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# Target Market Determination

This Target Market Determination (TMD) is made by NBFI Secured Investments Limited (ACN 111 607 606) (Company) in accordance with the design and distribution requirements relating to financial products for retail clients contained in Part 7.8A of the Corporations Act 2001.

## 1. Target Market

The class of consumers that comprises the target market for the Debenture Notes issued by the Company (products) are consumers who want a fixed interest, fixed term investment.

Where the assets of the Company consist primarily of first mortgages over real property, and cash and cash equivalents and where a trustee approved under the Corporations Act 2001 has been granted security over the assets of the Company to hold for the benefit of the consumers.

The Company has offered its products through prospectuses complying with the Corporations Act and regulations issued by the Australian Securities and Investments Commission for over 12 years, and is satisfied, by the ongoing demand for its products and the repeat investments by consumers, that the Company's products reach the target market and are consistent with the likely objectives, financial situation and needs of the class of consumers that comprises the target market.

## 2. Key Product Features

Include First Mortgage security over fully improved property with a low loan to value ratio. The investment is ideally suited to individual investors and small to medium SMSF's who wish to achieve a stable fixed interest income for a fixed period.

Before deciding to invest, you should refer to the current prospectus and consider whether this is a suitable investment for you. You should consider this investment taking into account your personal objectives, financial situation or needs. You should carefully consider these factors in light of your personal circumstances (including financial and taxation issues) and seek professional advice, if necessary, before investing.

## 3. Review Triggers

The Company will monitor and review the outcomes produced by the design and distribution of its products and consider whether changes are required to the products, to the way they are distributed and to whom they are being sold (**Review**).

The Company will conduct a Review:

- (a) prior to the issue of a prospectus;
- (b) prior to the issue of a supplementary prospectus;
- (c) within 10 business days of becoming aware of any event that suggests this TMD is no longer appropriate;
- (d) within 10 business days if:
  - (i) there is a failure by the Company to comply with the terms on which its products were issued, the provisions of the Trust Deed between the Company and Melbourne Securities Corporation Limited (**Trust Deed**), or Chapter 2L of the Corporations Act 2001;
  - (ii) an event occurs which causes or could cause the monies outstanding on the Company's products or any of them to become immediately payable or the terms or the terms of the product to become immediately



- (iii) enforceable, or any other right or remedy under the terms of the products or the Trust Deed to become immediately enforceable;
- (iv) a circumstance occurs that materially prejudices the Company or any of its subsidiaries or any security or charge included in or created by the products or the Trust Deed;
- (v) there is a substantial change in the nature of the Company's business;
- (vi) the Company sustains a material trading or capital loss;
- (vii) the Company elects to employ any third party distribution channel;
- (viii) the Company receives a material or unexpected increase in complaints that concerns the design or distribution of its products;
- (ix) there is a change in law or other regulatory requirement which materially affects the products, which was not anticipated during the review of this TMD; or
- (x) there is use of a regulatory order or direction (including the use by ASIC of its Product Intervention Powers) that expressly states or directly implies that this TMD is no longer appropriate.

Upon becoming aware of a Review Trigger, or a potential Review Trigger, the Directors must within 10 business days provide to the Board all such information necessary for the Board to determine whether this TMD is no longer appropriate.

#### **4. Distribution Conditions**

The Company distributes the prospectus for its products electronically through its own website, or in hard copy in response to requests made directly to the Company.

The Company does not provide financial advice. The Company ensures that its representatives provide consumers with factual information only, and make no recommendation or suggestion that consumers invest in the Company's products or in any other investment, and that any investment should be made on the basis of the prospectus and any independent financial advice the consumer may seek.

The Company does not employ any third party distribution channels.

#### **5. Periodic Review**

In addition to any Review conducted as a result of the occurrence of a Review Trigger, the Company must conduct an annual review, to finish:

- (a) for the first review, on the day which starts 12 months from the date this TMD is made; and
- (b) for each subsequent Review, on the day which starts 12 months from the day the prior Review was finished.

#### **6. Complaints Reporting**

The Directors must at the end of each quarter in a financial year report to the Board in writing:

- (a) whether the Company received complaints in relation to the Company's products during the quarter; and
- (b) the number of complaints received (if any).