

Target Market Determination

For Study Loans – Study Now Pay Later Product issued by Study Loans Australia Pty Ltd ABN13 618 345 314 Australian credit licence 498589 (Study Loans).

1. About this document

This document is not intended to provide financial advice, customers should refer to the Terms and Conditions and any supplementary documents when making a decision about this product.

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

This document is not to be treated as a full summary of the product's terms and conditions and it not intended to provide financial advice. Consumers must refer to the relevant Terms and Conditions and other Supplementary Documents which outline the relevant terms and conditions under the product when making a decision about this product.

Terms and Conditions to which this target market determination applies

This TMD applies to the Study Now, Pay Later Product referred to in the following Terms and Conditions:

- Study Now, Pay Later Agreement
- Terms and Conditions of Use

Date from which this target market determination is effective

5 October 2021

2. Class of consumers that fall within this target market

The information below summarises the overall class of consumers that fall within the target market for Study Now, Pay Later Product, based on the product key attributes and the objectives, financial situation and needs that it has been designed to meet.

This Study Now, Pay Later Product has been designed for consumers whose likely objectives, financial situation and needs (as listed below) are aligned with the product (including the key attributes). Accordingly, The Study Now, Pay Later Product is for consumers who:

- Require an interest-free loan to assist with financing vocational education studies with Study Loans because they are unable to pay the upfront costs of those studies; and
- require the flexibility of making additional repayments without penalty,

Product description and key attributes

The key product attributes of the Study Now, Pay Later Product are:

- The amount that can be financed under this product is between \$2,001 and \$20,000.
- The Study Now, Pay Later term in which the student can repay the amount borrowed can be between 12-36 Months (depending on the repayment term set by the Education Partner).
- Establishment Fee of \$50 or \$80 added to the amount advanced under the Study Now, Pay Later Product. The Establishment Fee is determined by Study Loans based on the package in which the Education Partner has agreed to with Study Loans.
- Monthly Study Now, Pay Later Fee is \$5.00 per month payable by the student
- Arrears Fee of \$25.00 if the Study Now, Pay Later facility exceeds 35 days past due.
- The Study Now, Pay Later Product is interest free to the student. There is a Service Fee between 11.50% and 18.50% of the Study Now, Pay Later request amount which is payable by the Education Partner on behalf of the student.
- There are no early repayment penalties for paying out the Study Now, Pay Later Product early.
- The student borrows all the course costs to enable them to participate in the course via the Study Now, Pay Later option.
- The funds under the Study Now, Pay Later Product are advanced to the Education Partner in one draw down less the Service Fees payable by the Education Partner.
- The funds are released directly to the Education Partner to ensure the funds are used for the purpose in which they were intended (i.e., to pay for the costs of those vocational studies).
- The student identifies the Vocational Course that is right for them, with any of our Accredited Education Partners.

The key eligibility requirements of this Study Now, Pay Later Product are:

- Be 18 years of age or older
- Be an Australian Citizen or Permanent Resident
- Be employed in a full-time, part-time, or casual job (minimum of 6 months)
- Demonstrate serviceability of the Study Now, Pay Later facility
- Have a valid mobile telephone number and email address
- Have good credit without any adverse listings
- Have positive bank account conduct in the last 180 days
- Be able to provide 6 months of bank statements

Objectives, financial situation, and needs

This product has been designed for individuals who:

- require an amount of credit to fund Vocational Studies of their choice with Accredited Education Providers.
- wish to repay the Study Now, Pay Later Facility over a 12–36-month period.
- are able to provide Study Loans with sufficient financial evidence of their ability to be able to service the Study Now, Pay Later Facility.
- Are able to pay the associated fees and charges.
- require an interest free loan to finance Vocational Studies, which will allow them to :

- Increase their existing skill set in an area of study of interest to advance their career opportunities or advance their understanding in the chosen study area.
- Learn new skill sets that are of interest to the student for further career development or advancement or to further strengthen their skills and interests in a specific area.
- Obtain the necessary credentials, skills and understanding to change their career direction, strengthen their career progression or explore potential education fields of interest.

