

# Target Market Determination

## Pepper Money Personal Loans Unsecured Personal Loan

**Issuer:** A Pepper Money Unsecured Personal Loan is issued by Now Finance Group Pty Ltd as agent for NF Finco 2 Pty Ltd (**Issuer**) ACN 164 213 030 Australian Credit Licence number 425142.

**Start Date:** 1 April 2022

**Product:** **Pepper Money Personal Loans Secured Personal Loan (PMPL Secured Personal Loan)**  
A PMPL Secured Personal Loan allows individuals to borrow funds for a number of personal purposes. The PMPL Secured Personal Loan offers a fixed interest rate and requires individuals to make regular repayments over a fixed term.



## Purpose of this document

This target market determination (**TMD**) seeks to offer consumers, distributors and staff with an understanding of the class of consumers for which this product has been designed, having regard to the objectives, financial situation and needs of the target market for this product.

This document is not to be treated as a full summary of the product's terms and conditions or the product's features. This document is and is not intended to be a customer disclosure document, does not provide financial advice and has not been prepared taking into account an individual's objectives, financial situation or needs.

Consumers should refer to the Credit Guide, Credit Schedule and any other documents setting out the terms and conditions under the product when making a decision about this product. These documents are provided to a consumer prior to the provision of credit. A copy of these documents can otherwise be requested by contacting us at: [customerservice@pepperlending.com.au](mailto:customerservice@pepperlending.com.au)

## Target Market and Key Attributes

| <i>The PMPL Unsecured Personal Loan has been designed for customers with the following needs, objectives and financial situation:</i>   | <i>Key Attributes of the PMPL Unsecured Personal Loan that make the product appropriate for consumers in the target market, consistent with their likely objectives, financial situation and needs.</i>   |
|---|---|
| <p>want to borrow funds for personal, domestic, or household purpose including but not limited to:</p> <ul style="list-style-type: none"> <li>• Vehicle, watercraft or caravan purchases;</li> <li>• Home renovations;</li> <li>• Household furnishings;</li> <li>• Debt consolidation;</li> <li>• Travel;</li> <li>• Medical expenses; and</li> <li>• Wedding expenses.</li> </ul> |   |
| <p>Are seeking between \$5,000 to \$50,000 for a loan term between 1.5 to 7 years over time with regular repayments</p>   | <ul style="list-style-type: none"> <li>• <b>Amount:</b> The loan amount must be at least \$5,000 and up to \$50,000.</li> <li>• <b>Term:</b> The loan term must be at least 1.5 years and up to 7 years.</li> <li>• <b>Repayments:</b> Customers must repay the loan by making fixed principal and interest repayments on a weekly or fortnightly basis.</li> </ul> |
| <p>Require a fixed interest rate</p>  | <p>A fixed interest rate means customers have certainty that the interest rate will not change throughout the duration of the loan.</p>   |
| <p>Require flexibility to make extra repayments or pay out the loan early</p>   | <ul style="list-style-type: none"> <li>• <b>No extra repayment charges:</b> customers can make early repayments during the loan without any fees.</li> <li>• <b>No early repayment charges:</b> customers can pay out their loan at any time without any fees or charges.</li> </ul>  |

## Unsuitable customers

The PMPL Secured Personal Loan will not be suitable for individuals who:

- are under 18 years old;
- are not an Australian citizen or permanent resident;
- have defaults;
- are unemployed;
- are a current or prior bankrupt or party to a court judgement;
- want the chance that the interest rate may increase/decrease over the life of the loan;
- want to be able to redraw any additional repayment made on the loan;
- requires a secured loan; and/or
- are looking to borrow less than \$5,000 or more than \$50,000

## Distribution of the PMPL Secured Personal Loan

The Issuer applies the following conditions and restrictions to the distribution of PMPL Unsecured Personal Loan so that this product is likely to be provided to customers who are in the target market.

|                                 |   |
|---------------------------------|---|
| <b>Distribution Channel:</b>    | <ul style="list-style-type: none"><li>• The Pepper Money Personal Loans website;</li><li>• The Pepper Money Personal Loans call centre; and</li><li>• Authorised third party distributors such as:<ul style="list-style-type: none"><li>• finance brokers and aggregators</li><li>• partner websites (including comparison websites);</li><li>• authorised referrers.</li></ul></li></ul> <p><b>(Distributors)</b></p>  |
| <b>Distribution Conditions:</b> | The PMPL Secured Personal Loan can only be distributed: <ul style="list-style-type: none"><li>• to customers who meet the eligibility requirements;</li><li>• to customers who have appropriate borrowing capacity;</li><li>• in accordance with responsible lending guidelines and the Issuer's product and process requirements; and</li><li>• through authorised Distributors who have met the Issuer's accreditation and training requirements.</li></ul> |

## Review of TMD

The Issuer will review this TMD periodically to ensure it remains appropriate.

|                        |  |
|------------------------|--|
| <b>Review Period</b>   | <p><b>Initial Review:</b> Within 12 months of the date of this TMD</p> <p><b>Ongoing Review:</b> Within 12 months of the date of the previous review.</p>  |
| <b>Review Triggers</b> | <p>The Issuer will review this TMD if one or more of the following events occur where they reasonably suggest that the TMD is no longer appropriate.</p> <ul style="list-style-type: none"><li>• Material changes to the PMPL Secured Personal Loan terms and conditions;</li><li>• Occurrence of a significant dealing (where the PMPL Unsecured Personal Loan is not consistent with this TMD);</li><li>• If the distribution conditions are found to be inadequate;</li><li>• If there is an external event such as adverse media coverage or regulatory attention;</li><li>• If there is a significant change in metrics, including but not limited to, complaints, default rates and application rates.</li></ul> |

## Information Reporting

Distributors or any 'regulated person' who engages in relation distribution conduct must provide the Issuer the following information:

| Category             | Information to be provided  | How and When to Report  |
|----------------------|---|---|
| Complaints           | Any complaints made in relation to the PMPL Unsecured Personal Loan including: <ul style="list-style-type: none"><li>the number of complaints received during the reporting period (which may be 0) and;</li><li>written details of any complaints.</li></ul> | <b>When to report:</b><br>Every six months<br><br><b>How to report:</b><br>Reports should be made to: Head of Dispute Resolution by email at:<br><a href="mailto:disputeresolution@nowfinance.com.au">disputeresolution@nowfinance.com.au</a>   |
| Significant dealings | Any significant dealing in relation to the PMPL Unsecured Personal Loan and this TMD  | <b>When to report:</b><br>As soon as possible but no later than 10 days after the person becomes aware of the significant dealing.<br><br><b>How to report:</b><br>Reports should be made to the General Counsel by email at:<br><a href="mailto:legal@nowfinance.com.au">legal@nowfinance.com.au</a> |

## Revision Management

| Version | Start Date     | Comment     |
|---------|----------------|-------------|
| 1.0     | 5 October 2021 | TMD Issued  |
| 2.0     | 16 August 2022 | TMD Updated |