

Target Market Determination

For *Study Loans – Higher Education Loan Product*

(ABN13 618 345 314)

1. About this document

This document is not intended to provide financial advice, customers should refer to the Terms and Conditions and any supplementary documents when making a decision about this product.

This target market determination (TMD) seeks to offer consumers, distributors, and staff with 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.

This document is not to be treated as a full summary of the product's terms and conditions and it not intended to provide financial advice. Consumers must refer to the relevant Terms and Conditions and other Supplementary Documents which outline the relevant terms and conditions under the product when making a decision about this product.

Terms and Conditions to which this target market determination applies

This TMD applies to the Higher Education Loan Product referred to in the following Terms and Conditions:

- Loan Agreement
- Privacy Policy & Credit Reporting Policy
- Financial Hardship Statement
- Credit Information Statement of Notifiable Matters
- Terms and Conditions of Use

Date from which this target market determination is effective

5 October 2021

2. Class of consumers that fall within this target market

The information below summarises the overall class of consumers that fall within the target market for Higher Education Loan Product, based on the product key attributes and the objectives, financial situation and needs that it has been designed to meet.

This Higher Education Loan Product has been designed for consumers whose likely objectives, financial situation and needs (as listed below) are aligned with the product (including the key attributes). The Higher Education Loan Product is for those who:

- The purpose of the Higher Education Loan Product is to assist perspective students seeking to undertake Higher Education Studies with Accredited Education Providers with Study Loans Australia who are unable to pay the costs of those studies upfront to the Education Provider. The Higher Education Loan Product allows the student to commence their studies with financial support of Study Loans to provide them with access to studies they may not have been able to gain access to without this product.

Product description and key attributes

The key product attributes of this Higher Education Loan Product are:

- The maximum amount that can be financed under the Vocational Loan Product is between \$2,001 and \$50,000.
- The loan term in which the student can repay the amount borrowed can be between 6-84 months.
- Establishment fee of \$200
- Monthly Account Keeping Fee of \$0
- Arrears Fee of \$25
- Interest rates are determined on a risk profiling basis. Students are provided with an outline of the interest rate applicable to their facility once approved. Students should consider whether the interest rate applicable to their facility is right for them.
- Interest and payments are structured based on draw downs. Each time the student requests a draw down interest and payments are calculated on the amount outstanding and the remaining term.
- There are no early repayment penalties for paying out the Higher Education Loan Product early.
- The student can borrow some or all the course costs to enable them to participate in Higher Education studies.
- The student accesses the money as needed and only needs to repay the amount borrowed. Each time the student increases their borrowing up to the approved Higher Education Loan Amount, Study Loans will automatically adjust the repayments to make sure the student stays up to date and the loan is repaid on time.
- The funds are released directly to the Education Partner to ensure the funds are used for the purpose in which they were intended (i.e., to pay for the costs of those Higher Education Studies).
- The student identifies the Higher Education Course that is right for them, with any of our Accredited Education Partners. The student applies for the course and Study Loans Funding via our Courses Page or via the chosen Course Provider. Fund are released directly to the Course Provider, in drawdowns, as the student progresses through their studies.

The key eligibility requirements of this Higher Education Loan Product are:

- Be 18 years of age or older
- Be an Australian Citizen or Permanent Resident
- Be employed in a full-time, part-time, or casual job (minimum of 6 months)
- Demonstrate serviceability of the loan facility
- Have a valid mobile telephone number and email address
- Have good credit without any adverse listings
- Have positive bank account conduct in the last 180 days
- Be able to provide 6 months of bank statements

Objectives, financial situation, and needs

This product has been designed for individuals who:

- Need an amount of credit to fund Higher Education Studies of their choice.
- For students who can make affordable payments over a 6–84-month period.
- Whom are able to service the principal balance of the loan and the interest as it accrues.

