



Target Market Determination

Product	hummm buy now pay later
Issuer (we, us)	hummm BNPL Pty Ltd ABN 28 129 228 986
Target Market Determination version dated	26 May 2023

We are required by law to publish a target market determination (**TMD**) for each financial product we issue. A TMD sets out the consumers for whom a product is designed and we have determined a product is likely to be suitable for – the target market –, the distribution conditions we apply that make it likely that consumers who acquire the product will be in the target market, and information about how we review the target market and distributions conditions so they remain appropriate.

This TMD is not intended to be financial advice. If you are interested in opening a **hummm** account, full details can be found at www.shophummm.com/au.

Key product attributes

hummm is a buy now pay later product that can be used by consumers to purchase a wide variety of products and services over varying payment plan terms, with the following features:

- direct debit instalment plan, with repayment terms from 5 fortnightly repayments up to 72 months
- credit limit of up to \$30,000
- interest will not be charged on balances, but various fees can be charged, which include establishment fees, monthly account keeping fees and late payment fees, and
- mobile app and online digital channels to manage a consumer's account and repayments.

Target Market

Description of target market

Eligibility Requirements	<p>hum is designed for a class of consumers who meet the following Eligibility Requirements:</p> <ul style="list-style-type: none">• are 18 years of age or older• have a permanent job of 20+ hours per week or are on an aged or veteran's pension• meet our credit assessment criteria• are permanently resident in Australia, and• have a valid mobile number.
Needs & objectives	<p>hum is designed for consumers who require the ability to make purchases and manage repayments over a specified period of time for a reasonable fee.</p>
Financial situation	<p>hum is designed for consumers who have the financial capacity to service the ongoing financial obligations under their hum account and repay the funds over time, which capacity is sought to be ascertained through consumers meeting our credit assessment criteria.</p>
Excluded Consumers	<p>hum is not designed for consumers (Excluded Consumers) who:</p> <ul style="list-style-type: none">• do not satisfy each Eligibility Requirement• have irregular or variable income, or• may find it difficult to make set repayments. <p>These consumers are not included in the target market.</p>

Assessment of appropriateness

We have assessed that **hum** is likely to be consistent with the likely objectives, financial situation and needs of consumers in the target market because the product's key attributes enable consumers in the target market to satisfy their needs and realise their objectives at a cost that is both reasonable and affordable.

Distribution Conditions

Description of distribution conditions

Distribution channels	<p>hummm is distributed:</p> <ul style="list-style-type: none">• directly by us to the consumer through online application via the hummm website or application on the hummm mobile app• by partner retailers to the consumer in-store through assisted manual paper hummm applications, or• by partner retailers in-store through the hummm online seller portal.
Distribution conditions	<p>All applications, regardless of which distribution channel as described above is used, are made using our application systems, which seek information to establish whether the consumer meets the Eligibility Requirements, including the credit assessment criteria, and therefore falls within the target market.</p> <p>Through our application systems, consumers have access to information about the hummm product before and during the application to assist consumers to understand the product attributes and consider if it meets their objectives and needs.</p> <p>hummm must not be distributed to consumers who do not meet the Eligibility Requirements outlined in this TMD. The information in applications is assessed to ensure that only applications by consumers who meet all the Eligibility Requirements will be approved for the hummm product. These controls apply to all distribution channels described above. Our application systems are configured to reject applications that do not meet the Eligibility Requirements.</p>

Assessment of appropriateness

We have assessed that the distribution channels and distribution conditions described above are appropriate to direct the distribution of **hummm** to its target market because:

- the product is relatively simple to understand
- our partner retailers have been trained by us to understand their obligations in relation to the target market, and are required to make enquiries of the customer as to the Eligibility Requirements (other than our credit assessment criteria) before an application is completed, and
- completed applications for **hummm** can only be approved by us, and our approval system has controls in place so that applicants who do not satisfy the Eligibility Requirements will not be able to open a **hummm** account.

TMD & Product Review

Review Periods

Annual periodic reviews	This TMD will be reviewed within 12 months of the date on which this version was made, and subsequent periodic reviews will be carried out in each case within 12 months of the previous review.
Trigger review	This TMD will also be reviewed within 10 business days of the identification of a review trigger (see below) having been met.

Review Triggers

We continuously monitor the performance of **hummm** against a range of review triggers, which we have selected as reasonably suggesting that the TMD may no longer be appropriate. We have internally set thresholds for these review triggers (where appropriate), and monitor performance against these thresholds in our governance forums. Where we determine that one of the below triggers has occurred, a review of this TMD will be performed.

Consumer behaviour	Consumers who are late in making payments and fall into arrears, or consumers in financial hardship (measured overall and specifically in the initial period after a purchase is made), exceed the applicable threshold
Complaints & feedback	<p>There are repetitive and/or systemic complaints of the same type about hummm or a feature of hummm.</p> <p>The number of complaints as a proportion of the number of open accounts, or the number of customers in external dispute resolution as a proportion of total complaints, exceed the applicable threshold</p> <p>Feedback and complaints from our partner retailers are also monitored for information which would reasonably suggest this TMD is no longer appropriate.</p>
Material change	There is a material change to the product or the terms and conditions of the product which may suggest that the TMD may no longer be appropriate.
Significant dealing	There is a significant dealing in the product outside the target market.

Distribution Information Reporting Requirements

The following information must be provided to us by our **hummm** partner retailers:

Type of information	Description	Reporting period
Specific complaints	Subject to availability, details of the complaint, including name and contact details of complainant and substance of the complaint.	As soon as practicable and within 5 business days of receipt of complaint.
General information about complaints	Number of complaints, originating channel and general feedback relating to the product and its performance	Every 6 month reporting period.
Significant dealing(s): where the retail partner identifies a significant dealing that is not consistent with the TMD.	Date or date range of the significant dealing(s) and description of the significant dealing (e.g. why it is not consistent with the TMD).	As soon as practicable, and in any case within 10 business days after becoming aware.