



TARGET MARKET DETERMINATION

Product	Car Loans Car Loan Types: Car Loan, Motorcycle Loan, and Leisure Vehicle Loan.
Issuer	United Loan Solutions Pty Ltd trading as LoanU ACN 611 343 572 (we, us, our and LoanU)
Date of Issue	5 October 2021
Target Market	<p>This Target Market Determination (TMD) sets out the target market for our Car Loan product, comprising of:</p> <ul style="list-style-type: none">(a) Car loan;(b) Motorcycle loan; and(c) Leisure vehicle loan (e.g., caravans, jet skis, trailer, boat). <p>This product will only be offered for monetary amounts between \$8,000.00 - \$50,000.00 and will require security.</p> <p>This product offers key features including a competitive fixed interest rate and an option to pause repayments in the event of unforeseen circumstances.</p> <p>Applicants must satisfy the following criteria to be eligible to apply for this product:</p> <ul style="list-style-type: none">(a) Customers who are 18 years and over;(a) Customers with a credit history that is not reflective of their current financial position;(b) Permanent Australian residents or Australian citizens (residing in Australia or overseas) where the security is provided in Australia. Non-residents are generally not accepted; and(c) Pay As You Go (PAYG) income earners with a gross annual salary of above \$30,000.00. <p>LoanU will make reasonable enquiries about the Customer's requirements and objectives. When applying for this product, LoanU will consider the following:</p> <ul style="list-style-type: none">(a) Objectives<ul style="list-style-type: none">(i) This product offers a competitive fixed interest rate and is suitable for Customers with credit scores that do not accurately reflect their current financial position.

	<p>(b) Loan Purpose</p> <p>(i) This product is suitable for those who are seeking to securely finance the purchase of a motor vehicle, motorcycle, or leisure vehicles within the restricted monetary limits.</p> <p>(c) Financial Position</p> <p>(i) LoanU will make reasonable enquiries about the Customer's financial situation. To access whether this product is affordable to the Customer, LoanU will consider the Customer's income or benefits, living expenses, other debts, credit history, specific life events, temporary difficulties and any information that will assist LoanU to understand the Customer's full financial position.</p> <p>LoanU will need to consider if this product is suitable to the Customer's objectives, loan purpose and financial position.</p> <p>LoanU will not accept Customers who do not meet the above criteria or where the objectives, loan purpose and financial position do not align with the Customer's personal circumstances.</p> <p>LoanU has the following conditions and restrictions on this product:</p> <p>(a) Joint Loans for Non-spouses</p> <p>(i) LoanU will only offer this product as a joint loan to Customers who are spouses, which includes husband or wife, de facto partner, or other equivalent terms such as domestic partner, as defined by law.</p> <p>(b) Aged Applicants</p> <p>(i) LoanU has no formal restriction on age; however, Customers must clearly demonstrate their ability to repay the loan within all agreed contractual arrangements. A satisfactory exit strategy must be provided acknowledging their ongoing ability to repay the loan within an acceptable time frame, normally by anticipated retirement age.</p> <p>(c) Disadvantaged Applicants</p> <p>(i) If a Customer may be at a disadvantage due to language, age or medical capabilities, the Customer will be offered the services of an interpreter or the ability to be accompanied by a person of the Customer's choice to the initial and subsequent interviews. The Customer will need to obtain independent legal and financial advice and provide supporting evidence.</p>
<p>Distribution Conditions</p>	<p>LoanU has placed conditions and restrictions on the distribution of this product to ensure that it is directed towards Customers in the target market.</p> <p>Distribution Conditions</p>

(a) To ensure this product will be distributed to Customers within the target market, LoanU will:

- (i) be selective regarding distributors;
- (ii) implement targeted advertising;
- (iii) provide specific content about the product on its website;
- (iv) use line scripts specific to the product at its call centre and offices; and
- (v) provide guidance for distributors.

(b) The above distribution conditions will assist direct distribution towards the target market.

Marketing and Promotional Materials

(a) The content and medium of delivery of marketing and promotional materials for this product will be consistent with this TMD.

Selection of Distributors

(a) LoanU has a very strict process for accrediting new brokers. Accrediting a new broker to LoanU typically begin firstly with a face to face interaction with a Business Development Manager from LoanU. The broker would then complete the accreditation application form in full and return with supporting documentation to the Business Development Manager for internal assessment.

(b) When accessing a broker's accreditation application form, LoanU will consider the following factors:

- (i) the broker's resources;
- (ii) internal controls;
- (iii) past conduct;
- (iv) experience with the target market; and
- (v) competence to distribute the product to the target market.

