



AUSTRALIA'S STABLECOIN

AUDD Stablecoin

Target Market Determination

Dated: 10 February 2026

1. Introduction

AUDC Pty Ltd (**AUDC, we**) is a product issuer and issues non-cash payment facilities in the form of AUDD. We are authorised and regulated by the Australian Securities and Investments Commission (ASIC) (Australian Financial Services Licence Number: 700123).

The design and distribution obligations set out in Part 7.8A of the *Corporations Act 2001* (Cth) (**DD Obligations**) apply to the issue and distribution of non-cash payment facilities to retail clients (**Clients**). Non-cash payment products are those that allow Clients to make payments without the physical delivery of Australian or foreign currency (e.g. certain payment stablecoins).

The purpose of this target market determination (**TMD**) is to describe the target market of Clients of AUDD. Terms used in this TMD and defined in the AUDD Terms of Service have the meanings given in the AUDD Terms of Service.

If you are a retail client, you should refer to the relevant Product Disclosure Statement (**PDS**) before deciding whether to acquire or continue to hold the relevant product. You can obtain a copy of the relevant PDS from the product distributor's website, subject to this TMD.

You should not base any decision to transact on the contents of this TMD.

2. Product Information

Product	AUDD
	A non-cash payment facility comprising an AUD-denominated Stablecoin, intended to maintain a 1:1 relationship (peg) with the Australian Dollar. The peg is intended but not guaranteed, and secondary market prices may deviate. AUDD may be issued to a Consumer to purchase eligible goods and services where AUDD is accepted
Issuer	AUDC Pty Ltd
Start Date	10 February 2026



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3. Target Market

3.1 Class of Consumer

The information below summarises the overall class of consumers who fall within the target market for AUDD, based on the objectives, financial situation, and needs it is designed to meet.

(a) Likely objectives

Client who:

- Seek to hold or transfer AUD-denominated value on-chain for payments, settlement, transfers of value or storage of value; and
- Understand AUDD is a payment product rather than an investment product; and
- Do not seek income, yield, distributions, voting/governance rights or capital growth from AUDD; and
- Have sufficient technical competence and experience with blockchain technology (and compatible wallets) to acquire, hold and transfer AUDD.

(b) Likely financial situation

Clients who have access to funds they can allocate to a payment stablecoin and can bear the risk of partial or total loss, including due to technology, counterparty, operational or regulatory risks. Clients can also bear network/exchange fees.

(c) Likely needs

Clients who need an AUD-denominated stablecoin to make transactions (e.g., online purchases, peer-to-peer transfers, business settlement) where AUDD is accepted, and/or to hold AUD-denominated value on-chain for a period of time, acknowledging the product is for payments/transfer rather than investment.

AUDD is not designed for Clients who:

- are under the age of 18;
- require deposit-like protections (including government deposit guarantees) or expect AUDD to be treated as a bank account or ADI deposit;



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- expect interest, yield or other financial returns from AUDD;
- cannot operate, secure or access a compatible digital wallet (or require AUDC to provide custodial wallet services or private key management);
- are unable to bear network/exchange fees or do not have reliable internet access;
- are located in prohibited or sanctioned jurisdictions or cannot satisfy applicable KYC/AML/CTF or sanctions screening requirements;
- intend to use AUDD to make payments in breach of applicable laws, such as anti-money laundering laws or applicable trade sanctions
- require stablecoins that are available for trading on platforms that do not support AUDD;
- require immediate liquidity/redemption at all times and cannot tolerate potential redemption delays or suspensions in exceptional circumstances (as described in the PDS and terms).
- intend to use AUDD for investment purposes, rather than for the making of payments and transfers;
- do not meet all applicable requirements for purchasing AUDD, as outlined in the AUDD Terms of Service.

3.2 Product Description

AUDD provides a set of payment functionalities with the following key attributes:

- ability to purchase certain goods and services electronically where AUDD is accepted;
- ability to send AUDD to a digital wallet, allowing Clients to make purchases at retailers or service providers that accept AUDD, to enable them to use AUDD for transactions and services;
- ability to make instant peer-to-peer or business-to-business payments;
- ability to store AUDD in an external wallet or a wallet provided by AUDD (or its partner online platform, AUDD Digital); and
- ability to transact between digital and fiat currencies.



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AUDD is distinguished from debit cards, as funds are not linked to a Clients' bank account, but rather held in a digital wallet or blockchain wallet.

AUDD is distinguished from a credit card because no credit is extended to a Client.

AUDD is available only to Clients who have agreed to the AUDD Terms of Service.

AUDD is a stablecoin backed on a 1:1 basis against the Australian Dollar, meaning that for every AUDD it mints, AUDC holds \$AU1 in trust for the User in accounts with Australian authorised deposit-taking institutions (ADIs).

3.3 Appropriateness

AUDC considers that the product (including its key attributes) is likely to be consistent with the likely objectives, financial situation and needs of Clients, as it provides the means for Clients to access funds acquired for the sale of their goods and services without the need to transfer funds to or from a Consumer's bank account.

4. Third Party Platforms

AUDD is available for purchase by Clients from approved commercial or wholesale partners of AUDC (**Distributors**). Distributors of AUDD have an arrangement with AUDC for the purposes of distribution of AUDD. Distributors of AUDD will have their own terms and conditions which relate to the purchase or sale of AUDD.

Distributors may determine to offer AUDD for resale.

