



## **Local Appliance Rentals Limited Target Market Statement**

In July of 2023, the Financial Conduct Authority (FCA) Consumer Duty requirements came into effect, requiring issuers to set higher and clearer standards of consumer protection across financial services, and consistently put customers' needs first.

As part of this requirement, Local Appliance Rentals Limited (LAR) considers it important to develop a Target Market Statement (TMS).

A TMS is a 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.

### **Target Market Statement - TMS**

#### Target Market

The target market for Consumer Leases offered by Local Appliance Rentals Ltd are those consumers that wish to rent a home appliance or other day to day household item (such as a laptop, mobile phone or other device) because they do not have the funds available to purchase the item outright, or if they do have the funds available may choose to use them for a different purpose. The target market may also not have access to more mainstream financial products such as credit cards, personal loans from banks or redraw facilities on a mortgage. In entering a rental agreement with Local Appliance Rentals Ltd 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 Local Appliance Rentals Ltd Terms and Conditions for more information on how our Consumer Leases operate).

An extensive assessment of the Consumers situation is undertaken before a Consumer Lease is offered to a Consumer. This assessment is undertaken using our proprietary software Lend Assess. This ensures that the Consumer Lease meets the objectives, financial situation and needs of the Consumers in the Target Market.

#### Distribution Conditions

Local Appliance Rentals Ltd distributes Consumer Leases through a UK wide network of Franchisees. Local Appliance Rentals Ltd holds a credit licence with FCA. All Franchisees and their team members operate as Authorised Credit Representatives of Local Appliance Rentals Ltd. In this way Local Appliance Rentals Ltd is able to monitor the actions and operations of their Authorised Credit Representatives.

No Consumer Leases are offered by, nor any other operations undertaken in any way or form by any third party organisations on behalf of Local Appliance Rentals Ltd or its Credit Representatives.

Neither does Local Appliance Rentals Ltd nor its Credit Representatives offer any other products apart from Consumer Leases.

#### Review and Monitoring

Local Appliance Rentals Ltd, as part of its business operations, continually monitors the operations of its Authorised Credit Representatives. In this way, they are regularly ensuring that all operations are undertaken with a Consumer-centric approach.

Local Appliance Rentals Ltd undertakes to review the TMS 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 Local Appliance Rentals Ltd to review the TMS 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
- Any other substantial change to Consumer Leases
- A notice from the FCA requiring a review of our TMS or other operations
- A change to the FCAs Regulatory Guidelines that relate to Consumer Leases, including but not limited to Consumer Duty
- A significant increase in the number of complaints from Consumers or other parties acting on their behalf
- Advice from any Authorised 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 TMS may need to be reviewed

If a review trigger occurs, Local Appliance Rentals Ltd will undertake a review within 30 days of it becoming aware of the review trigger and update the TMS appropriately.

If a review trigger does not occur, then Local Appliance Rentals will undertake a review on 30<sup>th</sup> June of each year to ensure that we continue to meet our Obligations

Date of Last Review: 30 June 2023

Review By: Megan Perston

Findings: No changes required to TMS. No changes required in the way the product is distributed.