

Target Market Determination



This Target Market Determination (TMD) has been prepared in accordance with the *Treasury Laws Amendment (Design and Distribution Obligations and Product Intervention Powers) Act 2019* and associated Regulations.

TMDs are designed to assist issuers to ensure that financial products they issue are likely to be consistent with the *likely objectives, financial situation and needs* of the consumers for whom they are intended (the target market) and to assist distributors to ensure that financial products are distributed to the target market.

The TMD is general in nature and should not be construed as financial advice. Consumers should obtain independent advice prior to acquiring the product to ensure that it is appropriate for their particular *objectives, financial situation and needs*.

Product	Azora Fixed Rate Debt Consolidation Loan (unsecured)
Issuer	Azora Personal Loans Pty Limited ACN 147 803 576 Australian Credit Licence 403724 (Azora)
Date of TMD	7 October 2022
Target Market	Description of target market, including likely objectives, financial situation and needs of consumers in the target market The features of this product, including its key attributes, have been assessed as meeting the <i>likely objectives, financial situation and needs</i> of consumers who: • satisfy Azora's eligibility criteria (including but not limited to): ◦ are an individual who is a permanent Australian resident or Australian citizen and resides in Australia; and ◦ are PAYG employed • may have history of credit impairment • require finance to consolidate existing consumer loans and/or payout defaults and judgments listed on their credit file • require the peace of mind of a fixed interest rate. This product has been assessed as meeting the likely objectives, financial situation and needs of consumers in the target market because it enables consumers in the target market to consolidate other consumer loans into one manageable loan and/or payout defaults and judgments listed on the consumer's credit file in order to improve their credit. The product also provides consumers certainty of a fixed interest rate and fixed repayments over the life of the loan, assisting with household budgeting. Description of product, including key attributes • Fixed interest rate • Minimum 3 year loan term • Maximum 5 year loan term • Principal & Interest repayments • Minimum loan amount \$7,500 • Maximum loan amount \$50,000 (credit criteria applies) • Weekly, fortnightly or monthly repayments • Types of fees: ◦ Application Fee ◦ Risk Assessment Fee ◦ Monthly Account Service Fee

Other fees and charges may apply, as set out in the loan agreement.

Classes of consumers for whom the product may be unsuitable

This product may not be suitable for consumers who:

- do not meet Azora's eligibility criteria;
- are self-employed;
- require a personal loan to purchase good(s) which will be used as security for the loan;
- require loan funds for purposes other than debt consolidation;
- are seeking a line of credit facility; and
- are seeking the flexibility of a variable rate.

Distribution Conditions

Distribution conditions

The following distribution channels and conditions have been assessed as being appropriate to direct the distribution of the product to the target market:

Channel	Conditions
Direct (related entity) – online, in-person or by phone	Only authorised staff are permitted to assist consumers with this product. Authorised staff have the necessary training, skills and knowledge to assess whether the consumer is within the target market.
Authorised Finance Brokers (credit representatives)	Only authorised Finance Brokers (credit representatives) are permitted to assist consumers with this product. All applications submitted by authorised finance brokers (credit representatives) must comply with our policies and procedures issued to authorised finance brokers from time to time. Authorised Finance Brokers (credit representatives) have the necessary training, skills and knowledge to assess whether the consumer is within the target market.

The distribution channels and conditions are appropriate because:

- the product has a wide target market;
- our distributors have been adequately trained to understand their DDO obligations;
- we rely on existing distributors, methods, controls and supervision already in place; and
- our application and approval process has controls in place to ensure all approved consumers meet our eligibility and lending requirements.

Review Triggers

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

- A significant dealing of the product to consumers outside the target market occurs;
- A significant number of complaints received from customers in relation to their purchase or use of the product that reasonably suggests that the TMD is no longer appropriate;
- A material change to the product or the terms and conditions of the product occurs which would cause the TMD to no longer be appropriate;
- A significant number of defaults; and
- A significant number of applications for hardship

Review Periods

First review date: Within 12 months of the date of this TMD.

Periodic reviews: Every 12 months after the initial and each subsequent review.

Trigger reviews: review to be completed within 10 business days of the identification of a trigger event.

**Distribution
Information
Reporting
Requirements**

The following information must be provided to Azora Personal Loans Pty Limited by distributors who engage in retail product distribution conduct in relation to this product.

Distributors should provide all reporting to DDOreporting@azora.com.au.

Type of information	Description	Reporting period
Specific Complaints received in relation to the product or Azora	Written details of the complaint, including name and contact details of complainant and substance of the complaint.	As soon as practicable and within 10 business days of receipt of complaint.
Complaints	Number of complaints	Every 3 months
Significant dealing(s)	Date or date range of the significant dealing(s) and description of the significant dealing (eg, why it is not consistent with the TMD)	As soon as practicable, and in any case within 10 business days after becoming aware