



## TARGET MARKET DETERMINATION

<b>Issuer</b>	Cash Cow Loans Pty Ltd (Authorised Credit Representative Number: 541230)
<b>Issuer ABN</b>	88 657 467 911
<b>Issuer ACL</b>	389 222
<b>Product</b>	Personal Loans
<b>Date TMD approved</b>	21 July 2022
<b>TMD Version</b>	[1]
<b>TMD Status</b>	Current

### Purpose of this Document

The purpose of this Target Market Determination (“**TMD**”) is to comply with the Design and Distribution Obligations incorporated under Chapter 7 of the *Corporations Act 2001* (“**the Act**”) by the *Treasury Laws Amendment (Design and Distribution Obligations and Product Intervention Powers) Act 2019*.

The TMD aims to provide consumers and distributors with information about the class of consumers that comprises the target market for the Product, taking into account their objectives, financial situation and needs. It also specifies any Product distribution conditions and restrictions and deals with reviews of the TMD as well as distributor arrangements.

### Legal Disclaimer

This document is not a credit disclosure document and does not include all relevant terms and conditions associated with this Product. It does not take into account any person’s individual objectives, financial situation or needs. Individuals interested in making use of this product should carefully read the Issuer’s Credit Guide and any other disclosure documents before making a decision whether to use this Product.

### Description of Target Market

Our personal loan product has been designed for consumers whose likely objectives, financial situation and needs (as listed below) are aligned with the product (including the key attributes).

Our personal loans are designed for those people who are looking to obtain credit for personal, domestic, or household purposes, typically to fund the acquisition of smaller discretionary or essential items where the consumer does not have the cash available to fund the acquisition.

The loan made may or may not be secured. If secured, the loan will normally be secured against a motor vehicle, boat or caravan.

For interest bearing loans, the interest rate is a fixed rate for the term of the loan.

The loans are for any worthwhile purpose other than where the purpose of the loan is to pay for basic necessities.

## Target Market Summary

<b>Eligibility criteria for our loans</b>	<p>If you are a new client, then to be eligible for one of our loans, you must:</p> <ul style="list-style-type: none"> <li>• be age 18 or over</li> <li>• be employed, at least casual or part time*</li> <li>• be assessed by us as being able to afford to make the repayments under the loans without undue hardship (on the assumption that your financial circumstances do not change after the date of our assessment)</li> <li>• use the loan proceeds for a worthwhile purpose and for the purpose stated</li> </ul> <p>If you are an existing client, you are still eligible to apply for a loan, provided you receive sufficient regular income to satisfy our credit assessment criteria.</p> <p>This product is consistent with the needs and objectives of customers who are seeking fast, flexible, and short-term finance with the certainty of fixed repayments over the term of the loan.</p> <p>*New clients only</p>	
<b>Exclusion criteria for loans</b>	<p>We will not give you one of our loans if we determine that you are not in our target market, including where:</p> <ul style="list-style-type: none"> <li>• you do not meet the eligibility criteria set out above</li> <li>• For whom the Product will not meet their requirements or needs consumers who receive more than 50% of their income from government benefits such as Centrelink and whose repayments will exceed 20% of their earnings</li> <li>• Who do not qualify under the responsible lending requirements imposed by the <i>National Consumer Credit Protection Act 2009</i> ("National Credit Act"), will be unable to comply with their financial obligations under the Product terms, or could only comply with substantial hardship</li> </ul>	
<b>Term of our Loans</b>	<p>You are able to select the term of your loan within certain parameters. The term of your loan will depend on the amount being borrowed.</p>	
	<b>Small Amount Loan (\$500 to \$2,000)</b>	<b>Medium Amount Loan (\$2001 - \$4500)</b>
	12 Weeks to 52 Weeks	26 weeks to 78 weeks
<b>Loan features</b>	<p>Our loans:</p> <ul style="list-style-type: none"> <li>• have an application / establishment fee</li> <li>• charge a monthly fee in some cases, or where an interest rate is charged, we have a fixed interest rate for the term of the loan</li> <li>• allow you to choose between weekly, fortnightly, or monthly repayments</li> <li>• permit you to make extra or increased repayments, so you are able to pay off the loan more quickly than the contracted term</li> <li>• have loan repayment dates which can be aligned to coincide with the dates on which your pay is deposited to your bank account to minimize the risk of declined payment requests</li> </ul>	

<b>When we will take security for repayment of the loan</b>	All loan products provided will be unsecured.
<b>Examples of worthwhile loan purposes</b>	<p>The following examples of worthwhile purposes provided are not exhaustive:</p> <ul style="list-style-type: none"> <li>• Car repairs</li> <li>• Travel</li> <li>• Household expenses</li> <li>• Medical expenses</li> <li>• Moving costs</li> <li>• Debt consolidation</li> <li>• Education</li> <li>• Cash shortfall</li> <li>• One-off purchases</li> <li>• Bills</li> </ul>