- Whom are able to pay the associated fees and charges.
- Who are able to provide Study Loans with comprehensive financial evidence of their ability to be able to service the loan.
- The product is designed to allow the student to identify Higher Education Studies in which they wish to undertake to achieve the following objective(s):
 - Increase their existing skill set in an area of study of interest to advance their career opportunities or advance their understanding in the chosen study area.
 - Learning a new skill set that is of interest to the student for further career development or advancement or to further strengthen their skills and interests in a specific area.
 - To obtain the necessary credentials, skills and understanding to change their career direction, strengthen their career direction or explore potential education fields of interest.
- This product is designed to allow the student to identify Higher Education Studies in which they wish to undertake by taking into account their financial situation, their individual needs, and requirements as well as their key objectives for undertaking studies and their requirement to gain access to credit to assist them to achieve those needs and objectives.

Excluded class of consumers

This product has not been designed for individuals who:

- Are bankrupt, or a participant in a Part IX or Part X Agreement.
- Have bad credit or adverse credit behaviour.
- Income source is solely Centrelink (with exception to Disability Support Individuals)
- Are unemployed.
- Expect their financial circumstances to change in the future.
- Are under the age of 18
- Are not an Australian Citizen or a Permanent Resident.

Consistency between target market and the product

The Vocational Loan Product is consistent with the likely objectives, financial situation and needs of the class of consumers in this Target Market Determination. This is based on an analysis of the key terms, features and attributes of the product and a finding that these are consistent with the identified class of consumers.

3. How this product is to be distributed

Distribution channels

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

- Online via the Study Loans website.
- By contacting Study Loans Australia Sales & Support Team via 1800 324 909.
- Via authorised representatives of Accredited Education Partners of Study Loans.

Distribution conditions and restrictions

This product should only be distributed under the following circumstances:

- To individuals who meet the eligibility requirements
- To individuals who have the appropriate borrowing capacity and in accordance with the Responsible Lending Guidelines of Study Loans Australia.
- To individuals who's objectives and needs are to undertake Higher Education Studies and their financial situation align with their current requirements, needs and objectives.
- By third party distributors (Accredited Education Partners) authorised by us to distribute this product on our behalf to their students.
- This product must be administered through the Study Loans Application and Lending Platforms or via platforms provided to Distributors by Study Loans from time to time.
- This product is only available to consumers within the Education Sector.
- Distributors other than Study Loans as the Distributor must be accredited by Study Loans.

- Accredited Distributors (Education Providers) who lose their accreditations for any reason are prohibited in providing any Study Loans Product without the implied written consent of Study Loans or its Representatives.

Adequacy of distribution conditions and restrictions

This product has been designed for a specific segment of consumers. Distributors following the Distribution Conditions will make it likely that consumers who purchase the product are in the class of consumers for which it has been designed for.

This is based on an assessment of the distribution conditions and restrictions and that they are appropriate and will assist distribution in being directed towards the target market for whom the Higher Education Loan Product has been designed for.

The Distribution Conditions and Restrictions are regularly reviewed by Study Loans to ensure the Target Market Determination remains current and applicable to the subclass of consumers in which this product is designed for. Distribution Conditions and Restrictions may be varied by Study Loans at any time based on analysis of data and consumer profiles to ensure this product continues to meet the objectives, need and financial situation of that class of consumers.

4. 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 3 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 not limited to):</p> <ul style="list-style-type: none">• a material change to the design or distribution of the product, including related documentation.• occurrence of a significant dealings.• 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, significant increase in product performance, changes to Study Loans Credit Risk Appetite and/or any change to the sector in which Study Loans offers this product.• Any of the above events will trigger a review by Study Loans to ensure the TMD remains relevant to the consumer class and requirements.

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

5. 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 a Monthly basis. 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.
Other information required	Other distribution information may be required from Distributors such as transaction data, outcomes from sales monitoring, notes and phone recordings relating to those dealing within 10 business days of a reporting period.