



# TARGET MARKET DETERMINATION

## Brighte 0% Interest Payment Plan

Offered by Brighte Capital Pty Limited (ABN 74 609 165 906)

### 1. About this document

This target market determination (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 to be treated as a full summary of the product's terms and conditions and is not intended to provide financial advice. Consumers must refer to the Product Terms and Conditions and any 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 Brighte 0% interest payment plan ('BrightePay') referred to in the following Terms and Conditions:

- [Brighte Agreement](#)

#### Date from which this target market determination is effective

12 September 2023

### 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 Brighte's 0% interest payment plan, based on the product key attributes and the objectives, financial situation and needs that it has been designed to meet.

Brighte's 0% interest payment plan 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 Brighte 0% interest payment plan is for consumers who are seeking an affordable no interest finance solution that enables them to pay for goods and services to make their home sustainable and comfortable today and pay over time.

## **Product description and key attributes**

The key Eligibility Requirements and product attributes of the Brighte 0% interest payment plan are as follows:

### **Eligibility Requirements**

- Over 18 and an Australian resident
- Homeowner or primary occupier of a property
- Employed, self-employed, retired or a pensioner
- Hold a verified/active ID (driver licence, passport or Medicare card)
- Hold an email address, Australian mobile number and Australian address for installation or delivery of goods and services
- Have a suitable source of income to meet the repayment obligations via equal fortnightly repayments over the term

### **Key attributes**

- Continuing credit contract, with the ability to re-use up to the approved limit;
- No interest is charged, however various fees may be incurred such as an upfront establishment fee, weekly account keeping fees and late payment fees\*
- Fixed fortnightly repayments with no additional fees charged for lump sum or early repayment
- An entirely digital experience, including the application process and credit decisioning, receiving documents, and viewing/updating account details can all be completed online
- Ability to apply as a single or joint applicant
- Range of terms from 6 months to 7 years; and
- Financing amounts from \$1,000 to maximum \$30,000 for first application.
  - Additional credit limit increase requests from \$300 per facility for existing customers (up to a total maximum limit of \$30,000).

\*Current fees can be found [here](#)

### **Objectives and needs**

The product has been designed for individuals who are looking to use a no interest credit product to pay for home and energy improvements to create a more sustainable and comfortable home.

The product targets individuals with the following objectives and needs:

- to split the cost of a home or energy improvement purchase with equal fortnightly repayments, incurring no interest for the term;
- have the option to make additional payments or repay early with no added fees;
- an ability to reuse their account again up to the pre-approved limit; and
- to receive a decision on their application within minutes

### **Financial situation**

This product has been designed for individuals who are able to demonstrate the financial capacity to meet the ongoing repayment obligations in accordance with their contract.

### **Excluded class of consumers**

This product has not been designed for individuals who:

- do not have an ability to make the repayments
- want access to cash or want to use the Brighte 0% interest payment plan for a purpose other than to fund goods and services purchased from Brighte accredited vendors or partners
- want repayment terms less than 6 months or more than 7 years
- do not meet eligibility criteria; or
- do not meet Brighte's credit risk tolerance or who the product would be determined unsuitable for

### **Consistency between target market and the product**

This product is likely to be consistent with the likely objectives, needs and financial situation of the class of consumers in the target market.

This is based on an assessment of the key attributes, features and terms of the product, including its design, with the identified needs and objectives of the class of consumers.

For example, given the product has been designed for consumers who want a payment solution to pay for their home or energy improvements with the certainty of no interest, fixed fees and fixed repayments, as well as an ability to self-serve their account online or re-use their account up to an approved limit, the product design enables this form of repayment schedule and access.

Additionally, because the product has been designed for those who have demonstrated the financial capacity to meet the repayment obligations over the term, the individual must meet the Eligibility Requirements such as be over the age of 18 and have an adequate source of income.

## 3. How this product is to be distributed

### Distribution channels

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

- Directly online via Brighte's website or consumer mobile app
- Directly via phone through Brighte's contact centre
- Brighte accredited vendors or partners via the following means:
  - Face to face contact
  - Over the phone
  - Online channels, which includes via website or other electronic means

### Distribution conditions and restrictions

This product should only be distributed under the following circumstances:

- When the individuals have met the eligibility criteria of the product
- If distribution is via a third party, by a Brighte accredited vendor or partner (including an agent of a Brighte accredited vendor or partner) who has been trained and authorised by Brighte to distribute the product
- All process requirements must be met for all distribution channels

### Adequacy of distribution conditions and restrictions

We have concluded that the distribution conditions and restrictions will make it likely that a consumer who acquires the product will be in the class of consumers for which it has been designed.

This is based on an assessment of the distribution conditions and the appropriateness of them to assist distribution being targeted towards the class of consumers within the target market. For example, the clearly set out eligibility criteria enable distributors to ask 'knock out' questions to determine if a consumer meets the Eligibility Requirements of the product.

Additionally, the requirement of distributors to be accredited and trained with Brighte ensures that product features, and the type of consumer needs and objectives the product is designed for, are well understood. These are considered adequate in supporting the distribution of the product in accordance with the objectives, financial situation and needs of the class of consumers outlined above.

Regardless of the distribution channel used, all applications are required to be made via Brighte application systems. These systems seek and require a certain amount of information to establish whether the consumer meets the Eligibility Requirements. This information is assessed

against the credit assessment criteria prior to approval to determine if the consumer falls within the target market prior to the product being issued.

## 4. Reviewing this target market determination

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

<b>Periodic reviews</b>	At least every 12 months from the date of this TMD
<b>Review triggers or events</b>	<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"><li>• a material change to the design or distribution of the product, including related documentation</li><li>• occurrence of a significant dealing</li><li>• distribution conditions found to be inadequate, including, but not limited to, sales practices, ongoing monitoring, marketing or promotional channels, training</li><li>• a material widespread practice of surcharging conduct having been found to impact the price of goods when using this product compared to other payment methods</li><li>• external events such as material adverse media coverage or regulatory attention</li><li>• a significant change in metrics exceeding the applicable threshold such as:<ul style="list-style-type: none"><li>• number of consumers who are late making repayments or in financial hardship (measured overall);</li><li>• number of complaints as a proportion of the number of open accounts</li><li>• number of customers in external dispute resolution as a proportion of total internal complaints; or</li><li>• repetitive and/or systemic complaints of the same type about the product features or distribution</li></ul></li></ul>

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

<b>Specific complaints</b>	<p>Distributors will report specific complaints in relation to the product covered by this TMD as soon as practicable and within 5 business days of receipt of the complaint.</p> <p>This will include (if available) written details of the complaint, including the complainant’s name and contact details.</p>
<b>Complaints</b>	<p>Distributors will report the number of complaints, channel they received the complaint and general feedback relating to the product and/or performance of the product covered by this TMD on a 6 monthly basis.</p>
<b>Significant dealings</b>	<p>Distributors will report if they become aware of a significant dealing in relation to this TMD within 10 business days.</p> <p>This will include information about the date (or date range) of the significant dealing(s) and description of the significant dealing (eg: why it has been determined to not be consistent with the TMD)</p>