Excluded class of consumers

This product has NOT been designed for individuals who:

- Who are Bankrupt, or a participant in a Part IX or Part X Agreement.
- Have bad credit or adverse credit behaviour.
- Income source is solely Centrelink (with exception to Disability Support Individuals).
- Are unemployed.
- Expect their financial circumstances to change in the future.
- Are under the age of 18.
- Are not an Australian Citizen or a Permanent Resident.

Consistency between target market and the product

This product (including its key attributes) has been assessed as meeting the likely objectives, financial situation and needs of consumers in the target market because it provides them with access to Vocational Studies with Accredited Education Providers by financing the associated upfront costs and spreading it over an interest free fixed term.

3. How this product is to be distributed

Distribution channels

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

- Direct: By contacting Study Loans Australia Sales & Support Team via 1800 324 909.
- Third Party: Via authorised representatives of Accredited Education Partners of Study Loans.

Distribution conditions and restrictions

This product should only be distributed under the following circumstances:

- To individuals who meet the eligibility criteria.
- To individuals who have appropriate capacity to repay the Study Now, Pay Later repayments within the framework of our Responsible Lending Guidelines at Study Loans Australia.
- To individuals who fall within the target market.
- All applications must be submitted through the Study Loans Application and Lending Platforms or via platforms provided to Distributors by Study Loans from time to time.
- This product is only available to consumers within the Education Sector.
- Distributors other than Study Loans as the Distributor must be accredited by Study Loans.
- Accredited Distributors (Education Providers) who lose their accreditations for any reason are prohibited in providing any Study Loans Product without the written consent of Study Loans or its Representatives.

Adequacy of distribution conditions and restrictions

This product has been designed for a specific segment of consumers. Distributors following the Distribution Conditions will make it likely that consumers who purchase the product are in the class of consumers for which it has been designed for.

The distribution channels are appropriate because:

- our distributors 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 upfront and ongoing review and monitoring of distributors and distribution conditions and restrictions.

4. Reviewing this target market determination

We will review this target market determination in accordance with the below:

Initial review	Within 12 Months of the effective date.
Periodic reviews	At least every 12 months from the initial review.
Review triggers or events	<p>The following events or circumstances arise that would suggest the TMD is no longer appropriate:</p> <ul style="list-style-type: none"> • a material change to the design or distribution of the product, including related documentation; • a significant dealing of the product to consumers outside the target market occurs; • distribution conditions and restrictions are found to be inadequate; • external events such as adverse media coverage or regulatory attention suggest that the target market for the product might not be appropriate; and • there is a significant change in product related metrics, including, but not limited to: <ul style="list-style-type: none"> ○ increased complaints; ○ changes to Study Loans' Credit Risk Appetite and/or any change to the sector in which Study Loans offers this product; ○ high rates of default; ○ high rates of hardship applications.

Where a review trigger has occurred, this target market determination will be reviewed within 10 business days. Meanwhile, we will cease to offer this product to our consumers until our review concludes and any necessary changes to the product or target market determination, including distribution methods, are made.

5. Reporting and monitoring this target market determination

The following information must be provided to Study Loans by our distributors:

Type of Information	Description	Reporting Period
Complaints	Distributors will report all complaints in relation to the product(s) covered by this TMD on a Monthly basis. This will include written details of the complaints.	As soon as practicable and in any case within 10 business days of receipt of complaint.
Complaints	Number of complaints.	Every 3 months.
Significant dealings	Any significant dealing which is not consistent with this TMD.	As soon as practicable, and in any case within 10 business days of becoming aware.
Other information required	Other distribution information may be required from Distributors such as transaction data, outcomes from sales monitoring, notes and phone recordings relating to those dealings.	Within 10 business days of a reporting period, when requested.

