



Target Market Determination

Consumer Loan, Fixed Rate (including with Balloon Option).

Australian Motorcycle & Marine Finance

(ABN 85 603 969 875)

About this document

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

It should be noted that this document is not intended to be used to provide financial advice nor a full summary of the product's terms and condition, and that consumers should refer to the Terms and Conditions and any supplementary documents when making a decision about the suitability of the product, to their individual circumstance.

1. Credit Licensee

Australian Motorcycle & Marine Finance Pty Ltd ABN 85 603 969 875 Australian Credit Licence No. 472 918

2. Date the Target Market Determination is Effective

This Target Market determination is effective from the 5th October 2021

3. Class of consumers that fall within this target market

AMMF offers a consumer loan product that is designed to meet a customer’s needs, objectives and financial situation whilst taking into consideration the product’s eligibility criteria. These are outlined below

3.1 Product description and key eligibility criteria

The information below summarises the overall class of consumers that fall within the target market for the AMMF’s Consumer Loan product by being based on the product key attributes and the objectives, financial situation and needs that it has been designed to meet. This Consumer Loan has been designed for consumers who need to finance a new or used vehicle (including various lifestyle assets) and other goods for personal or domestic use and want a fixed interest for the term of the loan.

Product Description

	Consumer Loan Product	Consumer Loan Product with Balloon Option
Product Description and Key Attributes	<p>The key attributes and of this Consumer Loan are:</p> <ul style="list-style-type: none"> • Minimum loan amount of \$1,500.00 • Loan terms of a minimum 24 months through to 72 months (however for various Marine lifestyle assets a maximum term of 84 months maybe offered subject to various credit criteria being satisfied) • Fixed Interest Rate for loan term • Loan secured by the asset being purchased • Weekly, Fortnightly or Monthly Repayments • Early repayment of loan subject to payment of relevant fees. 	<p>The key attributes and of this Consumer Loan with Balloon Option are:</p> <ul style="list-style-type: none"> • Minimum loan amount of \$1,500.00 • Loan terms of a minimum 24 months through to 72 months (however for various Marine lifestyle assets a maximum term of 84 months maybe offered subject to various credit criteria being satisfied) • Fixed Interest Rate for loan term • Loan secured by the asset being purchased • Weekly, Fortnightly or Monthly Repayments • Early repayment of loan subject to payment of relevant fees. • Ability to forgo the Balloon payment until the last payment due under the loan.

Key eligibility criteria

	These products are appropriate for	These products are not appropriate for
The type of asset you are financing	<p>These products are suitable for customers seeking finance for new or used assets, other equipment manufacturers and trade suppliers including:</p> <ul style="list-style-type: none"> - Motorcycles (off-road and On-road). - Scooters; - Boats; - Outboards; - Trailers designed for the purposes of carrying lifestyle assets; - Golf Cars; - Waverunner; - Generators; - Phaser or RMax; - Other related products sold in conjunction with any of the assets above such as accessories (including bolt-on parts) and authorised apparel. - Music products 	<p>The financing of the following asset categories:</p> <ul style="list-style-type: none"> - Caravans - Cars - Yellow goods and white goods.
How you use the asset	<p>These loan products are suitable if the asset is predominantly used for personal, domestic, or household purposes</p>	<p>Loan products are not suitable if the product is used predominantly for business use.</p>
The condition of the asset	<p>Financing assets that</p> <ul style="list-style-type: none"> - Are in good repair and condition - That meet the requirements in the relevant state or territory - less than 12year old at loan maturity for Motorcycles, personal watercraft - less than 20 years old for any Marine asset at loan maturity (exceptions maybe considered). - Less than 5 years at loan maturity for Golf cars. 	<p>Loan products are not eligible for:</p> <ul style="list-style-type: none"> - damaged or salvage assets - assets that don't meet the requirements of the state or territory
Ability to repay the loan	<p>These products are suitable for applicants that can repay the loan arrangement without being in financial hardship after taking into account their financial situation and AMMF's credit lending criteria</p>	<p>These loan products are not suitable for customers that do not satisfy AMMF's credit lending criteria.</p>

3.2. Class of Consumers, Needs, objectives and financial situation.

The information below summarises the class of consumer for each product variation and the needs, objectives and financial situation that the Consumer Loan (including with balloon option) has been designed to meet.

Class of Consumers

	Consumer Loan	Consumer Loan with Balloon Option
Class of Consumer	This product is designed for a class of consumers that are 18 years or older, are Australian citizens or permanent residents, meet the relevant lending criteria and need finance to purchase a new vehicle for personal or domestic use.	This product is designed for a class of consumers that are 18 years or older, are Australian citizens or permanent residents, meet the relevant lending criteria and need finance to purchase a new vehicle for personal or domestic use and want to reduce their repayments by making payment of a lump sum at the end of their loan term.

Needs and objectives

A customer who has the following needs and objectives.

Needs & Objectives	Consumer Loan	Consumer loan with Balloon
Specialist assistance with finance application through a broker or AMMF's in-house sales team	✓	✓
Quick decision on loan application	✓	✓
Electronic platform to execute documents	✓	✓
A fixed interest rate	✓	✓
Ability to repay the loan early (Fees may apply)	✓	✓
Ability to access and update your loan account online	✓	✓
Payment frequency	Weekly, fortnightly or monthly	Weekly, fortnightly or monthly
Ability to change payment frequency as needs change	✓	✓
Repayment type	Direct Debit &	Direct Debit

Needs & Objectives	Consumer Loan	Consumer loan with Balloon
	Bpay	& BPay
A loan secured by the asset	✓	✓
A loan with a monthly account keeping fee	✓	✓
Ability to have a lump sum payment at the end of your loan.	X	✓
Loan Term: 24 to 84 months (84-month terms only available on various Marine assets and subject to AMMF's credit criteria) 24- 60 Months all other assets	✓	✓

Financial situation

These products have been designed for customers who can service the principal and interest repayments of a loan, the interest accrued together with any applicable fees and charges.

