

TARGET MARKET DETERMINATION (TMD)

Issuer:	Choice Cosmetics' Personal Loans are issued by Moravia Capital Pty Ltd (ABN: 34 654 285 551) pursuant to a servicing agreement with Allied Financial Consulting Pty Ltd (ABN: 86 059 732 419) (Australian Credit Licence 393845).
Effective Date:	1 st November 2023
Product:	Choice Cosmetics' Personal Loans. A Choice Cosmetics' Personal Loan is an unsecured personal loan which allows individuals to borrow funds for cosmetic procedures.

1. ABOUT THIS TMD

- 1.1 The purpose of this Target Market Determination is to provide consumers and distributors with information about the class of consumers for which the Product is designed.
- 1.2 The Issuer is committed to creating and maintaining a consumer-centric approach to the design and distribution of its Products.
- 1.3 This Target Market Determination does not contain all the information that a consumer may require prior to making a decision to acquire or continue to hold the Product. This document does not provide financial advice, does not take into account any particular consumer's objectives, financial situations or needs, and does not contain a full summary of the Product's features, applicable fees, benefits or risks.
- 1.4 Consumers should refer to the Credit Guide, Loan Contract and other documents setting out the terms and conditions of the Product when making a decision about the Product. These documents are available at the following link: <https://www.choicecosmetics.com.au>

SECTION A –TARGET MARKET

2. PRODUCT DESCRIPTION AND KEY ATTRIBUTES

The Product has been designed for consumers whose likely objectives, financial situation and needs (as outlined in this document) align with the Product (including its key attributes), including consumers who:	The key attributes of the Product are:
wish to have a cosmetic procedure	
are seeking a loan of between \$2,001 and \$30,000 with a fixed interest rate	Amount: the loan amount must be between \$2,001 and \$30,000; Term: the loan term must be at least 9 months and up to 2 years;

require a fixed interest rate	Interest rate: a fixed interest rate applies to the Product
are seeking flexibility in relation to repayment frequency	Repayments: consumers must repay the loan by making fixed principal and interest repayments on a weekly, fortnightly or monthly basis
require flexibility to make extra repayments	No extra repayment or early repayment charges: consumers can make extra repayments, or pay out their loan at any time without any fees or charges

3. KEY ELIGIBILITY

3.1 Borrowers must be:

- (a) permanent resident/citizen of Australia;
- (b) above the age of 18;
- (c) not be a current or prior bankrupt or have a court judgment against them;
- (d) have regular income of at least \$25,000 per annum before tax;
- (e) have confirmed employment (full time, part-time, self-employed or casual) or be self employed;
- (f) have no defaults (paid or unpaid).

4. CONSUMERS FOR WHOM THE PRODUCT IS NOT SUITABLE

4.1 The Product is not suitable for clients who:

- (a) do not meet the eligibility requirements;
- (b) are not having a cosmetic procedure;
- (c) require a variable interest rate or interest free facility;
- (d) want to be able to redraw any additional repayment made on the loan;
- (e) require a secured loan;
- (f) are currently or previously bankrupt and have a court judgment against them;
- (g) do not have stable employment;
- (h) are unable to meet the repayment obligations;
- (i) are below the age of 18;

- (j) have low levels of financial literacy and technological literacy;
- (k) are in financial hardship or going through bankruptcy or have a court judgment against them;
- (l) are vulnerable, including those who are:
 - (i) suffering any form of cognitive impairment;
 - (ii) suffering from elder or financial abuse;
 - (iii) unemployed or who have recently experienced job loss;
 - (iv) suffering from mental or other forms of serious illness affecting capacity;
 - (v) suffering from any form of addiction; or
 - (vi) suffering from any other personal or financial circumstances causing significant detriment.

5. CONSISTENCY BETWEEN THE TARGET MARKET AND PRODUCT

- 5.1 The Issuer 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 because it will enable consumers to engage an appropriate practitioner to perform the cosmetic surgery and repay the amount over a fixed period of time. The product is consistent with the needs and objectives of consumers who are seeking flexibility in relation to the frequency of repayments or repaying early.

SECTION C – DISTRIBUTION

6. DISTRIBUTION CHANNELS

- 6.1 The Product is designed to be distributed by Choice Cosmetics Pty Ltd (**Choice Cosmetics**) (as a credit representative of Allied Financial Consulting Pty Ltd) via its website.

7. DISTRIBUTION CONDITIONS

- 7.1 The Product can only be distributed by Choice Cosmetics to consumers who:
- (a) meet the eligibility requirements;
 - (b) have appropriate borrowing capacity;
 - (c) in accordance with responsible lending guidelines and the Issuer's product and process requirements.

8. ADEQUACY OF DISTRIBUTION CONDITIONS

- 8.1 The Issuer has determined that the distribution conditions and restrictions will make it likely that consumers who acquire the Product are in Target Market. The Issuer considers that the distribution conditions are appropriate and will assist distribution being directed towards the target market for whom the Product has been designed.

SECTION D – REVIEW AND MONITORING

9. REVIEW

9.1 The Issuer reviews this Target Market Determination in accordance with the below:

Initial Review:	Within 12 months of the date of this Target Market Determination.
Periodic Reviews:	At least every 12 months from the last review.
Review Triggers:	<p>When any event or circumstance arises that suggests the Target Market Determination is no longer appropriate. This includes (but is not limited to):</p> <ul style="list-style-type: none">• material changes to the key attributes of the Product;• the occurrence of a significant dealing including when distribution occurs outside the Target Market;• the distribution conditions are found to be inadequate;• external events such as adverse media coverage or regulatory attention;• significant changes in metrics, including, but not limited to:<ul style="list-style-type: none">○ receipt of a large volume of complaints, being greater than 10% of loans applied for;○ 5-7% of consumers experiencing repayment delinquency over a 30-day period;○ early Product closure volume; and• the Issuer detects issues with the distribution of the Product through the monitoring of daily business activities as well as the monitoring and supervision of distributors.

10. DISTRIBUTION INFORMATION

10.1 The Issuer collects the following information from Choice Cosmetics in relation to this Target Market Determination:

Complaints	Distributors report all complaints in relation to the Product covered by this Target Market Determination on a monthly basis. This includes written details of the complaints.
Significant Dealings	Distributors report to Allied if they become aware of a significant dealing in relation to this Target Market Determination within ten (10) business days.
Feedback	Distributors report all consumer feedback (including performance of a Product) in relation to the Product covered by this Target Market Determination on a quarterly basis.

