



MCF3

Target Market Determination

Metro CF

1. About this document

This target market determination (TMD) outlines to consumers and distributors the class of consumers for which this product has been designed, having regard to their objectives, financial situation and needs of the target market. This document is not to be treated as a full summary of the products terms and conditions and is not intended to provide financial advice. Consumers must refer to the Consumer Loan Contract which outlines the relevant terms and conditions relating to the product when making a decision about this product.

This document also sets out the events or circumstances where Metro CF will review, monitor or amend the TMD.

1.1 Date from which this target market determination is effective

13th April 2022

2. Class of consumers that fall within this target market

This product is designed for a class of consumer who:

- Satisfy our eligibility criteria, including (but not limited to):
 - a) Being 18 years or older at the time of application;
 - b) Be a citizen or permanent resident of Australia;
 - c) Being individual or joint applicants living at the same address;
 - d) Having an acceptable credit rating; and
 - e) Can comfortably service the principal balance of the loan and the interest as it accrues;
- Want to finance the purchase of a registrable passenger or light commercial vehicle (which may also include vehicle accessories, on-road costs and fees that can be financed) predominately for personal, domestic, or household use;
- Require a loan amount of between \$5,000 and \$250,000;
- Require a loan term between 12 to 84 months;
- Want the choice of an optional balloon payment at the end of the loan term (subject to eligibility, lending criteria and requirements and objectives);
- Want an interest rate that is fixed with a predetermined payment structure across the term of the loan;
- Require weekly, fortnightly or monthly repayment options;
- Want to own the vehicle from the beginning of the loan;
- Are able to secure the loan against the vehicle by way of a PPSR registration;
- Want the flexibility of purchasing a passenger or light commercial vehicle from a dealer or private seller;
- Are able to make repayments from an Australian bank account via direct debit;

3. Excluded class of consumers

- Do not satisfy our eligibility criteria;
- Repay their loan or sell the asset before the end of the fixed term without incurring additional costs;
- Require a variable interest rate loan;
- Require an unsecured loan;
- Require a loan for debt consolidation;
- Require redraw functionality; and/or
- Are looking to borrow less than \$5,000 or more than \$250,000.
- Use the asset for predominantly business use (≥51%).
- Transport the vehicle from mainland Australia or Tasmania;

Secured Personal Fixed Rate Car Loan

Product description The key attributes of the Personal Fixed Rate Car Loan are as
And key attributes follows:

- Minimum amount to be financed is \$5,000;
- Maximum loan amount to be financed is \$250,000;
- Able to make extra repayments and reduce amount of interest payable;
- Fixed interest rate for the loan term to finance an eligible passenger or light commercial vehicle;
- Early payout permissible for a fee;
- Loan terms available from 12 to 84 months;
- Option to include a balloon payment at the end of the loan term (subject to eligibility and lending criteria);
- At the end of the loan term, the consumer has unencumbered ownership of the vehicle (provided they have made all repayments under the loan contract, including any applicable balloon payment); and
- Ability to purchase assets from a dealer or through a private sale;

4. Distribution channels and conditions

This product is designed to be distributed through the following channels:

- Metro CF accredited introducers (Third Party Channel); and
- Directly via Metro CF employees (for staff and family/friend referrals ONLY).

The distribution channels are appropriate because:

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- The product has a wide target market;
- Our Third-Party Channel has an accreditation process to ensure introducers have the required licenses, skills, training and knowledge to distribute this product in accordance with the TMD;
- Our internal staff have been adequately trained and have the necessary skills and knowledge to distribute this product in accordance with the TMD;
- Our application and approval process has controls in place to ensure all approved consumers meet our eligibility and lending requirements; and
- We conduct adequate training, upfront and ongoing due diligence and monitoring of distributors including the ongoing provision of information to these distributors.

5. Reviewing this TMD

We will review this TMD in accordance with the below:

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| Initial review | Within twelve months of the effective date. |
| Periodic reviews | At least every twelve months following the initial review to ensure it remains appropriate. |
| Review triggers or events | <p>Any event or circumstances that arise would suggest the TMD is no longer appropriate. This may include (but is not limited to):</p> <ul style="list-style-type: none">• A material change to the design or distribution of the product, including related product documentation and/or lending criteria;• The occurrence of a significant dealing;• Distribution conditions found to be inadequate;• Significant changes in metrics including, but not limited to, material adverse trends in internal delinquency data, cancellations, product switching, defaults on repayments, late repayments and/or complaints;• Identified systemic issues in the product or across the product lifecycle;• Material external events such as relevant litigation, adverse media coverage or regulatory attention which may suggest the TMD is no longer appropriate; or• Relevant feedback, information or notification received from a distributor, regulatory body such as ASIC or APRA, or other interested parties. |

This TMD will be reviewed within 10 business days of the occurrence of any review trigger.

6. Significant dealings

Metro CF will notify ASIC in writing of a significant dealing relating to its Consumer Loan product that is not consistent with the products TMD, within 10 business days of becoming aware of the significant dealing.

Examples of significant dealings include:

- high proportion of customers who are not in the target market; and
- actual or potential harm to consumers, including financial loss

7. Reporting and monitoring this target market determination

We will collect the following information from our distributors in relation to this TMD:

Complaints Distributors will provide a written summary of complaints received in relation to the Product on a quarterly basis. The summary must include information about number of complaints, substance of the complaint and the general feedback from the customer in relation to the product.

Distribution Issues Distributors will monitor for significant dealings and report any significant dealings to Metro CF Pty Ltd, as soon as possible, or at least within 10 business days. The report should be emailed to mymetro@metrofin.com.au and include:

- the date on which the dealing or dealings occurred;
- the date on which the distributor became aware of the significant dealing;
- a description of the significant dealing and how it was identified; and
- details of any steps taken in relation to the significant dealing.