



Target Market Determination

For Beforepay Credit Pty Ltd
ABN 59 673 570 575



1. About this document

This Target Market Determination (TMD) is designed to provide consumers, distributors, and staff with a clear understanding of the class of consumers for whom this product has been designed. It aims to ensure that the Beforepay medium amount credit contract is likely to meet the needs and objectives of the target market, consistent with their financial situation.

This TMD should not be treated as the complete set of product terms and conditions, nor is it intended to provide financial advice. Consumers should refer to the product's Terms and Conditions and supplementary documents, which outline the terms and conditions applicable to the product, when making a decision about this product.

Terms and Conditions to which this Target Market Determination applies

This TMD applies to the Personal Loan product, which is a medium amount credit product ("Beforepay medium amount credit contract") offered by Beforepay Credit Pty Ltd (**BPG Credit**). The Beforepay medium amount credit contract is governed by the following terms and conditions:

- Terms of Service; and
- Loan Agreement.

Date from which this target market determination is effective

- 31st October 2024

2. Class of consumers that fall within this target market

The information below summarises the overall class of individuals that fall within the target market for the Beforepay medium amount credit contract.

The Beforepay medium amount credit contract has been designed for individuals whose likely objectives, financial situation and needs (as listed below) are aligned with the product (including the key attributes).

The Beforepay medium amount credit contract has been designed for individuals who:

- are Australian residents and have their income paid into an Australian bank account;
- are 18 years or older with a regular and verifiable source of income;
- are seeking a structured consumer loan product that provides on-demand access to cash, facilitating effective management of unforeseen expenses or financing significant purchases;
- value transparent lending practices, including clear disclosure of all fees and charges; and
- Meet the eligibility requirements and are seeking a fixed interest rate medium-term credit solution.

Product description

The Beforepay medium amount credit contract is designed for individuals looking for a medium-term credit solution to manage expenses or finance significant purchases. The repayment schedule of the Beforepay medium amount credit contract will typically be aligned to a consumer's pay cycle, which may be weekly, fortnightly or monthly, or be aligned to a repayment schedule that Beforepay and the individual agree to.

Key Eligibility Requirements

To be eligible for a Beforepay medium amount credit contract, Beforepay individuals must meet the following eligibility requirements:

- Must be 18 years or older and an Australian resident.

- Must possess a current driver's license, passport, or Medicare card for identification, or otherwise meet Beforepay's identification criteria.
- Meet credit assessment criteria.

Key Product Attributes

The Beforepay medium amount credit contract has the following key attributes:

- Eligible individuals can access funds ranging between \$2,001 to \$5,000 per advance, tailored according to their net income, spending behaviours, and creditworthiness as assessed by Beforepay;
- Repayment schedules are typically aligned with the consumer's pay cycle as detected by Beforepay's system (weekly, fortnightly or monthly), and can be adjusted to fit individual circumstances. In specific scenarios, individuals may request changes to repayment dates;
- This product does not offer a revolving credit facility; each contract must be fully settled before a new application is considered;
- Individuals have the ability to defer repayments to manage unforeseen circumstances, with all deferrals handled in accordance with Beforepay's Hardship Policy;
- The term of the Beforepay medium amount credit contract is specified in the loan agreement from a minimum of 16 days to a maximum of 24 months.
- The loan is provided wholly or predominantly for personal, domestic or household purposes.

Consistency between target market and the product

Beforepay has assessed and tested the Beforepay medium amount credit contract and formed the view that the product is consistent with the target market on the basis that:

- The eligibility criteria of the Beforepay medium amount credit contract have been specifically developed to align with the characteristics of the target market. Consumers who do not meet the eligibility criteria are unable to access the Beforepay medium amount credit contract; and
- The key attributes of the Beforepay medium amount credit contract have been specifically designed to meet the likely objectives, financial situation and needs of consumers in the target market described above.

Excluded class of consumers

This product has not been designed for individuals who, at the time of application:

- Are under 18 years of age;
- Are non-Australian residents;
- Are seeking sums below \$2001 or above \$5000, revolving, or longer term finance
- The loan is not wholly or predominantly for personal, domestic or household purposes.

3. How this product is to be distributed

Distribution channels

This product is designed to be distributed through digital means via a mobile and web-based application, with marketing and advertising conducted via partnerships, sponsorships, referrals, social media and digital marketing channels.

Distribution conditions

This product should only be distributed under the following circumstances:

- To individuals who meet the eligibility requirements, ensuring suitability not just at the initial point of contact but throughout their interactions with the product.

- To those who demonstrate the financial capacity to manage the repayments without undue hardship, ensuring the product does not contribute to financial distress.
- To applicants approved according to Beforepay's internal policies, procedures, and compliance with applicable laws and regulations.

Adequacy of distribution conditions and restrictions

Beforepay has assessed the adequacy of the distribution conditions and restrictions of the Beforepay medium amount credit contract and formed the view that they are appropriate for the following reasons:

- The Beforepay medium amount credit contract is distributed through digital means to allow Beforepay to meet the consumer need of on-demand access to a portion of their medium amount credit contract in advance. Our digital distribution strategy is designed to effectively reach our target market. Digital technology, including mobile and web-based applications, are primary product access points for Australian consumers, and a primary method through which Australian consumers manage their finances; and
- The marketing and distribution channels for Beforepay's medium amount credit contract are selected based on an assessment of the distribution conditions and restrictions to determine that they are appropriate and will assist distribution in being directed towards the target market for whom the product has been designed.

6. 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 three years from the initial review.
Review triggers or events	<p>Any event or circumstances arise that would suggest the TMD is no longer appropriate. This may include (but is not limited to):</p> <ul style="list-style-type: none"> ● A significant dealing of the product to consumers outside the target market occurs; ● A material change to the design or distribution of the product, including related documentation and terms and conditions; ● Distribution conditions found to be inadequate by Beforepay or a regulator; ● External events such as adverse major media coverage; ● Regulatory attention in respect to the design and distribution of the product; ● Significant changes in metrics, including, but not limited to, the number and nature of complaints and feedback, and complaint trends; ● Material increases or decreases in default and dishonour rates; ● Material changes to credit assessment practices; and ● Material changes to the regulatory framework governing the product.

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