

Target Market Determination

Product: Consumer Overdraft Facility

Facility Types: Overdraft and Overdraft Student

Issuer: Credabl Pty Ltd ACN 615 968 100 trading as Credabl (ACL 499547)

In this document the terms “**Credabl**”, “**we**”, “**us**” or “**our**” refers to Credabl Pty Ltd.

Date of Issue: 5 October 2021

TARGET MARKET

1.1 This Target Market Determination (TMD) sets out the target market for our:

- (a) Overdraft Facility
- (b) Overdraft Student Facility

1.2 Within this product, you can choose between our two overdraft facilities, depending on your circumstances, as outlined below.

(a) Overdraft Facility

- (i) The target market is medical professionals, dental professionals, veterinary professionals, allied healthcare professionals and other suppliers, vendors and employees within the healthcare sector (Healthcare Professionals).
- (ii) We have designed the Overdraft Facility to help Healthcare Professionals borrow money to have readily available cash and ease the burden of day-to-day expenses involved in running a practice, instead of borrowing money to purchase an asset.

(b) Overdraft Student Facility

- (i) The target market is medical students, dental students, veterinary students, allied healthcare students and any students within the healthcare sector who are in the final year of their degree or have recently graduated and are expecting to obtain full-time employment (Healthcare Students).
- (ii) We have designed the Overdraft Student Facility to help Healthcare Students borrow money to have readily available cash and ease the burden of expenses associated with their degree. We will not require Healthcare Students to commence repayments until they have obtained full-time employment.

1.3 The key features of this product are lower rates than a traditional overdraft, no deposit required, ability to lower your interest bill, fees and charges and no need to use your home or business as security.¹

¹ RG 274.76 and RG 274.68(b) of the Product Design and Distribution Obligations.

- 1.4 This product is suitable for Healthcare Professionals or Healthcare Students who:
- (a) have a short or long term need for cash flow;
 - (b) wants a secured or unsecured loan;
 - (c) wants facilities with ongoing fees or no fees; and
 - (d) wants interest only or principal and interest.
- 1.5 We will make reasonable enquiries about the client's requirements and objectives. However, we recommend the client consider whether their objectives and requirements align with the features and suitability of the product.²
- 1.6 We will also make reasonable enquiries about the client's financial situation. To assess whether the loan is affordable to the client, we will consider the client's income or benefits, living expenses, other debts, credit history, specific life events, temporary difficulties and any information that will assist us to understand the client's full financial position.³
- 1.7 The Overdraft Facility and Overdraft Student Facility product is subject to our Responsible Lending Policy.

DISTRIBUTION CONDITIONS

- 2.1 We have placed conditions and restrictions on the distribution of the product to ensure it is distributed to consumers within the target market.⁴
- 2.2 We have designed the product to be distributed by our Consultants via:
- (a) our website www.credabl.com.au;
 - (b) our Australia wide contact centre; and
 - (c) contacting our Consultants directly.
- 2.3 We are currently not engaging brokers or introducers to distribute this product.
- 2.4 To further ensure this product is distributed to consumers within the target market, we have: ⁵
- (a) implemented targeted advertisements;
 - (b) provided specific content about this product on our website;
 - (c) ensured our Consultants are adequately trained.
- 2.5 We are ensuring this product is being distributed in the target market through adequate supervision and monitoring of the product distribution through our internal register and record-keeping systems.⁶

² RG 274.76 of the Product Design and Distribution Obligations. ³ RG 274.47(b) of the Product Design and Distribution Obligations. ⁴ RG 274.96 of the Product Design and Distribution Obligations; Treasury Laws Amendment (Design and Distribution Obligations and Product Intervention Powers) Act 2019 s 994B(5)(c). ⁵ RG 274.146 (Table 4) of the Product Design and Distribution Obligations. ⁶ RG 274.146 (Table 4) of the Product Design and Distribution Obligations.

