

Target Market Determination

Product(s)	Samsung Care+ Samsung Subscription (with Samsung Care+)
Effective Date	05/07/2022

1. Introduction and purpose of the Target Market Determination (TMD)

Samsung Electronics Australia Pty Ltd (ABN 63 002 915 648) (**Samsung or we, us, our**) is the issuer of Samsung Care+ and Samsung Subscription (with Samsung Care+).

This TMD has been made to:

- describe the class of consumers these products have been designed for (referred to as the Target Market);
- describe the product distribution conditions;
- specify the review periods and triggers we use to ensure the target market remains appropriate; and
- set out our reporting obligations and requirements.

This TMD does not take into account any individual consumer's personal financial situation, objectives or needs or form part of the Customer Terms and Conditions which are available from Samsung's website and should be considered before making a decision in relation to the products:

<https://www.samsung.com/au/samsung-subscription/>

<https://www.samsung.com/au/offer/samsung-care-plus/>

2. Target Market

2.1 Product description and key attributes

The products are only designed for and marketed to customers of Samsung. Customers are able to make a standalone purchase of a Samsung Care+ subscription with the purchase of a Samsung Galaxy smartphone or tablet. If a customer participates in the Samsung Subscription program (formerly named Samsung Upgrade), they will be given a complimentary subscription to Samsung Care+ (swap request fees apply).

Samsung Care+

A customer can purchase a subscription to this product at the time they purchase a new Galaxy smartphone or tablet, or up to 30 calendar days thereafter. A customer ('subscriber') can request a device swap twice during the term of their subscription.

Making a swap request:

- A subscriber can make a swap request at any time and for any reason.
- A subscriber must pay a swap fee when making a swap request.
- Upon making a swap request, subscribers are provided with a swap device which is of the same or similar specifications to their original device, and is refurbished or new.

- It is a condition of making a swap request that subscribers must also return their original device to Samsung. A subscriber will incur a non-return fee if they do not return their original device within 21 calendar days.

Provided a replacement device is in stock, Subscribers are posted a replacement device either on the same business day, or next business day, after making a swap request. Subscribers do not have to return their original device until after they have received their replacement device.

Samsung Subscription (with Samsung Care+)

A Samsung customer who has acquired a Galaxy smartphone (within the first 3 months of its release to market) on an eligible payment plan (**Payment Plan**) is able to participate in the Samsung Subscription program.

Within the first 18 months of their Payment Plan a customer is eligible to upgrade their current Galaxy smartphone, through Samsung Subscription, to the latest model in the following ways:

- A. If the customer has paid at least 12 instalments in full (equivalent to having 33% (or less) of their balance remaining on their Payment Plan) and their Galaxy smartphone is in good working order, at no additional charge.
- B. If the customer has paid at least 9 instalments in full (equivalent to having 50% of their balance remaining on their Payment Plan) and their Galaxy smartphone is in good working order, subject to an early upgrade fee.

If the customer is eligible to upgrade but the device is not in good working order, then additional fees will apply to upgrade a damaged device.

Customers who participate in Samsung Subscription can also make a swap request under Samsung Care+ as part of their complimentary enrolment. The same Samsung Care+ terms and conditions apply, except the Samsung Care+ subscription is for a maximum term of 18 months and two swap requests are permitted as follows:

- One swap request in months 1 to 12.
- One swap request in months 13 to 18.

2.2 Target market for these products

The customers that these products are suitable and not suitable for are summarised in the below table:

	Inside the target market	Outside the target market
Samsung Care+	<p>A person is in the target market if they:</p> <ul style="list-style-type: none"> • have purchased a new Galaxy smartphone or tablet, either directly from Samsung or a third-party retailer; • are seeking the convenience of being able to swap their Galaxy 	<p>A person is not in the target market if they:</p> <ul style="list-style-type: none"> • do not own a Galaxy smartphone or tablet; • have purchased a Galaxy smartphone or tablet outside Australia;

	smartphone or tablet at any time and for any reason.	<ul style="list-style-type: none"> have purchased a Galaxy smartphone or tablet more than 30 calendar days ago.
Samsung Subscription (with Samsung Care+)	<p>A person is in the target market if they:</p> <ul style="list-style-type: none"> have purchased a Galaxy smartphone (within the first 3 months of its release to market) on a Payment Plan; are seeking to ensure they always have a device that is in working order; and are also seeking to save on costs associated with upgrading to the latest Galaxy smartphone model. 	<p>A person is not in the target market if they have not acquired their Galaxy smartphone on a Payment Plan within the first 3 months of its release to market. The person must meet the eligibility criteria set by the third-party provider of the Payment Plan.</p>

