

The logo for Equity-One Mortgage Fund Limited features the text "EQUITY-ONE" in a white, serif font, with a thin white arc underneath the letters "Y" and "O". This text is centered within a dark red rectangular background.

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MORTGAGE FUND LIMITED

Issue Date: 05 October 2021

Target Market Determination

1. Important information about this document

This target market determination (**TMD**) is, and interests in Equity-One Mortgage Fund ARSN 115 289 579 (**Fund**) are, issued by Equity-One Mortgage Fund Ltd ACN 106 720 941 AFSL No. 277318 (**Issuer**) as trustee of the Fund. This TMD is for interests in the Fund which includes its various sub-schemes as established by the Issuer from time to time (**Product**).

This TMD is part of the Issuer's design and distribution framework for the Product and seeks to offer distributors and any interested investors with an understanding of the class of investors for which this Product has been designed. This TMD is based on the general objectives, financial situation and needs of the target market.

This document is not a summary of the product features, the terms of an investment in the Fund, or the Product Disclosure Statement for the Product (**PDS**). It does not (and it is not intended to) describe all of the terms or features of the Product.

The information contained in this TMD is general in nature only. This TMD does not take into consideration the investment objectives, financial situation and/or particular needs of any potential investor and the Issuer makes no representation as to whether the Fund is suitable for any particular investor. Before making any decision in relation to the Fund, investors should obtain and read the PDS.

Product Disclosure Statement

This TMD applies to the Product as described to the Part A of the PDS available at <https://equity-one.com/investors/> as well any sub-schemes described in a corresponding Part B of the PDS.

2. Important dates

Date from which this TMD is **effective**

5 October 2021

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Date when this TMD was last reviewed	5 October 2021
Date when this TMD will be next reviewed	5 October 2022

3. Target market specifics of the Product

Item	TMD Requirement	Determination
Issuer's obligations		
1.	Class of investors	<p>The Product is a registered managed investment scheme offering retail clients the ability to participate in one or more individual mortgage investment opportunities. The Product is designed for investors who:</p> <ul style="list-style-type: none">• Are trustees of superannuation funds, companies, individuals seeking a secured income stream, institutions, charitable trusts and other trust institutions;• are seeking a relatively stable return on investments;• are seeking an investment with regular income distributions;• are seeking short to medium-term investment periods;• are seeking an investment with management fees not exceeding either 3%pa or 5%pa depending on the mortgage ranking;• are seeking to invest indirectly in real estate property; and• are seeking some control over the specific asset, in which those funds are invested. <p>The following groups fall outside of the target market for the Product:</p> <ul style="list-style-type: none">• investors seeking investments that do not have a fixed term;

		<ul style="list-style-type: none"> • investors seeking a guarantee on funds invested; • investors who may need to access funds invested at short notice; • investors seeking to invest less than \$10,000; • investors seeking to make aggressive and/or high-risk investment choices; • investors seeking to invest directly in real estate property; and • investors seeking capital gains. 				
2.	Key attributes of the Product	<p>The key attributes and eligibility criteria of the Product are as follows:</p> <ol style="list-style-type: none"> 1. the Product is a managed investment scheme that provides exposure to particular loans secured by a respective mortgage (either first or second ranking), with the aim of providing investors with periodic income distributions; 2. individual loans advanced by the Fund are referred to as individual sub-schemes on a one-to-one basis and in which investors may selectively invest; 3. particular mortgage investments will vary in terms of expected returns, risk, investment horizon and underlying security; 4. investor funds pending deployment to a mortgage investment are held in an interest-earning bank account; and 5. investors must invest an initial minimum investment of \$10,000 in any one sub-scheme for a fixed term between a minimum of 1 month to a maximum of 5 years. 				
3.	Objectives, financial situation and needs	<p>The objectives, financial situation and needs for the different investor options, distinguished by form of mortgage security, are as follows:</p> <table border="1"> <tr> <td>Direct mortgage</td> <td> <p>Sub-schemes offering direct mortgage investments are designed for investors who:</p> <ul style="list-style-type: none"> • have the financial capacity to invest an amount equal to the entire loan in respect of one sub-scheme; and • are seeking to be the only registered mortgagee over the property. </td> </tr> <tr> <td>Contributory mortgage</td> <td> <p>Sub-schemes offering contributory mortgage investments are designed for investors who:</p> <ul style="list-style-type: none"> • are seeking to limit the extent of their financial input by investing with multiple investors in respect of one sub-scheme; and </td> </tr> </table>	Direct mortgage	<p>Sub-schemes offering direct mortgage investments are designed for investors who:</p> <ul style="list-style-type: none"> • have the financial capacity to invest an amount equal to the entire loan in respect of one sub-scheme; and • are seeking to be the only registered mortgagee over the property. 	Contributory mortgage	<p>Sub-schemes offering contributory mortgage investments are designed for investors who:</p> <ul style="list-style-type: none"> • are seeking to limit the extent of their financial input by investing with multiple investors in respect of one sub-scheme; and
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Contributory mortgage	<p>Sub-schemes offering contributory mortgage investments are designed for investors who:</p> <ul style="list-style-type: none"> • are seeking to limit the extent of their financial input by investing with multiple investors in respect of one sub-scheme; and 					