Conflict of Interest

- 2.6 We have taken steps to ensure that our remuneration and incentive structures for this product do not result in distribution that is inconsistent with this TMD.⁷
- 2.7 From time to time, as employees within the healthcare sector, our employees are offered this product.
- 2.8 If we become aware that the distribution conditions are inadequate, where for example, significant distribution is occurring outside the target market, we will:
- (a) amend this TMD to set out additional distribution conditions to ensure that such event does not occur; or
 - (b) cease distribution of this product.⁸

REVIEW TRIGGERS

- 3.1 There may be events and circumstances (called 'review triggers') that would reasonably suggest that this TMD is no longer appropriate such as: ⁹
- (a) we receive a high number of applicants from outside the target market;
 - (b) we make a material change to our business strategy;
 - (c) we make a material change to this product;
 - (d) we make a business acquisition that materially affects this product;
 - (e) we notice a significant increase in events of default;¹⁰
 - (f) we introduce promotional features that materially changes this product;¹¹
 - (g) internal complaints or notice of complaints made to Australian Financial Complaints Authority;¹²
 - (h) the nature and number of complaints and complaint trends.¹³
- 3.2 We will review this TMD within 10 business days if we know or reasonably know, that a review trigger has occurred.¹⁴
- 3.3 We will also notify the Australian Securities and Investments Commission within 10 business days of us becoming aware of a significant dealing in this product that is not consistent with this TMD.¹⁵

⁷ RG 274.146 (Table 4) of the Product Design and Distribution Obligations. ⁸ RG 274.99 of the Product Design and Distribution Obligations. ⁹ RG 274.102 of the Product Design and Distribution Obligations; Treasury Laws Amendment (Design and Distribution Obligations and Product Intervention Powers) Act 2019 s 994B(5)(d). ¹⁰ RG 274.103(a) of the Product Design and Distribution Obligations. ¹¹ RG 274.151 (Example 14) of the Product Design and Distribution Obligations. ¹² RG 274.104(c) of the Product Design and Distribution Obligations. ¹³ Derived from RG 274.107 (Example 6) of the Product Design and Distribution Obligations. ¹⁴ Treasury Laws Amendment (Design and Distribution Obligations and Product Intervention Powers) Act 2019 s 994C(3). ¹⁵ RG 274.157 of the Product Design and Distribution Obligations; Treasury Laws Amendment (Design and Distribution Obligations and Product Intervention Powers) Act 2019 s 994F(6); RG 274.159 contains the relevant factors that will assist Credabl to determine whether a significant dealing has occurred.

REVIEW PERIODS

- 4.1 We will review this TMD on 5 October 2022 to ensure it remains appropriate. Subsequent periodic reviews will occur annually.¹⁶
- 4.2 We will also review this TMD in response to any other events or circumstances that would reasonably suggest that this TMD is no longer appropriate.¹⁷
- 4.3 Where we become aware of information that would reasonably suggest that this TMD is no longer appropriate, we will stop issuing this product until we have had the chance to review this product along with this TMD.¹⁸
- 4.4 We will integrate the review process into our product governance arrangements, and controls will be put in place to ensure that meaningful reviews take place.¹⁹ Possible outcomes from the review process include:
 - (a) no change to the way this product is distributed;²⁰
 - (b) changing the product design, target market or distribution;²¹ or
 - (c) ceasing to distribute this product.²²

¹⁶ RG 274.108 of the Product Design and Distribution Obligations. ¹⁷ RG 274.148 of the Product Design and Distribution Obligations. ¹⁸ RG 274.153 of the Product Design and Distribution Obligations. ¹⁹ RG 274.150 of the Product Design and Distribution Obligations. ²⁰ RG 274.150(a) of the Product Design and Distribution Obligations. ²¹ RG 274.150(b) of the Product Design and Distribution Obligations. ²² RG 274.150(c) of the Product Design and Distribution Obligations.