

Target Market Determination

Issuer:	This Target Market Determination is issued by Turner Securities Ltd ABN 85 122 088 617 AFSL No. 307209 (Turner Securities)
Product name:	This TMD applies to Secured Notes issued by Turner Securities (Secured Notes)
TMD Version:	V2
Date Approved:	13 December 2022
Mandatory Review date:	12 December 2023

What is a Target Market Determination (TMD)?

A TMD describes the class of investors that comprise the target market for the product. It also describes any conditions around how the product is to be distributed to investors and the events of circumstances where the product issuer (such as Turner Securities) will review the TMD.

A TMD is required by law under Division 2 of Part 7.8A of the Corporations Act 2001 (Cth). The purpose of this law is to make sure investors are at the centre Turner Securities' approach when designing and distributing its financial products.

- This document is not a substitute for the Prospectus issued by Turner Securities (including any replacement or supplementary prospectus) (**Prospectus**).
- Before deciding whether to invest in Secured Note Investments issued by Turner Securities, investors should read the Prospectus in full.
- The Secured Notes are not bank deposits and may not be suitable for all investors. Retail investors must obtain professional advice which takes into account their particular investment objectives, financial situation and needs.
- Applications for the Secured Notes can only be made by completing an application form attached to the Prospectus (which is available from Turner Securities).

Product Description

The Secured Notes are debt securities, secured by a first-ranking security interest over the assets of Turners Securities (predominantly a portfolio of carefully managed loans secured by registered first mortgages over real property in Australia) with a fixed term interest rate and interest paid to the investor at a set interest payment frequency. There is a minimum investment amount of \$25,000.

Target Market

The Secured Notes are designed for both retail and wholesale clients who are individuals (above the age of 18), trusts, companies or superannuation funds who have the likely objectives, financial situation and needs as set out in column 1 of the table below:

Likely objectives, financial situation and needs of the target market investors:	Key Attribute of the Secured Notes
The investors for whom the Secured Notes have been designed for are investors who:	The key attributes of the Secured Notes that make this product appropriate for the Target Market:

are seeking an indirect investment exposure to mortgages over real property in Australia	the Secured Notes are primarily backed by registered first mortgages over real property in Australia.
are seeking to acquire an investment in a product with the ability to generate fixed income payments for the term of the investment;	the Secured Notes are scheduled to pay a fixed rate of interest for the term of the investment. The interest rate for a Secured Note is the rate applicable on the date that Turner Securities accepts the application and will be specified on the Secured Note certificate issued.
are seeking an investment for the short to medium investment timeframe.	An investment term of 1, 2 or 3 years are available for investors to choose. Turner Securities reserves the right to redeem some or all of the Secured Notes on issue at any time prior to the maturity date by giving notice in writing to those investors.
have a medium to high risk profile (the potential investor's tolerance to investment volatility or ability to bear loss, is medium to high)	Whilst secured by a first ranking charge over all of the assets of Turner Securities, investment in the Secured Notes is speculative and repayment of capital is ultimately based on the financial performance of the company and its lending portfolio and is not guaranteed. Investors should read the Prospectus to fully understand the risk profile and management process. Investors may lose some or all of their investment.
are not seeking capital growth;	the Secured Notes are not designed to provide capital growth.
have a minimum of \$25,000 available to invest for the fixed term of the investment;	a minimum investment of \$25,000 is required.
do not require liquidity prior to the maturity of the investment.	Turner Securities has no obligation to facilitate the early redemption of Secured Notes. There is no established Secondary Market for Secured Notes.

Key eligibility requirements	
Investors must be retail or wholesale clients who are individuals (above the age of 18), trusts, companies or superannuation funds and must:	
<ul style="list-style-type: none"> • be registered investors with Turner Securities; and • have satisfied certain Investor Assessment criteria as determined by Turner Securities. 	

Distribution of the Secured Notes	
Distribution Channel	The Secured Notes are only available for distribution directly to consumers, who are registered investors with Turner Securities and have satisfied Turner Securities' Investment Assessment criteria. The Secured Notes are not distributed by any third party or other external channels.
Additional conditions or restrictions	<p>Applications by email, post or fax must be made using the Application Form accompanying the Prospectus. This means that investors are provided with detailed information about the Secured Notes and the risks associated with the investment before they apply.</p> <p>Applications and registrations are processed by appropriately trained staff and the staff follow procedures to comply with the TMD, including completing the "TMD Investor Assessment" for all new potential investors.</p>

Appropriateness of Target Market and Distribution

Due to the narrow target market and the limited distribution of this product, via direct distribution to existing investors, it is reasonable to conclude that:

- the product is likely to be consistent with the objectives, financial situation and needs of investors in the target market, as set out in the table above.
- this is the optimal distribution channel because it ensures that Turner Securities can oversee distribution of the Secured Notes and ensure that it is only acquired by investors from within the target market.

Review of the TMD

Initial Review	This TMD will be reviewed within 12 months from the issue date.
Periodic Review period	This TMD will be subsequently reviewed at least once every year since the date of the last review of the TMD (for whatever reason).
Review Triggers or events	Any event or circumstances that would reasonably suggest the TMD is no longer appropriate. This may include (but is not limited to): <ul style="list-style-type: none">• if there are any substantive changes to the features of the Secured Notes.• a material change to the design or distribution of the Secured Notes, including related documentation (such as the Prospectus);• distribution conditions found to be inadequate in ensuring that the product is issued to retail clients who are likely to be in the target market;• relevant changes in law or its application, a change in an industry code or decision of a court or other body (including through regulatory guidance) that materially affects the Secured Notes;• if there are any substantive changes to the cost of acquiring the Secured Notes.• if there is any evidence of consumer harm as a result of the Secured Notes being accessed by a consumer outside the target market.• any significant dealings outside of the TMD is identified.
Significant Dealing	A significant dealing outside of the target market will occur where: a) there is evidence of significant consumer harm as a result of an investor, outside of the target market, acquiring the product; or b) there is evidence of significant distribution outside the target market.

Distributor reporting requirements

All breaches, incidents and complaints are recorded in Turner Securities Breaches and Incidents register and reported at each quarterly Board Committee Compliance Meeting.

There is no third-party distribution of the Secured Notes so there are no additional distributor reporting requirements.