

## **IT Frontier Pty Ltd trading as Delta Rentals Target Market Determination as required by ASIC's Product Design and Distribution Obligations (DDO)**

In October 2021, ASIC's Product Design and Distribution Obligations (DDO) legislation came into effect, requiring Issuers to develop a target market determination for certain financial products, which includes Consumer Leases. A target market determination (TMD) describes the class of consumers that comprises the target market to which a financial product will be distributed.

A TMD is a mandatory public document that sets out the class of consumers a financial product is likely appropriate for (the target market). It also sets out matters relevant to the product's distribution and review.

DDO is covered by ASIC's RG274.

### **About this document**

This target market determination (TMD) seeks to provide an understanding of the class of consumers for which our products and services are provided having regard to the objectives, financial situation and needs of our target market.

This TMD should not be treated as a summary of the terms and conditions of our products and services and is not intended to provide financial advice. Consumers must refer to the relevant terms and conditions when deciding about our products and services.

This TMD applies to the Delta Rentals payment plan referred to in the following Terms and Conditions:

[Delta Rentals Terms and Conditions](#)

This TMD is effective from 19<sup>th</sup> March 2023

### **Class of consumers that is the Target Market**

The information below is a summary of the overall class of consumers that is Delta Rentals Target Market based on the product key attributes and the objectives, financial situation and needs of the Target Market with respect to which Delta Rentals as a product was designed for.

Delta Rentals 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 class of consumers that Delta Rentals is designed for is:

A consumer who for personal or financial reasons is unable or unwilling to acquire goods or services by paying for these goods or services in advance or before delivery and whose objectives are to acquire the use of goods or services supplied by Delta Rentals by paying payments on weekly, fortnightly, monthly or other agreed periodic payment basis;

The goods or services being acquired are used predominantly for domestic household purposes;

The consumer is assessed and approved under the Delta Rentals terms and conditions;

In entering a rental agreement with Delta Rentals the target market chooses to rent household items (rather than purchase them) with the understanding that they are renting the items and will not own the goods outright at the end of their rental agreement period, nor have the right to the goods at

the end of the rental agreement.(Note: Consumers can refer to the Delta Rentals Terms and Conditions for more information on how our Consumer Leases operate).

## Product description and key attributes

Eligibility requirements and attributes of Delta Rentals:

- an Applicant must reside in Australia
- be at least 18 years of age
- have a consistent, ongoing and verifiable income
- provide identification that is verifiable
- meet Delta Rentals responsible lending obligations
- agree to the Delta Rentals terms and conditions.

## Additional Fee's and Ownership

Additional fees and charges are limited to dishonouring a direct debit payment, duplicating documents, paper and/or statements sent via post and contract enforcement expenses.

If the consumer does not use Delta Rentals, the consumer will not be charged.

Security is taken over the acquired goods as ownership of the goods resides with Delta Rentals and not with the consumer as prescribed by the National Consumer Credit Protection Act 2009.

## Objectives, financial situation, and needs

Delta Rentals's products and services have been designed for individual consumers who for personal and/or financial reasons are unable or unwilling to acquire goods and services by paying for them in full in advance or on delivery who:

- need credit to obtain those goods and services;
- have the objective to access goods and services now, in the future or when the value of future payments has reduced and pay by periodic payment over an agreed term;
- are able to pay the instalment amount over their chosen periodical period based on the assessment of their financial situation that we complete, and the Applicant agrees with, to pay for their consumer lease.

## Consistency between target market and the product

This product is likely to be consistent with the objectives, financial situation and needs of the class of consumer in the Target Market. 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.

## How this product is to be distributed

### Distribution channels

Our products and services are designed to be distributed online through Delta Rentals website: [deltarentals.com.au](http://deltarentals.com.au) and/or through our showroom at Shop 9A / 890 Canning Hwy, Applecross WA 6153

### Distribution conditions

Delta Rentals should only be provided to individuals that meet eligibility requirements, have the appropriate borrowing capacity, and in accordance with the credit criteria.

### Adequacy of distribution conditions and restrictions

The distribution channels and the product attributes and terms and conditions will ensure that consumers who purchase through Delta Rentals are the designated class of consumers for which it has been designed. This is based on an assessment of the distribution channels, product attributes and

terms and conditions and restrictions and the assessment that they are appropriate and will assist the distribution being directed towards the target market.

## Reviewing this TMD

Delta Rentals undertakes to review the TMD under our DDO at a maximum period of one year. The review will be undertaken on the 30<sup>th</sup> of June of each year. This maximum period for the review will occur when there have not been any review triggers.

The review triggers that would cause Delta Rentals to review the TMD at the time it became aware of the review trigger rather than waiting for the annual review date are as follows;

- A material change in the operation of Consumer Leases such that they no longer are deemed to meet the objectives, financial situation and needs of the Consumers in the Target Market
- A material change to the National Consumer Credit Protection Act 2009 or the National Credit Code that affects Consumer Leases
- Any other substantial change to Consumer Leases
- A notice from ASIC requiring a review of our TMD or other operations
- A change to ASICs Regulatory Guidelines that relate to Consumer Leases, including, but not limited to, RG274
- A significant increase in the number of complaints from Consumers or other parties acting on their behalf
- Advice from any Credit Representatives that Consumer Leases are no longer meeting the objectives, financial situation and needs of the Consumers to whom they are distributing Consumer Leases
- When any other events or circumstances are identified that indicate that the TMD may need to be reviewed

If a review trigger occurs, Delta Rentals will undertake a review within 30 days of it becoming aware of the review trigger and update the TMD appropriately.

If a review trigger does not occur, then Delta Rentals will undertake a review on 30<sup>th</sup> June of each year to ensure that we continue to meet our Design and Distribution Obligations under RG274.

## Reporting and monitoring this TMD

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 quarterly 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.

Date of Last Review: 19<sup>th</sup> July 2023

Review By: Kenneth Maxfield

Findings: No changes required to DDO or TMD. No changes required in the way the product is distributed.