

Target Market Determination

Rello Payment Plans

Issuer: Rello Finance Pty Ltd, trading as "Rello" (ACN 633 994 859)

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Version 2.0

1. About this Target Market Determination

1.1 Introduction

This document is the target market determination ("**TMD**") for a Rello Payment Plan which allows customers that require a payment option to spread the cost of purchases into multiple repayments over time ("**Payment Plan**"). It is issued by Rello Finance Pty Ltd ("**Rello**").

This target market determination ("**TMD**") details a description of the product, including the key attributes and why the product is likely to be consistent with the likely objectives, financial situation and needs of consumers in the target market. It also specifies any conditions and restrictions on the distribution of the product and sets out the events or circumstances where we are required to review the TMD (Review Triggers).

This TMD is required under section 994B of the Corporations Act 2001 (Cth). This document is not intended to provide financial advice. It forms part of Rello's design and distribution framework for the product.

1.2 Product to which this Target Market Determination applies

Rello provides customers a deferred payment option for real estate payment related transactions up to \$2,000. This product is available to a retail consumer base and enables consumers make purchases followed by a series of interest free repayments over time.

1.3 Date from which this target market determination is effective

1 July 2022 (the Effective Date).

2 Product Description and Key Attributes

The Rello Payment Plan is designed for customers who want to manage their cash flow and spread the cost of real estate/property related transactions over a series equal instalments.

Customers must be able to repay the payment plan via their debit or credit card in 5 equal instalments. A summary of the product attributes which may apply are set out below:

Purpose	▪ Purchase of Goods or Services for a property related transaction
Exclusions	▪ Commercial purchases
Advance Amount	▪ From \$200 to \$2,000 (subject to the purpose and customer)
Fees	▪ A Service Fee calculated as a percentage of the Advance Amount is payable by the user of the payment plan

Repayment

- Made over a series of equal fortnightly instalments
- Early repayments possible without penalty

3 The Target Market

The information below summarises the type of consumers that fall within the target market for this product, based on the key product attributes, the likely objectives, financial situation and needs that the product has been designed to meet.

3.1 Target Market for the Product

Rello's payment plan solutions enable tenants, landlords, prospective buyers, vendors and property owners the ability to make purchase of goods and services and defer the payment for these purchases by spreading the purchase price into a series of interest free instalments over time.

At the time of a purchase and successful payment plan activation, the Customer pays a deposit (between 20% and 25% of the purchase price depending on the Payment Plan) followed by a series of 3 or 4 equal instalments for the balance of the purchase price in accordance with the Payment Schedule agreed by the Customer.

The product is designed for individuals who:

- require the ability to defer upfronts purchases or expenses associated with a property over a series of instalments;
- require an online fulfilment and experience;
- want the option to pay now or pay later; and
- are either a tenant, landlord or property owner.

(the **Target Market**).

3.2 Eligibility

To be eligible for a Payment Plan, a customer must;

- be at least 18 years old;
- be a permanent resident or citizen of Australia;
- verifiable mobile telephone number and a valid address in Australia;
- hold a valid ID with either a driver's licence or passport;
- have an Australian issued debit/credit card to apply;
- own their property or have an active tenancy agreement; and
- purchasing from an authorised merchant/agency.

3.3 The appropriateness of the product for customers

Rello has concluded that this product is consistent with the likely objectives, financial situation and needs of individuals in the Target Market.

Specifically, the product is designed for consumers who have the financial capacity to service the ongoing financial obligations (including fees, if any) and repay the funds over time.

4 How this product will be distributed

4.1 Distribution

RelloPay payment plans will be distributed digitally through:

- Real Estate Agents facilitating multiple payment options to their customers that meet the eligibility criteria of the product; and
- Third party platforms that have a direct API integration with Rello and are the main supplier of technology to Real Estate Agency.

4.2 Adequacy of distribution conditions and restrictions

We have determined that the distribution conditions and restrictions will make it likely that customers who are open to the product are the type of end customers for which it has been designed.

5 Reviewing this TMD

Rello has implemented the following monitoring program for the product which is designed to trigger a review of this TMD.

5.1 Review periods and review triggers

The features of the product, and this Target Market Determination, will be reviewed no later than 12 months after the date of this Target Market Determination, and thereafter annually each October to assess the product's continued suitability for the objectives, financial situation and needs of Agencies in the target market. Reviews will take into account:

- Quarterly review of the appropriateness of the product limits.
- Quarterly review of the performance of each distribution method;
- Quarterly review of product and portfolio performance;

We will collect information on the number applications, number of active payment plans and repayments in relation to this TMD on a monthly basis.

The following circumstances (**review triggers**) will trigger an earlier review of this Target Market Determination, and of the suitability of the product to the target market:

- If overdue account balances exceed 10% of the total outstanding balances; and

- If the ratio of complaints received to new payment plans issued exceeds 5% in any quarter.

6 Reporting and Monitoring the TMD

6.1 Product complaints

Distributors must report all complaints they receive in relation to the product to us by the middle of each month. The report must include the following:

- the number of complaints,
- the identity of the distributor;
- the product name;
- the customer name; and
- the exact details of the complaint.

6.2 Significant dealings

Distributors must report any significant dealings to us within 10 business days of becoming aware of the dealing.