AUDD may be available for purchase on secondary markets (including exchanges) that are not Distributors (and do not have an arrangement with AUDC to distribute AUDD). In these circumstances, AUDC's ability to control or influence distribution by such markets may be limited, and as such Clients should conduct their own due diligence and consider the PDS and the TMD before purchasing AUDD.

5. Distribution Conditions

A Distributor of AUDD must only market and promote AUDD through:

- advertising through media (including social media), physical marketing materials (such as banners, brochures or flyers) and any other marketing material available to the general public; and
- in collaboration with AUDC-owned or operated communication channels, which include social media and direct marketing.

A distributor must not make any statement, implication or representation that contradicts or is inconsistent with the AUDD Terms of Service and Product Disclosure Statement.



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These conditions are appropriate, as AUDD's target market is broad.

5.1 Retail Product Distribution Conduct

A Distributor must only engage in retail product distribution conduct (other than general advice) through:

1. AUDC-approved digital channels (website/app/API) and only under a written distribution arrangement with AUDC;
2. Apply onboarding checks, including age verification (18+), sanctions screening and AML/CTF checks, and restrict access where checks are not satisfied;
3. Make the current PDS and this TMD available to retail clients free of charge before, or at the time AUDD is offered or issued;
4. Not market or represent AUDD as a bank deposit, guaranteed, yield-bearing or risk-free, and not make statements inconsistent with the PDS and terms;
5. Not actively market or distribute AUDD in jurisdictions where it would be unlawful or not permitted, and not distribute to persons located in prohibited or sanctioned jurisdictions; and
6. Promptly notify AUDC of any significant dealings outside this TMD.

Retail product distribution conduct (other than general advice) is limited to distributor digital channels approved by AUDC. Any other channel (e.g., telephone) requires written approval by AUDC and must include delivery of PDS/TMD.

This condition is appropriate, as the target market for AUDD is broad, and this is the most suitable (and only) method for Clients within that market to obtain the product. Such conduct poses limited risk to Clients.

6. Review Triggers

AUDC, and any Distributor of AUDD, must cease retail product distribution conduct in respect of this product as soon as practicable, but no later than 10 business days after AUDC determines a material event or circumstance has occurred in relation to the following:

Material Complaints	material complaints (in number or significance) received by AUDC or Distributors in relation to the terms of this product and/or the distribution conduct.
Product Performance	evidence, as determined by AUDC, of the performance of the product in practice that may suggest that the product is not appropriate for the target market.



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Sustained peg deviation:	evidence of sustained deviation of AUDD market price from 1 AUD per 1 AUDD on significant venues, or other indicators of loss of confidence in the peg.
Reserve shortfall/inability to verify reserves:	evidence reserves may be insufficient to meet the stated reserve objective, or inability to verify reserves consistent with disclosures.
Technical Consideration:	Material change to supported networks/smart contracts/technical architecture.
Distributor Feedback	consistent feedback from a Distributor on the target market, which suggests that this TMD may no longer be appropriate.
Substantial Product Change	a substantial change to the product that is likely to result in this TMD no longer being appropriate for the target market, including a substantial change to the fees and the terms and conditions of AUDD
Usage concerns	Evidence of improper, inappropriate or problematic use of AUDD.
Significant Dealing	a material pattern of dealings in the product or of distributor conduct that is not consistent with this TMD.
Regulatory Change	a change in the law or regulatory settings that impacts upon AUDD.
Notification from ASIC	a notification from ASIC requiring immediate cessation of product distribution or particular conduct in relation to the product.
Review Period	Initial review: within 6 months of the Start Date. Ongoing review: within 12 months of the last review. Trigger review: within 10 business days after a review trigger or other circumstance suggesting the TMD is no longer appropriate.

7. Reporting Information

A distributor that engages in retail product distribution conduct in respect of this product must provide the following information in writing to AUDC within 10 business days after the end of each reporting period, unless indicated otherwise below:



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Complaint Information	Information about complaints received in relation to the product during the reporting period, and if complaints were received, a description of the number of complaints and the nature of the complaints received and other complaint information set out in paragraph RG 271.182 of Regulatory Guide 271 Internal dispute resolution.
Distributor Feedback	Information discovered or held by the distributor that suggests that this TMD may no longer be appropriate.
Significant Dealing	Information about any significant dealing in the product that is not consistent with the target market determination, of which a Distributor becomes aware. A Distributor must provide the information as soon as practicable, or in any event, within 10 business days after becoming aware of the significant dealing.
Information Requested by AUDC	Information reasonably requested by AUDC. A Distributor must provide the information as soon as practicable and no later than the date specified by AUDC.
Reporting Period	The reporting period for this TMD is 6 months, commencing on the Start Date.

8. Other information

AUDC reserves the right to amend the TMD at any time if such an amendment is needed because of any changes to the law or regulations, regulatory guidance or for any reason AUDC considers a proper reason to amend the TMD.

9. Glossary

AUDC means AUDC Pty Ltd (ACN 637 164 722).

AUDD means Australian Digital Dollar, the Australian Dollar stablecoin issued by AUDC.

AUDD Terms of Service means the terms that govern your use of AUDD, which are available on the [AUDD Website](#).

Clients means retail clients to whom the DD Obligations apply.

DD Obligations means the design and distribution obligations set out in Part 7.8A of the *Corporations Act 2001* (Cth).



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Distributors means approved commercial or wholesale partners of AUDC from whom AUDD is able to be purchased.

PDS means Product Disclosure Statement.

TMD means Target Market Determination.