

# Target Market Determination for: Metcash e-Gift Cards

## About this Document

The Metcash e-Gift Card for any the following brands – IGA, Mitre 10, Cellarbrations, The Bottle-O, Home Timber & Hardware and Porters Liquor (each an **e-Gift Card**) - is a financial product for the purposes of the design and distribution obligations set out in Part 7.8A of the *Corporations Act 2001* (Cth).

This Target Market Determination applies to an e-Gift Card. Its purpose is to provide consumers, distributors, and employees information about the class of consumers for which the e-Gift Card has been designed, the e-Gift Card's key attributes and other design and distribution obligations of the issuer, Metcash Trading Ltd ACN 000 031 569 (**Metcash**) and any third-party online distributors of the e-Gift Cards.

This document is not intended to provide financial advice in any way.

This document is not to be treated as a summary of the e-Gift Card's terms and conditions, nor does it form part of the e-Gift Card's terms and conditions. Consumers must refer to the terms and conditions of the e-Gift Card available at <https://www.metcash.com/gift-cards-terms/> when making a decision about this product.

**Date from which this Target Market Determination is effective:** 5 October 2021

## 1. Target Market

The information below describes the class of consumers that fall within the target market for the e-Gift Card, based on the product key attributes and the objectives, financial situation and needs that it has been designed to meet.

### (a) Class of consumers that fall within the target market

The e-Gift Card is for consumers who:

- want to purchase a gift card of a certain value, between \$10 and \$1000, to provide to another person and who want the recipient of the gift card to have the flexibility of being able to choose what products they want to redeem the gift card on at the relevant Metcash store;
- want to purchase a gift card of a certain value, between \$10 and \$1000, to redeem for products themselves at the relevant Metcash store, without the need to carry cash or an alternative form of payment;
- want to purchase a bulk order of gift cards of a certain value, between \$10 and \$1000, to provide to a large group of persons (such as corporate organisations buying a reward for their employees) and who want the recipients of the gift card to have the flexibility of being able to choose what products they want to redeem the gift card on at the relevant Metcash store; or
- want to purchase a bulk order of gift cards of a certain value, between \$10 and \$1000, to on-sell or on-supply to end-user consumers via their own website and who want the end-purchasers or end-users of the gift card to have the flexibility of being able to

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choose what products they want to redeem the gift card on at the relevant Metcash store (**Distributors**).

## **(b) Description of the e-Gift Card and its key attributes**

The e-Gift Card is a single load electronic gift card.

The key attributes of the e-Gift Card are that it:

- cannot be “re-loaded” or “topped up” by the consumer with additional funds or value once its initial value has been purchased by the consumer;
- can be redeemed at any applicable Metcash store (for example, an IGA branded e-Gift Card can be redeemed at any IGA store; a Mitre 10 branded e-Gift Card can be redeemed at any Mitre 10 store and so on);
- has no fees or charges, including no ongoing or post-supply fees;
- can be used to purchase any products sold at the applicable Metcash store up to the value of the e-Gift Card (for example, an IGA branded e-Gift Card can be redeemed for products sold at any IGA store; a Mitre 10 branded e-Gift Card can be redeemed for products sold at any Mitre 10 store and so on);
- is not redeemable for cash and cannot be used to obtain any cash advance;
- cannot be used to purchase another e-Gift Card;
- will expire 3 years after the date of issue, unless the e-Gift Card falls within an exemption under Part 7.8A of the *Corporations Act 2001* (Cth) which permits the e-Gift Card to be issued with a shorter expiry date (for example, e-Gift Cards issued for temporary promotions).
- After the expiry date, the e-Gift Card will expire and any remaining unredeemed value on the e-Gift Card will be forfeited, except as required by law.

## **(c) Consistency between target market and Likely objectives, financial situation and needs**

The e-Gift Card is likely to be consistent with the likely objectives, financial situation and needs of consumers in the target market as it:

- is purchased by consumers for a predetermined amount of money which the consumer selects themselves, based on their own assessment of their financial circumstances and having regard to their personal circumstances, vulnerability, or hardship considerations;
- has no fees or charges, including no ongoing or post-supply fees;
- can be provided to another person without any consent or notification to the issuer, except in the case of Distributors, in which case such matters are subject to any contractual provisions to the contrary between the issuer and the Distributor;
- can be redeemed to purchase any products sold at the applicable Metcash store up to the value of the e-Gift Card.

## **2. Distribution Conditions and Restrictions**

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## (a) Distribution channels

The e-Gift Card is designed to be distributed (that is, sold) to consumers:

- online at <https://www.metcash.com/giftcards/> or on Distributer's websites; or
- directly from Metcash (in the case of consumers placing a bulk order).

## (b) Distribution conditions and restrictions

The e-Gift Card is only distributed to consumers who determine themselves that they have sufficient financial means to purchase the e-Gift Card.

The e-Gift Cards cannot be loaded with a value of more than \$1000 which assists in limiting the financial impact or hardship associated with any purchase, noting also that the value loaded to the e-Gift Card can be redeemed for products of equivalent value.

## (c) Adequacy of distribution conditions and restrictions and appropriateness generally

The key attributes of the e-Gift Cards, coupled with the distribution conditions and restrictions outlined above, mean that it is likely that consumers who purchase an e-Gift Card will fall within the class of consumers for which the e-Gift Card has been designed. Having regard to the key attributes of the e-Gift Card, Metcash considers that the e-Gift Card would likely be consistent with the likely objectives, financial situation and needs of the consumers within the target market.

### 3. Reviewing this Target Market Determination

Metcash will review this Target Market Determination in accordance with the below:

<b>Initial review</b>	Within 1 year of the effective date.
<b>Periodic reviews</b>	At least every 2 years from the initial review.
<b>Review triggers or events</b>	Any event or circumstances which arise that would suggest the Target Market Determination is no longer appropriate, including but not limited to: <ul style="list-style-type: none"><li>• a material change to the design or distribution of financial products of the same or similar kind to the e-Gift Card;</li><li>• where applicable, feedback from consumers, particularly any feedback which points to systemic issues associated with the e-Gift Card;</li><li>• we have determined that a significant dealing has occurred;</li><li>• we have determined that distribution conditions and restrictions are inadequate;</li><li>• a change in legal or regulatory requirements;</li><li>• external events such as adverse media coverage or regulatory attention; and</li><li>• significant changes in metrics, including complaints and claims.</li></ul>

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Where a review trigger has occurred, this target market determination will be reviewed within 10 business days.

## 4. Reporting and monitoring this Target Market Determination

We and all Distributors will collect, monitor, and report on the following information in relation to this Target Market Determination:

<b>Complaints</b>	All complaints in relation to e-Gift Cards submitted to Metcash on 1300 409 245 or via <a href="http://www.metcash.com/giftcardson">www.metcash.com/giftcardson</a> will be analysed and reported on a quarterly basis. This will include written details of the complaints.
<b>Significant dealings</b>	Metcash will report to ASIC if we become aware of a significant dealing in relation to the e-Gift Card within 10 business days of becoming aware of the significant dealing.