

TARGET MARKET DETERMINATION



1. ABOUT THIS DOCUMENT

This target market determination (TMD) is made by Angle Auto Finance Pty Ltd (Angle Auto Finance) (ABN 16 161 130 696). The Kia Finance Fixed Rate Loan is issued by Angle Auto Finance under the Kia Finance brand.

This TMD seeks to offer consumers, distributors, and staff 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 a summary of the terms and conditions of the Kia Finance Fixed Rate Loan and is not intended to provide financial advice. Consumers should refer to the terms and conditions for the Kia Finance Fixed Rate Loan when making a decision about this product.

Date from which this target market determination is effective

07 March 2022

2. CLASS OF CONSUMERS THAT FALL WITHIN THIS TARGET MARKET

The information below summaries the overall class of consumers that fall within the target market for the Kia Finance Fixed Rate Loan, based on the product key attributes and the objectives, financial situation and needs that it has been designed to meet.

Kia Finance Fixed Rate Loan	
Product description and key attributes	<p>The key product attributes of this Kia Finance Fixed Rate Loan are:</p> <ul style="list-style-type: none">• The loan is a credit contract in relation to a vehicle, for example a car or motor bike• Minimum loan amount of \$5,000• Loan term options between 12 and 84 months• Option to include a balloon payment at the end of the term which is subject to the age of the vehicle, length of the term and other eligibility and lending criteria• Fixed interest rate for loan term based either an applicant's risk grade and/or national interest rate campaign offer that may be available from time to time• Take unencumbered ownership of vehicle at loan term end when all contractual payments are satisfied, including the pre-agreed balloon payment• Interest rate is determined on factors such as loan term, balloon payment option and other risk factors• Interest is calculated daily and debited to the loan account monthly• Monthly repayment frequency• Applicable fees and charges include establishment fee, account keeping fee per payment period, notice fees, dishonour fees, dealer origination fee, early termination/payout fee and break costs. Some fees are permitted to be financed, including Loan Establishment Fee and Dealer Facilitation Fees.

Likely objectives, financial situation and needs

The below table summarises the type of consumer that falls within the target market for the Kia Finance Fixed Rate Loan and the likely needs, objectives and financial situation that the product has been designed to meet.

Kia Finance Fixed Rate Loan

Class of Consumer	This product has been designed for consumers that are at least 18 year of age, meet Angle Auto Finance's eligibility and lending criteria, and want finance to purchase a vehicle predominantly for personal, or domestic use.
Needs and Objectives	<p>This product has been designed for consumers who:</p> <ul style="list-style-type: none">• need funds to purchase a new, demonstrator or used vehicle including on road costs, accessories, options and/or insurance, extended warranty and vehicle repair plan products, repaid across a specified term• want to purchase the vehicle predominantly for personal or domestic use• are able to service the principal balance of the loan and the interest as it accrues, inclusive of associated fees and charges• may want to provide a deposit amount• want the certainty of a fixed interest rate and repayments• want to own the vehicle outright (subject to Angle Auto Finance's security interest) at the end of the loan term
Financial Situation	Consumers that are able to demonstrate capacity to make the required repayments of principal and interest amounts over the contracted loan term.

The following alternative repayment options for the Kia Finance Fixed Rate Loan are designed for consumers in the target market who have the characteristics described below:

- Repayments with no balloon (fully amortising): consumers who want to repay all of the principal balance during the loan term.
- Repayments with a final balloon: consumers who want to defer repayment of a portion of the principal balance and pay a lump sum at the end of the loan term.

Excluded class of consumers

The Kia Finance Fixed Rate Loan has not been designed for consumers who:

- Are under 18 years of age
- Are undischarged bankrupts
- Hold a visa that is not an acceptable type
- Have unpredictable and inconsistent income
- Want to purchase a vehicle for predominantly business purposes
- Want a variable interest rate finance option to purchase a vehicle
- Want to make extra or additional repayments without incurring fees or charges
- Are unable to meet any applicable balloon payment at the end of the loan term

Consistency between target market and the product

This product is likely to be consistent with the likely objectives, financial situation and needs of the class of consumers in the target market. This is based on an assessment of the key terms, features and attributes of the product and a determination that these are consistent with the identified class of consumers.

3. HOW THIS PRODUCT IS TO BE DISTRIBUTED

Distribution channels

These products are designed to be distributed through the following means:

- Kia Finance Fixed Rate Loan: Through accredited third party Kia dealerships

Distribution conditions and restrictions

The Kia Finance Fixed Rate Loan should only be distributed under the following circumstances:

- Dealerships must be parties to a Retail Dealer Agreement with Angle Auto Finance.
- Employees of dealerships must be accredited and trained by Angle Auto Finance in order to carry out all their functions, including to distribute this product in accordance with the distribution conditions having regard to the target market of the product.
- Brokers must be accredited by Angle Auto Finance in order to carry out their functions, including to distribute this product in accordance with the distribution conditions having regard to the target market.

- All financial advertising and promotional material must either be approved by Angle Auto Finance prior to issue to market, or in line with Angle Auto Finance's guidelines.
- If the consumer meets the eligibility criteria for the product
- If the consumer meets the issuer's identification, lending criteria and credit assessment for the product

Adequacy of distribution conditions and restrictions

We have assessed that the distribution conditions and restrictions will make it likely that consumers who acquire the Kia Finance Fixed Rate Loan are in the class of consumers for which it has been designed. This is because the distribution conditions and restrictions are likely to ensure that only consumers in the target market will be offered the product, apply for the product, and be approved for the product. We consider that the distribution conditions and restrictions are appropriate and will direct distribution towards the class of consumer for whom the product has been designed.

4. REVIEWING THIS TARGET MARKET DETERMINATION

We will review this target market determination in accordance with the below:

Kia Finance Fixed Rate Loan	
Initial review	Within 12 months of 07 March 2022
Periodic reviews	At least every 2 years following the initial review
Review triggers or events	Any event or circumstance arises that would suggest the TMD is no longer appropriate. This may include (but not limited to): <ul style="list-style-type: none"> • A material change to the design or distribution of the Kia Finance Fixed Rate Loan, including related documentation • Occurrence of a significant dealing to customers who are outside the Target Market • Distribution conditions found to be inadequate, including, but not limited to, sales practices, ongoing monitoring, training, and marketing / promotional channels • External events such as adverse media coverage or regulatory attention • Significant changes in metrics, including, but not limited to, complaints, cancellations, defaults on repayments, late repayments, unusual patterns or clusters of agreed hardship arrangements and flat cancellations • Material change in the proportion of excluded consumers acquiring the product

5. DISTRIBUTION INFORMATION

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 covered by this TMD on a six monthly basis from the effective date of this TMD, within 10 business days of the end of each period.
Significant dealings	Distributors will report if they become aware of a significant dealing in relation to this TMD as soon as practical, and in any case within 10 business days.