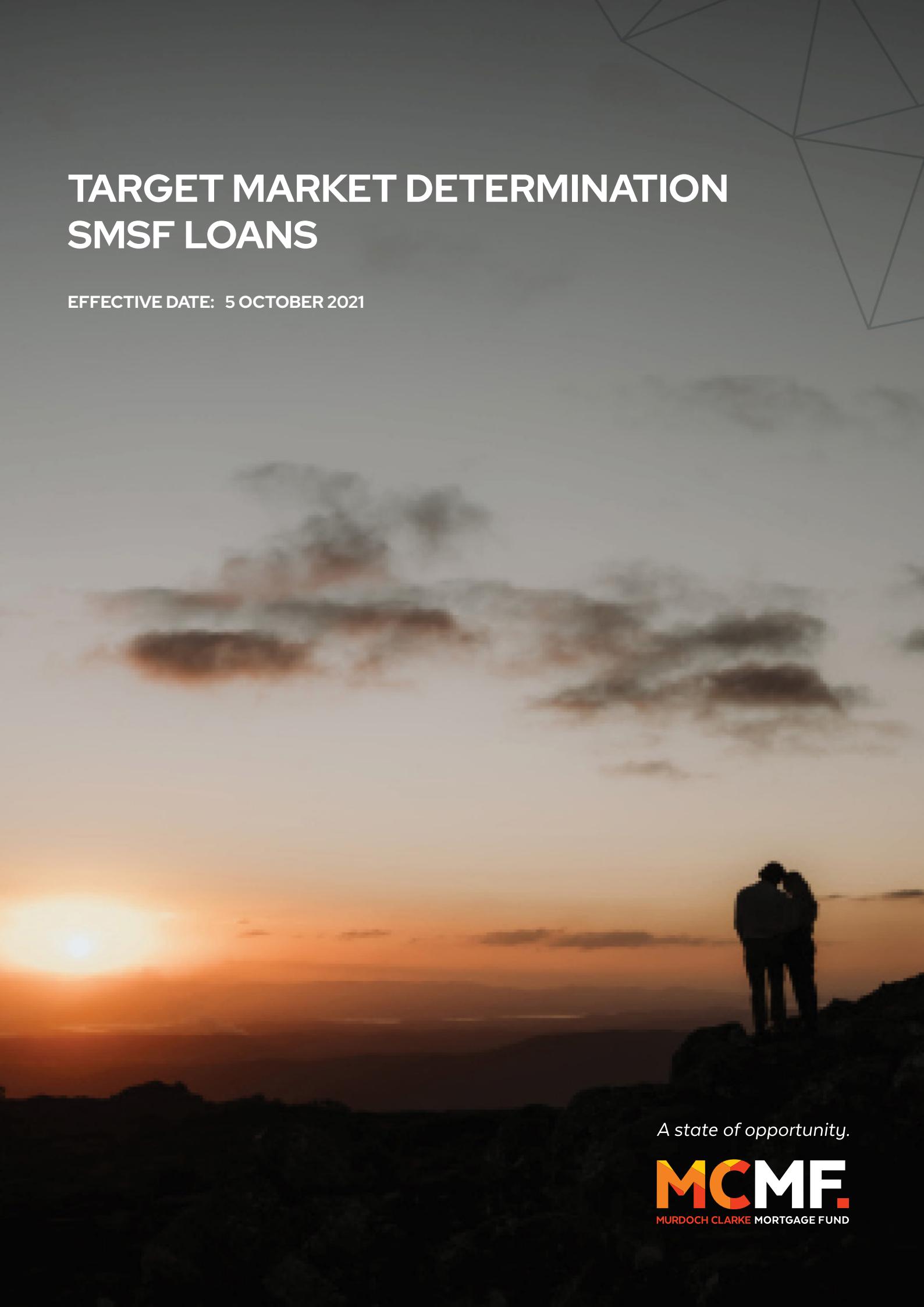


TARGET MARKET DETERMINATION SMSF LOANS

EFFECTIVE DATE: 5 OCTOBER 2021

A wide-angle photograph of a sunset over a mountainous landscape. In the foreground, the dark silhouettes of two people stand on a rocky outcrop, looking out over the horizon. The sky is a gradient of warm orange and yellow, transitioning into cooler blues and purples at the top. The mountains in the distance are also silhouetted against the bright sky.

A state of opportunity.