Additionally, the Consumer Loan products have been designed to for customers with the following financial situations.

Relevant Financial Situation	Consumer Loan	Consumer Loan Balloon
Ability to vary the payment frequency	✓	✓
Ability to change payment method	✓	✓
Ability to update account information and payment information online	✓	✓
Potential to apply for hardship	✓	✓
Ability to make out of schedule payments to reduce interest	✓	✓

4. Consistency between target market and the product

The consumer loan product offered, and its key attributes are likely to be consistent with the needs and objectives of the class of consumers described in the target market. This has been determined based on an assessment of our current portfolio of customers, and our complaints data together with analysis of key terms, features and attributes of the products as well as a finding that these are consistent with the identified class of consumers.

An individual's circumstances may vary, and each individual will need to review our product attributes to ensure that it still satisfies their requirements and objectives. Not all customers meeting the target market will be eligible for credit. Credit criteria still applies.

5. How this product is to be distributed

Distribution channels

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

- Accredited Finance Brokers
- Authorised Motorcycle dealers
- Authorised Marine Dealers
- AMMF Direct Sales
- Authorised Personal Watercraft Dealers

Distribution conditions

This product should only be distributed by us or our authorised distributors and brokers under the following circumstances:

- To customers who meet the identification and lending criteria
- Once the distributor or broker has met any AMMF training and accreditation requirements (where applicable)
- Where the distributor or broker meets the training, requirements mandated by our annual compliance review
- Where the distributor or broker has executed the relevant "Dealer Agreement" or Broker agreement with AMMF.
- Where the distributor or broker utilises advertising obtained from the Dealer Account Management system (DAM), such advertising been pre-approved by AMMF's Legal & Compliance team.
- Where any be-spoke marketing and advertising is undertaken by our distribution channels, pre-approval must be obtained from AMMF's Legal & Compliance team.

These distribution conditions will make it likely that the customers who acquire our products or services are from the class of customers that fall into our designated target market. These conditions have been identified after analysing our distribution arrangements including agreements, policies, procedures, and training.

Adequacy of distribution conditions and restrictions

All distributors, both Dealers and Brokers, complete an application for accreditation with AMMF, so that they can submit applications for Consumer Loans. The accreditation ensures that relevant licenses, qualifications are held, and external checks are also done to ensure the acceptability of the business introducer.

After accreditation had been approved, the staff operating within the Dealership, who will be assisting consumers with our product, are required to do internal AMMF training. This training covers the requirements of NCCP, AML/CTF and Privacy Act requirements, and this needs to be completed every 12 months.

Brokers who are accredited with AMMF, must be members of one of two industry group. Those groups are Finance Brokers Association of Australia (FBAA) and Mortgage & Finance Association of Australia (MFAA). To be a member of these associations the Brokers must complete industry training, and that training covers our requirements with regards to NCCP, AML/CTF and Privacy requirements. AMMF require a copy of the Brokers membership certificate, which confirms the requirements have been met, to then accept the Broker as an introducer.

The Direct Sales channel is staffed by AMMF employees who complete the relevant training on an annual basis and participate in internal training as required.

Both the Dealer network and the brokers are regularly visited/contacted by AMMF staff to ensure that their staff are appropriately trained and understand the requirements of AMMF from a consumer’s point of view, a credit point of view and a technology point of view.

Point of Sale material is available within the dealer network. This consists of brochures and pull up banners. What is in each dealership is dependent on space in the dealership. Point of sale collateral is general in its nature and checked prior to printing to ensure compliance.

Brokers have access to the same materials however due to the nature of their business operations, many chose not to use Point of Sale collateral.

Quality of applications received, suitability of applicant and adherence to AMMF lending policies from introducers are checked on a regular basis by the AMMF Credit Assessment Team, and separately by internal compliance. Any training needs identified are readily conveyed to the introducer and any training or other corrective actions administered.

6. Reviewing this target market determination

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

Initial review	Within the One Calendar Year of the effective date.
Periodic reviews	At least every 3 years years from the initial review, or if there is a major change to the TMD.
Review triggers or events	Any event or circumstances arise that would suggest the TMD is no longer appropriate. This may include (but not limited): <ul style="list-style-type: none"> ● any material changes to the design or distribution of the product, including related documentation. ● Occurrence of a significant dealing. ● distribution conditions found to be inadequate. ● external events such as adverse media coverage or regulatory attention; and ● significant changes in metrics, including, but not limited to, complaints, social/economic conditions

Where a review trigger has occurred, this target market determination will be reviewed within 10 business days.

7. Reporting and monitoring this target market determination

We may collect the following information from our distributors in relation to this TMD.

Complaints	Distributors will report all complaints in relation to the product(s) covered by this TMD on an actual, real time basis i.e., at the time a complaint occurs/or brought to their attention. This will include written details of the complaints.
Significant dealings	Distributors will report if they become aware of a significant dealing in relation to this TMD within 10 business days.