

# Target Market Determination



Product	LoanOne Solution SMSF Loan
Mortgage Manager	LoanOne Pty Ltd ACN: 54 161 283 147; ACL: 501182
Issuer	ORDE Mortgage Custodian Pty Ltd CAN 638 083 548
Servicer	ORDE Financial Pty Limited ACN 634 779 990 (Australian Credit Licence 522079) ("ORDE")
Effective date of TMD	March 2023
TMD version	Version 1.0

## About this document

A Target Market Determination (TMD) establishes the target market of consumers this product has been designed for as determined by LoanOne Pty Ltd. It also sets out conditions for product distribution, triggers to review the target market and other reporting requirements.

A TMD is not a full summary of the product features or terms of the product. It is not intended to be a customer disclosure document and does not consider any person's individual objectives, financial situation or requirements. Consumers interested in acquiring this product should carefully read the Loan Contract, Key Fact Sheet and General Terms & Conditions issued to them before deciding whether to proceed.

## Description of the target market

### Class of consumers that fall within this target market

#### Consumer type

Residential SMSF Loan – Suitable for consumers who are trustees of a self-managed super fund who are seeking to invest in residential property within their fund. The trustees should have a minimum of \$150,000 within superannuation.

#### Objectives, financial situation, and requirements

The Loan Products are designed for individuals who may be seeking the following:

- Obtain an investment loan to purchase residential property within their super fund; or
- Arranging to refinance an existing limited recourse borrowing arrangement (LRBA)

Consumers may have additional requirements for their home loan including:

- Ability to make additional loan repayments; and
- Interest Only – may be allowed for a period, subject to lending assessment. An interest rate loading may be applicable for this type of loan repayment.

## Product description and key attributes

The Products are likely to be consistent with the typical objectives, financial situation and requirements of the class of consumers in the target market. This is based on an analysis of the key terms, features and attributes of the product and a finding that these are consistent with the identified class of consumers.

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The key eligibility requirements and product attributes of these Products as well as the consistency with likely objectives, financial situation and requirements of the class of consumers in the target market are outlined below:

	<b>Key Attributes of the Products</b>	<b>Consistency with likely Objectives, Financial Situation &amp; Needs</b>
<b>Security Type</b>	Residential property held for Investment requirements	
<b>Loan Amount</b>	\$100,000 - \$1,250,000 requirements	
<b>Loan to Value Ratio (LVR)</b>	≤80% requirements	
<b>Loan Term</b>	10 – 30 years requirements	
<b>Repayment Type</b>	<ul style="list-style-type: none"> <li>Principal &amp; Interest</li> <li>Interest only (Up to 5 years) reverting to Principal &amp; Interest</li> </ul>	<ul style="list-style-type: none"> <li>Consumers seeking Principal &amp; Interest repayments are likely to have one or more of the following requirements:                             <ul style="list-style-type: none"> <li>The ability to minimise interest paid over the life of the loan</li> <li>The ability to build home equity from the commencement of the loan; and/or</li> <li>Seeking the lowest possible available interest rate</li> </ul> </li> <li>Consumers seeking Interest Only repayments are likely to have one or more of the following requirements:                             <ul style="list-style-type: none"> <li>To follow advice of their financial advisor/accountant, or for taxation reasons; and/or</li> <li>Seeking to preserve cashflow by reducing their required repayments</li> </ul> </li> </ul>
<b>Repayment Frequency</b>	Weekly, fortnightly, or monthly (Interest Only – monthly)	The varied repayment types available are likely suitable for consumers in paid employment so they may align their loan repayment frequency to their income deposit.
<b>Interest Rate Type</b>	Variable	This interest rate type is likely to be suitable for consumers who need one or more of the following: <ul style="list-style-type: none"> <li>The ability to take advantage of potential future interest rate decreases</li> <li>The ability to make extra repayments to their loan; and/or</li> <li>Flexibility allowing early repayment of their loan</li> </ul>
<b>Account Management</b>	Digital customer account access	This is likely to be suitable for customers that wish to access their loan account online or via a phone application.

Note that exceptions to the above may be made on a case by case basis where still consistent with the consumers objectives, financial situation, and requirements.

## How this product is to be distributed

This product can only be distributed through the following means:

### Direct to Consumer

LoanOne may distribute this product to customers via an appropriately trained member of our Customer Assist team.

### Third Party Distribution

Accredited third party introducers:

- Mortgage brokers

### Distribution Conditions

The distribution channels and conditions are appropriate because:

- The Products have a wide target market;
- LoanOne/Lender conducts a full credit assessment on every loan application to ensure that the objectives, financial situation and requirements of the consumer are met; and
- Third party introducers must hold an Australian Credit Licence or maintain an appointment as a Credit Representative authorised to engage in credit activities on behalf of a credit licensee. They are also subject to a best interest duty to ensure that the Product is in the best interests of the specific consumer.

## Target Market Determination Reviews

We will review this target market determination in accordance with the below:

Initial review	Within 12 months of the effective date.
Periodic reviews	At least every 12 months from the last review.
Review triggers or events	<p>Any event or circumstances arise that would suggest the TMD is no longer appropriate. This may include (but not limited to):</p> <ul style="list-style-type: none"> <li>• a material change to the design features or distribution of the product, including related documentation;</li> <li>• occurrence of a significant dealing;</li> <li>• distribution conditions found to be inadequate;</li> <li>• external events such as adverse media coverage or regulatory attention; and</li> <li>• significant changes in metrics, including, but not limited to, complaints</li> </ul> <p>Where a review trigger has occurred, this target market determination will be reviewed within 10 business days.</p>

## Reporting Requirements

We may collect the following information from our distributors in relation to this TMD.

<b>Complaints</b>	<p>Distributors will report all complaints in relation to the products covered by this TMD. The report will include:</p> <ul style="list-style-type: none"> <li>• number of complaints; and</li> <li>• general feedback relating to the Products and their performance for active loans of these types</li> </ul>
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# Target Market Determination



	<p>The report will be made by email to the Head of Compliance (<a href="mailto:complaint@loanone.com.au">complaint@loanone.com.au</a>)</p>
<b>Significant dealings</b>	<p>Distributors will report if they become aware of a significant dealing in relation to this TMD within 10 business days. The report will include:</p> <ul style="list-style-type: none"><li>• date or date range of the significant dealing; and</li><li>• description of the significant dealing (i.e., why it is not consistent with the target market determination)</li></ul> <p>The report will be made by email to the Head of Compliance (<a href="mailto:complaint@loanone.com.au">complaint@loanone.com.au</a>)</p>