

Determination for Cash Clan Small Amount Credit Contract (SACC)

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Target Market Determination

This Target Market Determination (TMD) seeks to describe:

A Target Market Determination (TMD) describes who this credit product has been designed for, based on likely needs, objectives, and financial situation and how Cash Clan will review this document so that it remains appropriate.

This TMD describes:

1. the class of customers that the product has been designed for;
2. the attributes of the product;
3. how the product attributes meet the target market needs;
4. the product distribution conditions;
5. review periods for the determination;
6. review triggers for the determination.

This Target Market Determination does not replace disclosure documents. You should continue to refer to the relevant disclosure documents before deciding whether or not to acquire this product.

Who is our product designed for?

Our small amount loan is designed for consumers who require:

- a loan between \$500 and \$2,000.
- want a set repayment schedule.
- loan terms between 16 days to 12 months.

- make additional or increased repayments without penalties.
- fixed fees: establishment fee of 20% of loan amount, Service Fees: 4% of loan amount.
- need funds quickly to pay for unexpected expenses or make a discretionary that cannot be met from their regular or usual disposable income.
- contract documents that are clear and easy to understand.
- the application process to be simple, online and quick.

Product Key Attributes

the key attributes of our small amount loan product which align with the needs, objectives and financial situation of the target market are:

- loan amounts from \$500 to \$2,000 required by consumers in the target market;
- loan terms between 2 weeks and 1 year which suit the needs, objectives and financial situation of the target market;
- fixed fees;
- ability to make additional or increased repayments without penalties;
- no fees for early repayments;

the application is made entirely online and is simple and fast to complete;

Our eligibility criteria ensure that the ongoing repayments, after allowing for all



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other expenses and commitments, do not place the customer in financial hardship;

This SACC product is only available to applicants who meet standard eligibility criteria.

How is this product distributed?

This product is distributed online via the Cash Clan website or mobile app.

Distribution Conditions

Cash Clan has systems and procedures in place that ensure that our product is distributed appropriately to the intended target market.

The suitability and eligibility criteria embedded in the application process allows us to identify applicants who do not meet our minimum eligibility criteria and excludes them from being offered our SAAC product, such as:

applicants that do not meet our initial eligibility criteria such as age, income, employment and residency status are automatically declined at the initial enquiry stage.

applicants must not have more than one SACC loan at the time of assessment

borrowers must not have had 3 loans within a 6 month period or applied for a loan up to 3 months after repaying a previous loan.

Check

Our product can only be distributed by Cash Clan staff who have received appropriate training.

Reviewing this Target Market Determination

Initial Review

We will review this TMD within two years of the effective date

Periodic Review

At least two years after the initial date

Trigger Events

We will conduct a review of this TMD if:

We make a material change to one or more terms and conditions of the product or,

changes in response to the National Consumer Credit Protection Act which may affect the rules governing small amount credit contracts;

if complaints received by the Australian Financial Complaints Authority (AFCA) from customers as a percentage of total loans funded increase by more than 5% in a 3 month period;

the number of defaults as a percentage of loans funded increase by 5% in a 3 month period;

Where a review trigger occurs, we will review this Target Market Determination within 10



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business days of any of the above events occurring.

A review of this TMD will be completed no later than six months from the publication date of this TMD and subsequently at twelve month intervals.

- amount originated is greater than 8% in any given calendar quarter;
- there is an external event such as the total outstanding balance of payments more than 14 days overdue as a percentage of total adverse media coverage or regulatory attention;
- the business performance and value provided by the product indicates that the TMD is no longer appropriate, having regard to appropriate data such as customer demand for the product, loan volumes, application approval rates, customer default or loss rates and the nature and number of customer complaints;
- we identify that there has been a significant dealing in the product that is not consistent with the TMD, by detecting that more than 5% of the consumers receiving our product in any given calendar quarter are not within our target market based on specific complaint information; and
- if any external source such as ASIC, AFCA, or community based consumer organisations communicate to us that they have identified a systemic issue or if the number of complaints referred to

AFCA or by community based organisations is greater than 15 in any given calendar quarter.

Questions?

If you have any questions about our credit products or this TMD, please contact us on 1800 953 479 or by email at support@cashclan.com.au