

Target Market Determination



FLX Services

The following is the Target Market Determination (**TMD**) in relation to the FLX Services (which includes the FLX Account, and the FLX app) (**Service**) which is issued by InLoop Pty Ltd, trading as Flexischools.

The FLX Card that is provided as part of the FLX Service to FLX Users is issued by EML Payments Ltd – you can review the TMD for the FLX Card at www.flexischools.com.au/legal.

This TMD is required by and prepared in accordance with the requirements of s994B of the Corporations Act 2001 (Cth) (**the Act**).

This TMD is not, and does not replace, the terms and conditions of the product, nor does it consider your individual circumstances. You should read the product disclosure statements in respect of both the FLX Service and the FLX Card, and Flexischools' relevant combined financial services guide and product disclosure statement before making a decision to acquire the product.

You can find the terms, the product disclosure statements, and the financial services guide at www.flexischools.com.au/legal

FLX Target Market Summary

FLX is designed for Australian resident families where individuals (adults) are seeking to provide a child in their care with a way to access funds for purchases as well as tools to earn and save funds.

Product Issuer Identifiers

Product	FLX
Issuer	InLoop Pty Ltd (trading as Flexischools)
Issuer ABN	27 114 508 771
Issuer AFSL	471558
Start Date and version of this TMD	1 November 2021, version 1

Product Information

Description of the product and key attributes	<p>The FLX Services are a stored value card service from Flexischools, that allows a Flexischools Account holder (a parent/ guardian) to create up to 5 FLX Accounts (for a child/ children, who will be the FLX User/s) that will be linked to the parent's Flexischools Account.</p> <p>The FLX Services allow a parent/ guardian to transfer funds from their Flexischools Parent Wallet to a FLX Account they have</p>
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established. This may include regular 'pocket money' transfers from their Flexischools Parent Wallet to a FLX Account, or by ad-hoc transfers.

FLX Users have access to a FLX App within which the funds in their FLX Account can be moved between 'FLX Save' and 'FLX Spend' balances.

FLX Spend balance in a FLX Account will be available to spend using a prepaid Mastercard card, which will be issued to all FLX Users by the FLX Card Issuer EML Payments Ltd. The FLX Card may be used to transact at certain merchants in accordance with the terms of the product. A separate TMD is available in respect of the FLX Card.

The FLX Services are designed to allow children to learn skills related to earning, saving, and spending their pocket money. Children can utilise the FLX App to monitor their spending, and to set particular savings goals.

Target market

Customer Attributes

This product is likely to be appropriate for individual customers who satisfy the following:

- Have a Flexischools Account (parent version).
- Australian resident families with parents/ guardians who have children in their care between the ages of 6 and 18 years.
- Families seeking to provide children in their care with:
 - access to funds for purchases as well as digital tools to earn and save funds;
 - a way to transact independently, with a card or digital card loaded to a digital device;
 - a way to make purchases other than using cash.

This product will not be suitable for people who:

- do not have a Flexischools Account (parent version);
- want to earn interest on monies held;
- wish to have access to cash out facilities;
- wish to make high value purchases.

Description of likely objectives, financial situation and needs of customers in the target market

The likely objectives of someone taking out this Service are that they wish to give a child in their care:

- access to funds that can be spent at merchants within defined limits;
 - the ability to transact at merchants other than with cash;
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- regular account top-ups/funds transfers from their Flexischools Parent Wallet;
 - digital tools to help them learn how to save by setting savings targets.

Financial situation

The likely financial situation of a person taking out this Service could include a wide range of employment statuses, income and savings levels, and spending habits. FLX will be most suited for family arrangements where there is a parent/guardian and minor children.

Financial needs

Their likely financial needs are:

- for the child to be able to make purchases at eligible merchants without cash; and
- for the parent to be able to regularly transfer amounts of money to a child's account from their Flexischools Parent Wallet, so that it can be accrued toward savings targets, or otherwise spent at merchants in accordance with the terms of the product.

Appropriateness Statement

Explanation of why the product is likely to be consistent with the likely objectives, financial situation and needs of customers in the target market.

The Service is likely to be consistent with the likely objectives, financial situation and needs of customers in the target market as it has been designed to provide a simple way for parents/ carers to give their child access to funds via a physical or digital card that can be used at particular merchants, and an app that helps teach their child how to earn, save and spend in a digital age.

The Service is only able to be sold to Flexischools Account holders.

Distribution

Distribution Conditions

The conditions and restrictions on the distribution of the product.

Distribution

This product is distributed direct to consumers, via the Flexischools website, by Flexischools.

It is a distribution requirement that the person opening the FLX Account must already be a Flexischools customer and they must have signed up for Flexischools via the Flexischools website.

Parents/ guardians must create a FLX Account for a child. In so doing, they must accept the terms and conditions of the Service and are provided access to a copy of the relevant PDS from Flexischools and the Card Issuer EML (in respect of the FLX Card).

The content of the relevant website and account application site is controlled by Flexischools directly.

Promotion

The service will be promoted by:

- issuer-approved communication via channels such as social media and the product website; and
- any other issuer-approved communication channels.

Why the Distribution Conditions and restrictions will make it more likely that the customers who acquire the product are in the target market

A person acquiring the FLX Service must already be a Flexischools Account Holder before they may create a FLX Account via the Flexischools website (www.flexischools.com.au) or Flexischools app.

The surrounding context and product information, including the product terms, and PDS documents, that are available at sign-up helps to inform acquisition of the product.

Based on our assessment of the distribution conditions and the target market, we believe the distribution conditions will make it likely that people acquiring the Service are in the target market.

We will review this TMD as follows:

Initial Review	Within 1 year of the Start Date of this TMD
Periodic reviews	At least every 1 year from the Initial Review
Review Triggers	<p>The review triggers that would reasonably suggest that this TMD is no longer appropriate include:</p> <ul style="list-style-type: none"> — A material number of service cancellations/Account closures. — A material change to the Service, including both the product and distribution approach — A material change in law or the regulatory environment <p>Where a review trigger has occurred, this TMD will be reviewed within 20 business days.</p>

Reporting and monitoring this TMD

Information needed for review triggers or events	<p>Issuer</p> <p>Account churn and take up:</p> <ul style="list-style-type: none"> — Information about the number of accounts closed (compared to the previous year). <p>Where there is a material increase in account closures, it would be suggestive that the product is not performing in practice as was expected at the time this TMD was determined.</p> <p>This information will be collected and reviewed annually within 10 days of the anniversary of the Start Date of this TMD.</p> <p>Substantial product change:</p> <ul style="list-style-type: none"> — a substantial change to the product that is likely to result in the determination no longer being appropriate for the target market.
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This information will be considered within 10 days of the notification to the head of Flexischools that the substantial change has occurred.

Change in law:

- a change to the law may result in the determination no longer being appropriate for the target market.

This information will be considered within 10 days of the notification to the head of Flexischools that the substantial change has occurred.

Complaints

We will collect the following information in relation to this TMD:

- all complaints in relation to the Service, including the nature of the complaints, half-yearly,

within 10 business days of the end of the calendar half-year.

Significant dealings

We will prepare a report if we become aware of a significant dealing in the product that is inconsistent with the TMD within 10 business days.
