

TARGET MARKET DETERMINATION – POSSIBL DEPOSIT LOAN

Product	Possibl Deposit Loan
Issuer	Possible Finance Pty Ltd (Possibl)
Issuer ACN	652 339 350
Issuer Australian Credit Licence	536978
Date TMD approved	14 August 2023
TMD Version	1.2
TMD Status	Current
Initial Review Period	One year after the date of this TMD.
Subsequent Review Period	On the third anniversary of the date of this TMD.

TARGET MARKET DESCRIPTION

Product description and key attributes

The Possibl Deposit Loan is a short-term 'bridging' loan with a term of up to 18 months. It may be used to pay for:

- the costs associated with moving between the sale of an existing property and the settlement of that sale

No interest is payable on a Possibl Deposit Loan. Rather, each Possibl Deposit Loan is subject to an upfront fee charged on 42 or 60 days which may be deducted from the loan amount at settlement.

Borrowers are required to repay their Possibl Deposit Loan in full, on or before the earlier of:

- the date that the sale of the property settles; and
- 18 months from the date of the loan is first drawn down (depending on the upfront fee paid).

Should a Loan not be repaid before or on 42 or 60 days, Possibl will charge a Loan Management Fee which is payable monthly in advance each month or part thereof that the Amount Owing remains outstanding after the date that is 42 or 60 days from Settlement Date.

Borrowers may also elect to repay their Possibl Deposit Loan

early.

Should any monies due not be paid by the due date, a late payment fee will be applied.

Consumer needs and objectives

The Possibl Deposit Loan is designed for vendors who have exchanged contracts to sell their existing property but have not yet settled the sale of that property.

It is likely to suit borrowers who have exchanged contracts to sell their existing property and want access to funds prior to the settlement of that property. The Possibl Deposit Loan may be used for a variety of worthwhile purposes including but not limited to:

- payment of the deposit on the purchase of a new property;
- costs associated with moving; and
- stamp duty and legal fees.

Consumer financial situation

The Possibl Deposit Loan is targeted at customers that are 'asset rich, but cash poor'.

Customers within the target market, will have sufficient equity in the property to cover the repayment of the loan upon settlement of the sale of the property.

The target market will, for cash flow budgeting purposes, be likely to want to reduce the expenses that they are required to make upfront, and rather, move these payments so that they can be paid out of the proceeds of the sale of the property.

Ineligible consumers

The Possibl Deposit Loan is not suitable for:

- first home buyers;
- vendors with little or no equity in their property;
- vendors who have not yet exchanged contracts to sell their existing property.

APPROPRIATENESS

Possibl has assessed the product and formed the view that the product, including its key attributes, is likely to be consistent with the likely objectives, financial situation and needs of consumers in the target market as described above.

DISTRIBUTION CONDITIONS/RESTRICTIONS

DISTRIBUTION CONDITION

This condition applies to all conduct

The major distribution channel for the Possibl Deposit Loan will be through third parties, such as real estate agents. These third parties will refer clients to the Possibl in accordance with the 'referrer exemption' in Regulations 9AB and 25(5) of the *National Consumer Credit Protections Regulations*.

Possibl will only accept referrals:

- from third parties who have entered into a 'referral agreement' from Possibl to refer potential borrowers to Possibl (**Referrer Agreement**); and
- who refer the potential borrower to the Possibl Deposit Loan Application Form on the Possibl website (**Approved Referrers**).

All Referrers must comply with the terms and conditions of the Referral Agreement.

Possibl may also engage third party brokers who hold an Australian Credit Licence or who are appointed as a Credit Representative of an Australian Credit Licensee (**Authorised Brokers**) to distribute the Possibl Deposit Loan. Such brokers must comply with their obligations under the *National Consumer Credit Protection Act (NCCP)*.

This condition ensures that the distribution of the Possibl Deposit Loan is made only through Approved Referrers and Authorised Brokers who understand the target market and have clear processes and procedures to ensure the complaint distribution of the Possibl Deposit Loan.

Only suitable for distribution through specified distributor/s

The Possibl Deposit Loan is only available through Approved Referrers and Authorised Brokers making the referral in accordance with the following conditions.

Approved Referrers

Approved Referrers may only:

- refer customers interested in a Possibl Deposit Loan to the Possibl website where the potential borrower will complete an on-line application form; and
- direct customers to the Possibl website either during a discussion with the borrower, or via a link to the Possibl website on the website of the Approved Referrer.

Authorised Brokers

Authorised Brokers may:

- provide information about the Possibl Deposit Loan to the potential borrower (subject to the terms and conditions of their agreement with Possibl and Possibl's policies and procedures); and

- assist potential borrowers to apply for a Possibl Deposit Loan (via the Possibl website or such other method agreed with Possibl).

REVIEW TRIGGERS

Material complaints relating to the product design, product availability and distribution.

Material change to products features or key attributes

Key attributes have not performed as disclosed by a material degree and for a material period.

Feedback from Approved Referrers and Authorised Brokers

Notification from ASIC requiring immediate cessation of product distribution, or cessation of particular conduct in relation to the product.

Evidence that product or distributor conduct are significantly different to the target market

DISTRIBUTOR REPORTING REQUIREMENTS

Complaints (as defined in section 994A(1) of the Act) relating to the product design, product availability and distribution. The distributor should provide Possibl with the content of the complaint, having regard to privacy principles and consent.

Within 10 business days following the end of each calendar quarter.

'Significant dealing' outside of the target market, under s994F(6) of the Act.

As soon as practicable but no later than 10 business days after the distributor becomes aware of the significant dealing.

To the extent a distributor is aware of dealings outside the target market these should be reported to Possibl, including the reason why the acquisition is outside of target market, and whether acquisition occurred under personal advice.

Within 10 business days following the end of each calendar quarter

Any other information requested in writing by Possibl from time to time.

Within 20 business days of request.

This Target Market Determination (**TMD**) is required under section 994B of the Corporations Act 2001 (Cth) (the Act). It sets out the class of consumers for whom the product, including its key attributes, would likely be consistent with their likely objectives, financial situation and needs. In addition, the TMD outlines the triggers to review the target market and certain other information.

This document is **not** a disclosure statement and is **not** a summary of the product features or terms of the product. This material provides general information only and does not take into account your individual objectives, financial situation needs and circumstances, nor is it a recommendation, an offer or solicitation with respect to the purchase or sale of any financial product in any jurisdiction.