<b>Consistency between target market and the product</b>	<p>The personal loan products have been designed to suit a wide target market of consumers who require access to funds for discretionary expense items and may not otherwise have savings readily available for this purpose.</p> <p>The loan periods of the personal loan products are designed to be shorter with the intention that the customer is not paying for the loan far beyond it's expected benefit.</p> <p>These personal loan products have been publicly available to the market since 2007. Historical performance of the product indicates customers have a need to access credit for the purposes listed in the above examples.</p>
<b>How we distribute the loan product</b>	<p>We distribute the loan product:</p> <ul style="list-style-type: none"> <li>• Directly to consumers by online application</li> <li>• Through our approved referral partners</li> </ul>
<b>Distributors</b>	We distribute our loan product direct to consumers. We do not rely upon a distribution network however we do accept referrals from approved referrers and lead generators.
<b>Distribution Conditions</b>	<p>We have distribution conditions in place designed to help ensure that our loan product is only sold to consumers in the target market.</p> <p>We ensure that:</p> <ul style="list-style-type: none"> <li>• Our website content gives consistent messaging directed to our target market</li> <li>• Our initial review of application process excludes consumers who, based on objective and measurable criteria, do not meet our eligibility criteria</li> <li>• Our assessment process fully assesses whether a consumer meets our eligibility criteria, and</li> <li>• Our review process reviews applications where it is initially unclear or uncertain whether the application meets our eligibility criteria or whether we are prepared to lend to the consumer</li> </ul> <p>We ensure that with a referral made by our referral partners, that they are only referring consumers who are likely to meet our eligibility criteria.</p>

<b>Adequacy of distribution conditions and restrictions</b>	<ul style="list-style-type: none"> <li>• Implementation of suitability and eligibility questions through our proprietary semi-automated application process allows us to identify those applicants who do not meet the criteria for the products prior to any loan offer being made to a consumer</li> <li>• Provision of detailed reference material such as checklists and guidance notes to our loan assessors and reviewers means that we receive from the consumer all the required information to enable assessment of suitability and eligibility prior to offer or approval of the loan</li> <li>• We make and review our agreements with referral partners taking into consideration their access to the target market for our loan product</li> </ul>	
<b>Timing and process by which we review our Target Market Determination</b>	We will review this target market determination as follows:	
	<b>Review Type</b>	<b>Date of Review</b>
	Initial review	Within two years of the date of first issue of this target market determination.
	First periodic review	No later than two years after completion of the initial review.
	Subsequent periodic reviews	No later than two years after completion of the most recent periodic review.
	Annual review event	Annually in July each year
	Trigger event	Within ten (10) days of the occurrence of a trigger event
<b>Description of events which constitute a “Trigger Event”</b>	<p>A trigger event is any event or circumstance that should objectively give rise to a reasonable belief on our part that this Target Market Determination is no longer appropriate having regard to a variety of factors, including (but not limited) to any of the following:</p> <ul style="list-style-type: none"> <li>• a material change to the design or distribution of the product including related documentation</li> <li>• the occurrence of a “significant dealing” in relation to our loan product</li> <li>• the distribution conditions are found to be inadequate or deficient</li> <li>• the occurrence of external events such as adverse media coverage or regulatory feedback</li> <li>• significant changes in metrics, including, but not limited to, complaints, hardship applications, arrears, application volumes and approvals per approved referral partner</li> <li>• negative feedback about the loan product received from a Court, the Australian Financial Complaints Authority (ASIC), or other regulatory body</li> <li>• guidance received about the loan product received from a Court, the Australian Financial Complaints Authority (ASIC), or other regulatory body</li> <li>• a change in legislation which impacts on the design or distribution or the structure of the loan product</li> <li>• the value of outstanding loans written off in a financial year being significantly higher than the projection for loans written off made at the end of the prior financial year</li> </ul>	

<b>Annual Review Event</b>	<p>The following matters will constitute an annual review event but do not of themselves necessarily indicate that an event or circumstance has occurred that reasonably suggests that the TMD is no longer appropriate. The occurrence of the following events may merely indicate a change in economic circumstances. However, an annual review of the following matters is to be conducted to determine as accurately as possible the underlying cause of the event. The annual review events are:</p> <ul style="list-style-type: none"> <li>• a material increase in the number and percentage of customers seeking hardship relief as compared to the immediately preceding financial year</li> <li>• A material increase in the number of responsible lending complaints received during a financial year when compared to the number of complaints received in the immediately preceding financial year</li> </ul>
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## Appropriateness of the TMD

The Issuer has reviewed the Product and its key attributes by considering its purpose, past outcomes and likely future outcomes, and has reasonably concluded that the Product is likely to be consistent with the likely objectives, financial situation and needs of consumers in the target market as described above, when offered to the consumer in accordance with the distribution conditions listed above. The comparatively wide target market of the Issuer has been a factor in assessing why the distribution conditions and restrictions will make it likely that consumers who purchase the product are in the class of consumers for which it has been designed.