2.3 Consumer's likely financial situation, objectives and needs

Samsung Care+ is designed to be consistent with the likely objectives, financial situation and needs of consumers who:

- have an income and/or savings which are adequate to service the subscription fees and swap fees;
- wish to manage the risks associated with being without their Galaxy smartphone, including not remaining connected to family, friends and colleagues;
- wish to replace their device for any reason without the need to substantiate loss;
- wish to replace their device for reasons not ordinarily covered by a policy of insurance (including cosmetic damage and fair wear and tear).

Samsung Subscription (with Samsung Care+) is designed to be consistent with the likely objectives, financial situation and needs of consumers who:

- wish to have the latest model Galaxy device by continually upgrading their device when eligible;
- have an income and/or savings which are adequate to service the applicable fees (including Early Upgrade fee, and/or Swap Request fee as defined in the Customer Terms and Conditions) and are able to service the Payment Plan in accordance with the terms of the third-party provider;
- wish to manage the risks associated with being without their Galaxy smartphone and not having their device in good working order (this could be for any reason);
- wish to manage the consequences of being without their Galaxy smartphone and not being connected to their family, friends and colleagues;
- wish to replace their device for any reason without the need to substantiate loss;
- wish to replace their device for reasons not ordinarily covered by a policy of insurance (including cosmetic damage and fair wear and tear).

These products are likely to be consistent with these likely needs, objectives and financial situation of the target market because the target market for the products (i.e. those consumers who are eligible to purchase the products) are those consumers who are able to afford the products, and want and need the risk management benefits they provide.

3. Distribution conditions that apply to these products

The following distribution conditions apply:

- The products are designed to be purchased via Samsung online or in Samsung stores. Samsung stores are operated by Samsung’s partner, Retail Prodigy Group Pty Ltd. No other third parties are permitted to distribute the products.
- Consumers who apply for a Samsung Care+ subscription after they have purchased their new Galaxy smartphone, but within the first 30 calendar days, can only apply online.
- These products must only be distributed in accordance with this TMD and cannot be distributed if this TMD is not up to date or the TMD is subject to any regulatory action that might suggest the TMD is no longer appropriate.

For consumers who purchase the products online after purchasing the Galaxy smartphone (i.e. within the first 30 calendar days), we ask a series of questions and utilise technology to verify that consumers who are purchasing the subscription have a newly purchased Galaxy smartphone that is still in good working order.

We do not provide any financial advice in relation to the products, which are distributed on a ‘no advice’ basis.

Our distribution conditions will assist us to ensure that only consumers who fall within the class of consumers for whom the products have been designed for purchase the products.

4. When we will review this TMD

We will review the TMD in accordance with the table below.

Initial Review	Within the first 12 months of the effective date.
Period Reviews	At least every 2 years from the Initial Review.
Review Events or Triggers	<p>This TMD will be reviewed within 10 business days of any of the following events or circumstances occurring which may indicate that the TMD is no longer appropriate:</p> <ul style="list-style-type: none"> • a material change to the terms of the Product(s) or their eligibility criteria; • a material change to the distribution conditions of the Product(s); • a material change to a factor considered in the preparation of this TMD; • significant or systemic complaints issues; • material changes in law, regulation or regulatory guidance which materially impacts the design or distribution of the Product(s); • an external adverse event has occurred (such as media attention or regulatory action);

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| | <ul style="list-style-type: none">• a significant dealing outside the target market has occurred;• material product value concern. |
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5. Reporting and monitoring

We collect information and prepare reports regarding sales performance (number of new subscribers), swap request levels, customer feedback and complaints on a monthly basis.

If we become aware of a significant dealing in relation to the product(s) that is inconsistent with the TMD we will report it to ASIC as soon as practicable but within 10 business days.