		<ul style="list-style-type: none"> are seeking to be joint mortgagees over the property with the other investors of the sub-scheme.
		<p>Nominee mortgage</p> <p>Sub-schemes offering nominee mortgage investments are designed for investors who: are not seeking to be the registered mortgagee over the property, but instead have their interest held on trust by the responsible entity of the Fund.</p> <p>A combination of Direct, Contributory and Nominee mortgages may also apply to a particular sub-scheme within the Product.</p>
4.	Consistency between target market and the Product	The Product is consistent with the objectives, financial situation and needs of the target market of investors. This is based on ongoing analysis and findings in relation to the key terms, attributes and investor outcomes for similar past Products.
5.	Distribution conditions and restrictions	<p>Distribution channels</p> <p>Distribution of the Product must only be done:</p> <ul style="list-style-type: none"> directly by the Issuer and its “representatives” within the meaning of s910A of the <i>Corporations Act 2001</i>; by financial advisers; or via the website https://equity-one.com/investors/. <p>Distribution conditions</p> <p>This Product should only be distributed under the following conditions:</p> <ul style="list-style-type: none"> investors who meet the eligibility requirements. <p>Adequacy of distribution conditions and restrictions</p> <p>The Issuer has imposed these distribution conditions and restrictions with the intention of ensuring that interests in the Product are only issued to investors who are in the target market by identifying which investors are likely to fall within the target market and to reduce the likelihood of the sale of the product to those potential members who fall outside the target market.</p>
6.	Review of this TMD	Review period

		<p>The first review of this determination is to be no later than the first anniversary of the date on which this TMD was originally made.</p> <ul style="list-style-type: none"> • Date of issue of this TMD is 5 October 2021. • First review of this TMD is to be completed no later than 5 October 2022. • Following the first review date, this TMD will be reviewed 5 October 2024. <p>Review triggers</p> <p>The following events and circumstances are considered likely to indicate that this TMD may no longer be appropriate:</p> <ul style="list-style-type: none"> • whether there are any losses suffered by investors and whether the Product is still likely to achieve its investment objective over time; • whether the liquidity of the Product has changed and whether the Product is able to continue to offer regular withdrawals; • the fees of the Product compared to similar types of products; • a change in relation to taxation implications of the Product compared to similar products; • whether the Product remains on approved product lists and menus for key distributors; • the performance of the Product relative to its investment objective, appropriate benchmarks (if any) and similar products (e.g. a change in expected performance in light of significant changes in market conditions such as an economic downturn); • a significant increase in Fund outflows; and • the nature, number and outcomes of complaints.
<p>Distributors' obligations</p>		
<p>7.</p>	<p>Reporting complaints</p>	<p>Distributors will report the number of complaints in relation to the Product covered by this TMD on a monthly basis. Reporting is still required even if the number of complaints is zero.</p> <p>This will include the substance of complaints and feedback relating to the Product and its performance.</p>
<p>8.</p>	<p>Significant dealings</p>	<p>In order for the Issuer to promptly identify when this TMD may no longer be appropriate, distributors of the Product must notify the Issuer within 10 business days if there is a significant dealing.</p>

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		<p>A significant dealing includes:</p> <ul style="list-style-type: none">• If 5% of investors have acquired the Product but are not in the target market, including the proportion of investors who are part of a class of investors that have been specifically excluded from the target market, over a 6 month period;• potential/actual harm to investors, if investors outside the target market acquire the Product;• inconsistency of distribution conditions with the TMD; and• repeated occurrences of investor complaints regarding the Product.
9.	Other reporting	Distributors will report on any further information acquired through distributing the Product, including any transaction data, outcomes from sale practices monitoring and any other relevant matters within the monthly reporting period.