to the product upon which we expect you to rely when making a decision about applying for the product, including, and in particular, the contract document which will be sent to you prior to you entering into an agreement with us.

PRODUCT

The product to which the TMD relates is the ***SMALL AMOUNT CREDIT CONTRACT*** (“SACC”) offered by us, as that term is defined in section 5 of the National Consumer Credit Protection Act 2009, that is, loans in which:-

- the amount borrowed is less than \$2000, and
- the loan period is no longer than one year.

TARGET MARKET

SACCs have been designed for consumers who:

1. are in need of a loan of an amount of less than \$2,000.00 for any legal personal purpose;
2. can repay the loan in no longer than 12 months;
3. have an acceptable credit history;
4. need a rapid response to the loan application;
5. are not in financial hardship, and
6. have legal capacity to enter into a loan agreement.

These are regarded as the key attributes of the loan.

CONDITIONS AND RESTRICTIONS ON SUPPLY

We will not supply a SACC to any consumer:

1. who is not of legal capacity (either by age or mental or other disability);
2. who is in financial hardship (or who in our opinion is likely to be so within the foreseeable future);
3. who does not presently have the capacity to repay the loan within the expected loan length, or
4. where the loan, if provided, would not meet the consumer's requirements or objectives.

HOW WILL WE KNOW IF THE PRODUCT IS NOT MEETING THE TARGET?

Based on the description of the target market above, we believe that it is unlikely that the product will not meet the target market. Nevertheless, we will maintain a watch on the consumers who access the loans to ensure that the majority are within the target market. If they are not, we will review the product and change its key attributes to ensure that the target market is met.

DISTRIBUTION

It is intended that the sole method of distribution to consumers will be by us, as the credit provider, alone. Access will primarily be by way of our website or by making direct contact with us. We do not have authorised representatives, or agents for the purposes of distribution.

REVIEW

We will review this TMD on the occurrence of any of the following triggering events

- on there being a relevant amendment to National Consumer Credit Protection Act or any associated Act or Regulation which has the effect of significantly altering the rules relating to the provision of SACCs
- on the occurrence of a "significant dealing". We will consider whether there has been a significant dealing:
 - where a significant proportion of consumers who take out a SACC are not in the target market;
 - there is actual or potential harm to those consumers who access to product and are not in the target market;
 - the extent to which the income gained from those outside the target market is different to those within the target market
 - the period of time over which those outside the target market took out SACCs
- on the occurrence of any of the following events:
 - the number of complaints to AFCA in relation to SACCs exceeding 0.5% of the number of SACCs entered into in any calendar month,
 - the number of internal complaints made by consumers in relation to SACCs exceeding 1% of the number of SACCs entered into in any calendar month,
 - the receipt of more than one letter from ASIC or any regulator in relation to the method of the provision of SACCs in any calendar month.
- on or about 5 October 2022, being the first anniversary of the TMD
- if there is no other triggering event, each two years from the last review.

A triggering event will require the review to be undertaken within one month.

REPORTING

As noted above, we do not use distributors in the provision of SACCs to consumers. As a result, whilst the law requires a TMD to set out what information must be provided by distributors to us, in our view, this is not necessary. The TMD will be revisited if we commence distribution through a distribution network.



ERN (AUST) Pty Ltd ACN 095 939 530

Australian Credit Licence 507411

Trading as ATM Loans

TARGET MARKET DETERMINATION

Other Amount Credit Contracts

DATE

The date from which this TMD is effective is 5 October 2021

INTRODUCTION

This document is intended to comply with our obligations under the Treasury Laws Amendment (Design and Distribution Obligations and Product Intervention Powers) Act 2019, which requires the determination of a target market for our products, and associated purposes. It will give the consumer assistance in determining whether the product is aimed at them, whilst at the same time allowing us to gauge whether the products are meeting their intended market. This document is called the Target Market Determination, hereinafter referred to as "TMD".

It is also intended to provide consumers, and where appropriate, distributors with an understanding of the class of consumers for which the product has been designed. It takes into account the objectives, needs and financial situation of those members of the target market.

This TMD is not intended to replace other documents related to the products provided by us which set out the terms and conditions relating to the product upon which we expect you to rely when making a decision about applying for the product, including, and in particular, the contract document which will be sent to you prior to you entering into an agreement with us.

PRODUCT

The product to which the TMD relates is the **OTHER AMOUNT CREDIT CONTRACTS** ("OACC") offered by us, that is a contract that is not a small amount credit contract or a medium amount credit contract as those terms are defined in the Consumer Credit Protection Act 2009, that is, loans in which the amount borrowed is greater than \$5,000.

TARGET MARKET

OACCs have been designed for consumers who:

1. are in need of a regulated consumer loan of an amount greater than \$5,000.00 for any legal personal purpose;
2. can repay the loan in a reasonable pre-determined period;
3. have an acceptable credit history;
4. need a rapid response to the loan application;
5. can provide adequate security when required;
6. are not in financial hardship, and
7. have legal capacity to enter into a loan agreement.

These are regarded as the key attributes of the loan.

CONDITIONS AND RESTRICTIONS ON SUPPLY

We will not supply an OACC to any consumer:

1. who is not of legal capacity (either by age or mental or other disability);
2. who is in financial hardship (or who in our opinion is likely to be so within the foreseeable future);
3. who does not presently have the capacity to repay the loan within the expected loan length, or
4. where the loan, if provided, would not meet the consumer's requirements or objectives.

HOW WILL WE KNOW IF THE PRODUCT IS NOT MEETING THE TARGET?

Based on the description of the target market above, we believe that it is unlikely that the product will not meet the target market. Nevertheless, we will maintain a watch on the consumers who access the loans to ensure that the majority are within the target market. If they are not, we will review the product and change its key attributes to ensure that the target market is met.

DISTRIBUTION

It is intended that the sole method of distribution to consumers will be by us, as the credit provider, alone. Access will primarily be by way of our website or by making direct contact with us. We do not have authorised representatives, or agents for the purposes of distribution.

REVIEW

We will review this TMD on the occurrence of any of the following triggering events

- on there being a relevant amendment to National Consumer Credit Protection Act or any associated Act or Regulation which has the effect of significantly altering the rules relating to the provision of MACCs
- on the occurrence of a "significant dealing". We will consider whether there has been a significant dealing:
 - where a significant proportion of consumers who take out a MACC are not in the target market;
 - there is actual or potential harm to those consumers who are not in the target market (for example, where a consumer could have obtained a loan at lower cost from a mainstream lender);
 - the extent to which the income gained from those outside the target market is different to those within the target market
 - the period of time over which those outside the target market took out MACCs
- on the occurrence of any of the following events:
 - the number of complaints to AFCA in relation to MACCs exceeding 0.5% of the number of MACCs in any calendar month,
 - the number of internal complaints made by consumers in relation to MACCs exceeding 1% of the number of MACCs in any calendar month,
 - the receipt of more than one letter from ASIC or any regulator in relation to the method of the provision of MACCs in any calendar month.
- on or about 5 October 2022, being the first anniversary of the TMD
- if there is no other triggering event, each two years from the last review.

A triggering event will require the review to be undertaken within one month.

REPORTING

As noted above, we do not use distributors in the provision of OACCs to consumers. As a result, whilst the law requires a TMD to set out what information must be provided by distributors to us, in our view, this is not necessary. The TMD will be revisited if we commence distribution through a distribution network.