Supervision and Monitoring

(a) LoanU requires all distributors to complete a full accreditation process and knowledge competence assessment on the product conducted by the business development team. The Lending Guide is provided to the distributor at the time of accreditation.

(b) LoanU's Business Development Manager will regularly communicate with its distributors to reiterate education and conduct training sessions on this product.

(c) LoanU is able to supervise and monitor the distribution of this product through Key Risk Indicators which highlights any issues with distribution e.g. where the product potentially has been distributed outside of the target market.

	<p>Conflict of Interest</p> <ul style="list-style-type: none"> (a) LoanU will take steps to ensure that its remuneration and incentive structures for this product does not result in distribution that is inconsistent with this TMD. (b) Commission rates are fixed and does not varied based on the loan amount. In addition, LoanU performs diligent reviews of all application to ensure the loan amount applied for does not exceed the Customer's requirements or capacity. <p>Information Sharing with Distributors</p> <ul style="list-style-type: none"> (a) LoanU will provide to its distributors sufficient information to assist them with meeting their obligations to ensure distribution is consistent with this TMD. (b) Information is shared with distributors through lender update as well as product fact sheets. <p>If LoanU becomes aware that the distribution conditions for this product are inadequate, where for example, significant distribution is occurring outside the target market, it will:</p> <ul style="list-style-type: none"> (a) amend this TMD to set out additional distribution conditions to ensure that such distribution does not occur; or (b) cease distribution.
<p>Review Triggers</p>	<p>There may be events and circumstances (called 'review triggers') that would reasonably suggest that this TMD is no longer appropriate. These review triggers include:</p> <ul style="list-style-type: none"> (a) the numbers of defaults; (b) the number of applicants outside the target market; (c) the number of successful applicants verse unsuccessful applicants; (d) the number of Customers refinancing from LoanU to another financial institution; (e) the average loan duration; (f) a material change to this product; (g) promotional features that materially changes this product ; (h) complaints to Australian Financial Complaints Authority; (i) employee feedback; (j) Key Risk Indicators reports; (k) internal complaints; and (l) the nature and number of complaints and complaint trends.

	<p>LoanU will review this TMD within 10 business days if it knows, or reasonably knows, that a review trigger, or an event or circumstance that reasonably suggests that this TMD is no longer appropriate, has occurred.</p> <p>LoanU will notify the Australian Securities and Investments Commission within 10 business days of it becoming aware of a significant dealing in this product that is not consistent with this TMD.</p> <p>Distributors must notify LoanU when they identify a significant dealing that is not consistent with this TMD. LoanU acknowledges whether a dealing is significant may be dependent on the circumstances of a distributor's business however, this information will assist LoanU to determine whether the dealing is significant and reportable.</p>
<p>Review Periods</p>	<p>The first review of this TMD will occur on 5 April 2022.</p> <p>To ensure that this TMD remains appropriate for this product, LoanU will review this TMD:</p> <ul style="list-style-type: none"> (a) periodically, and at least each 6 months; (b) in response to any review triggers; or (c) other events or circumstances that would reasonably suggest that this TMD is no longer appropriate. <p>LoanU will integrate the review process into the product governance arrangements, and controls will be put in place to ensure that meaningful reviews take place. Possible outcomes from the review process include:</p> <ul style="list-style-type: none"> (a) no change to the way this product is distributed; (b) changing the product design, target market or distribution; or (c) ceasing to distribute this product. <p>If LoanU becomes aware of information that would reasonably suggest that this TMD is no longer appropriate (e.g. a review trigger has occurred), LoanU will stop issuing this product and direct its distributors to stop distributing until the LoanU has reviewed this TMD and product.</p>
<p>Distribution Information Reporting Requirements</p>	<p>Complaints, defaults, and general feedback about a credit product are a useful indicator of whether this TMD may still be appropriate.</p> <p>Where LoanU engages mortgage or finance brokers to distribute this product, it requires the brokers to promptly provide any information about complaints and product feedback received to LoanU.</p> <p>LoanU requires a broker to provide the following information:</p> <ul style="list-style-type: none"> (a) complaint and all related information; (b) significant dealings outside the target market; and (c) general feedback relating to this product and its performance. <p>The following is an example of the type of information that must be provided to LoanU by its distributors who engages in distribution of this product:</p>

	Type of Information	Description	Reporting Period
	Complaint / Significant Dealings / Others	<p>The following information is required:</p> <ol style="list-style-type: none"> 1. Distributor name 2. Date of complaint 3. Product 4. Nature of the complaint 5. AFCA status (if applicable) 	<p>Complaint / Others - As soon as complaint is received by the distributor</p> <p>Significant Dealings – As soon as practicable, and in any case within 10 business days after becoming aware.</p>