MCMF
MURDOCH CLARKE MORTGAGE FUND

MURDOCH CLARKE MORTGAGE MANAGEMENT LIMITED
ABN 84 115 958 560

TARGET MARKET DETERMINATION SMSF LOANS

(Effective Date: 5 October 2021)

MURDOCH CLARKE MORTGAGE FUND
ARSN 093 255 559

This Target Market Determination ("TMD") is provided by Murdoch Clarke Mortgage Management Limited ACN 115 958 560 as responsible entity for Murdoch Clarke Mortgage Fund ARSN 093 255 559 ("MCMF") in accordance with section 994B of the Corporations Act 2001 (Cth) ("Act"). The purpose of this TMD is to describe the target market for MCMF's SMSF loan product ("Product"), conditions and restrictions on the distribution of the Product and mechanisms for the review of this TMD.

Murdoch Clarke Mortgage Management Limited as responsible entity for MCMF ("MCMML") is the issuer of the Product.



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Devonport TAS 7310

Murdoch Clarke Mortgage Fund
ARSN: 093 255 559

Responsible Entity:
Murdoch Clarke Mortgage Management Limited
ABN 84 115 958 560

Australian Financial Services Licence Number 296758

Australian Credit Licence Number 296758

KEY ATTRIBUTES OF THE PRODUCT

The key attributes of the Product are:

- a. the loan is a loan to the trustee of a self-managed superannuation fund and is a limited recourse borrowing arrangement under section 67A of the *Superannuation Industry (Supervision) Act 1993* (Cth);
- b. the loan is secured by a registered first mortgage over real estate (i.e. land which is either vacant or built on) and any additional security that MCML requires;
- c. the loan amount may be up to 66.6% of the value of the mortgaged property if the mortgaged property is residential, rural residential or commercial property, up to 60% of the value of the mortgaged property if the mortgaged property is rural property and up to 50% of the value of the mortgaged property if the mortgaged property is a hotel or specialised security;
- d. the interest rate is variable (the current variable rate of interest for the Product is published on the MCMF website and is available by contacting MCML);
- e. the borrower is required to pay interest in arrears (usually quarterly, but in some cases monthly);
- f. there is no obligation on the borrower to make principal repayments during the term of the loan;
- g. the loan principal is repayable on demand by MCML; and
- h. the financial position of the self-managed superannuation fund trustee and the trustee's capacity to pay interest is assessed by MCML.

TARGET MARKET

The Product is designed for consumers who are the trustees of a self-managed superannuation fund and:

- a. wish to borrow funds to purchase real estate or wish to refinance an existing limited recourse borrowing arrangement; and
- b. do not want to be under an obligation to make regular principal repayments; and
- c. are able to satisfy MCML that they have the capacity to pay interest on the loan.

DISTRIBUTION CONDITIONS AND RESTRICTIONS

The following conditions and restrictions apply to the distribution of the Product to ensure that the Product is distributed to consumers in the Product's target market:

- a. The Product is distributed exclusively by MCML. Brokers may refer consumers to MCML, but applications for the Product are assessed by MCML.
- b. MCML assesses applications for the Product to ensure that the Product is provided to consumers in the Product's target market.

REVIEWS

PERIODIC REVIEWS

MCML will carry out a review of this TMD in March 2026.

Subsequent reviews will be carried out at regular 18 month intervals.

REVIEW TRIGGERS

MCML will carry out a review of this TMD within 10 business days of becoming aware that one or more of the following trigger events has occurred:

- a. the Product ceases to be consistent with the Product's target market criteria;
- b. the law changes in a way which materially affects the Product or its distribution; and
- c. the distribution conditions cease to make it likely that consumers who acquire the Product are in the Product's target market.

REPORTING

Distributors of the Product must provide MCML with information relating to any complaints about the Product, especially complaints relating to the design and distribution of the Product, within 10 business days after the end of every quarter.

Distributors of the Product must notify MCML of a dealing in the Product that is not consistent with this TMD as soon as practicable, but in any event within 10 business days after becoming aware.

FURTHER INFORMATION

Further information about the Product may be obtained from the MCML website at www.mcmf.com.au or by contacting MCML by calling (03) 6235 9311 or 1800 00 62 63 or emailing info@mcmf.com.au.

DISCLAIMER

This TMD is not a representation that the Product is an appropriate loan for any person.

This TMD does not contain the legally binding terms of an MCML SMSF loan. The legally binding terms will be contained in the documents that are presented by MCML to an applicant for an SMSF loan for signature after the applicant's application for an SMSF loan has been approved by MCML.