

About this document

The purpose of this Target Market Determination (TMD) document is to provide an understanding of:

- the types of customer the products have been designed for, having regard to their likely needs, objectives and financial situation;
- how the products will be distributed;
- when this document will be reviewed; and
- what information is required to support monitoring the distribution of the product.

This document does not constitute an offer or financial advice. Customers should consider the relevant product terms and conditions and any other relevant disclosure documents, available on our website, and their own personal circumstances, before making a decision about this product.

People's Choice Personal Loans

Our Personal Loans have been designed to meet the likely needs, objectives and financial situation of customers looking to obtain finance for personal use for any worthwhile purpose, or refinance other debt that has been provided for such a purpose.

Customers may have obtained a personal loan in the past, or may be obtaining a personal loan for this first time. Customers will therefore have differing levels of knowledge and experience with personal loans and car loans, including very little or no such experience.

This Target Market Determination sets out the target markets for:

- Discounted Personal Loan (Car Loan)
- Unsecured Personal Loan

Each target market, product description and key attributes are set out separately in the Appendix.

Distribution conditions

These products can be distributed via direct to customer models, such as People's Choice (and certain Heritage Bank) branches, advice centres, and contact centres, by those members of our staff who are trained as lenders.

These products can only be provided to customers who qualify for the product in accordance with our application and assessment criteria, in a way in which complies with relevant laws and lending guidelines.

Review

We will review this target market determination in accordance with the table below, to ensure that it remains appropriate.

Initial Review Period:	Within 12 months of the effective date
Ongoing Review Period:	At least every 2 years from the last review
Review triggers or events:	<p>Any of the following events or circumstances occurs that reasonably suggests that this TMD is no longer appropriate;</p> <ul style="list-style-type: none"> • material changes to the product term and conditions, and any other supplementary documents, other than changes to interest rates and consequential changes to repayments; • material changes to the distribution conditions, or where the distribution conditions are no longer appropriate; • occurrence of a significant dealing; • systemic issue across the product lifecycle; and • significant changes in metrics including, but not limited to, complaints and default rates. <p>We will review the TMD within 10 business days of us becoming aware of any of the above events occurring.</p>

Reporting and monitoring

People's Choice will produce and review, at least quarterly, reports in relation to the products detailing sales, arrears, any complaints received, and any occasions where it appears that the products may have been distributed inconsistently with this TMD, to ensure appropriate oversight and monitoring of the distribution of the products.

Our third-party distributors are required to provide the following information to People's Choice to allow us to monitor the appropriateness of this TMD;

Complaints Data	Details of any complaints received by the distributor about the products and/or their distribution, on a monthly basis.
Significant dealings	Details of any significant dealing in the products which is not consistent with this TMD, of which the distributor becomes aware – as soon as practicable and at most within 10 business days

Discounted Personal Loan (Car Loan)

This product has been designed for customers who want personal finance for any worthwhile purpose or to refinance other debt that has been provided for such a purpose, and to secure the personal loan with a motor vehicle, caravan or motorcycle.

This product is suitable for customers who want to:	This product is not suitable for customers who want to:
✓ Obtain finance for personal use, or to refinance existing debt	✗ Obtain finance for commercial or business use
✓ Secure the loan with a motor vehicle, caravan or motorcycle less than 7 years old or valued over \$10,000	✗ Secure the loan with a vehicle valued at less than \$10,000
✓ Obtain a discounted interest rate to purchase or refinance a 'green' vehicle ¹	✗ Not provide an acceptable vehicle as security
✓ Borrow a minimum of \$20,000	
✓ Repay over a term between 1 and 10 years by making principal and interest repayments	
✓ Have the certainty of fixed repayments for the first 5 years, before converting to variable repayments if the loan extends beyond 5 years.	
✓ Make unlimited extra repayments and have access to these funds via a redraw facility	
✓ Pay no ongoing or early payout fees	

¹ A 'green' vehicle is defined as either pure electric (EVs), plug-in hybrid electric (PHEVs), fuel cell electric vehicles (FCEVs), regenerative electric (non plug-in) (HEVs) or hydrogen.

Unsecured Personal Loan

This product has been designed for customers who want personal finance for any worthwhile purpose or to refinance other debt that has been provided for such a purpose, without having to provide security for the loan.

This product is suitable for customers who want to:

- ✓ Obtain finance for personal use, or to refinance existing debt
- ✓ Borrow between \$2,000 and \$40,000
- ✓ Repay over a term between 1 and 7 years by making principal and interest repayments
- ✓ Have the certainty of fixed repayments
- ✓ Make unlimited extra repayments and access to these funds via Redraw facility
- ✓ No ongoing or early payout fees

This product is not suitable for customers who want to:

- ✗ Obtain finance for commercial or business use
- ✗ Obtain a lower rate by providing security over an acceptable motor vehicle