

Target Market Determination – Waratah Select Mortgage Fund (Fund)

This Target Market Determination (**TMD**) is required under section 994B of the *Corporations Act 2001* (Cth) (**Corporations Act**). It sets out the class of consumers for whom an interest in the Fund (**Product**), including the key attributes, would likely be consistent with their likely objectives, financial situation and needs. In addition, the TMD outlines the triggers to review the target market and certain other information. It forms part of Shakespeare Haney Securities Limited’s design and distribution arrangements for the Product.

This document is not a product disclosure statement and is not a summary of the Product features or terms of the Product. This document does not take into account any person’s individual objectives, financial situation or needs. Persons interested in acquiring the Product should carefully read the Product Disclosure Statement (**PDS**) for the Product before making a decision whether to buy the Product.

Product details

Issuer	Shakespeare Haney Securities Limited
Issuer ACN	087 435 783
Issuer AFSL	226348
Fund	Waratah Select Mortgage Fund ARSN 089 601 052
Description	The Fund is a pooled mortgage managed investment scheme which aims to provide investors with attractive and regular income returns by offering investment exposure to a portfolio of loans for completed property and to construction/development loans, secured by registered first mortgage.

Target market summary

This Product is targeted at the class of consumers which generally meets the following objectives, financial situation and need (**Consumer Attributes**).

Description of target market

Consumer Attribute		Product Key Attribute
Investment objective:	Regular Income or income reinvestment	The investment objective of the Product is to provide investors with monthly distributions, or quarterly distributions for investors who wish to reinvest distributions, from a pool of first mortgage loans.
Product Type:	Investment in pool of mortgage investments managed by a fund manager rather than direct investment in assets	The Product is an investment in a registered pooled mortgage managed investment scheme managed by the Issuer where an investor has investment exposure to a pool of loans.
Risk Profile:	Medium to High	The Product invests in loans for completed property and construction/development loans secured by first registered mortgages. A

		significant proportion of the Fund's loans are construction/development loans.
Return type:	Monthly income Quarterly income (if reinvested) Not seeking capital growth	The Product is designed for consumers: <ul style="list-style-type: none"> • seeking a regular monthly income, or to reinvest regular quarterly income distributions, for investment terms of 12 months, 24 months or 36 months. • who are not looking for capital growth.
Withdrawal needs:	Do not require immediate or frequent access to capital as withdrawals are only available every 12, 24 or 36 months depending on the investment term chosen	Subject to the Fund remaining liquid, investors will have access to their money following the end of their investment term, being every 12, 24 or 36 months depending on the investment option chosen.

Appropriateness of the target market

The Issuer has assessed the Product and formed the view that the Product, including its key attributes, is likely to be consistent with the objectives, financial situation and needs of consumers in the target market as described above. This is based on a consideration of the performance of the Product since its commencement in 2006, investor feedback on the Product during that time and the profile of investors who hold the Product.

Distribution conditions/restrictions

The Issuer distributes the Product Disclosure Statement for the Fund electronically through its website www.shsl.com.au or in hard copy in response to requests made directly to the Issuer. The website highlights the type of investor for whom the Fund is intended to be suitable (being investors with the consumer attributes listed above).

For requests for hard copies of the PDS from potential investors, the Issuer ensures that its appropriately trained representatives only provide consumers with general financial product advice in relation to the features and target market of the Product and that any investment in the Product is only made on the basis of the PDS (and any independent financial advice received by a consumer from a licensed financial adviser).

The Issuer does not distribute the Product through any third party distribution channels.

Investors are required to complete an application form which includes questions relating to this TMD to assist the Issuer in evaluating the effectiveness of the distribution conditions.

It has been determined that the distribution conditions and restrictions will make it likely that consumers who invest in the Product are in the class of consumers for whom it has been designed. We consider that the distribution conditions are appropriate and will assist distribution in being directed towards the target market for whom the product has been designed.

Review triggers (requiring a review of this TMD)

- Material change to key attributes, investment objective and/or fees.
- Material deviation from objective over sustained period.

- Key attributes have not performed as disclosed by a material degree and for a material period.
- Determination by the Issuer of an ASIC reportable significant dealing.
- Material or unexpectedly high number of complaints (as defined in section 994A(1) of the Corporations Act) about the Product or distribution of the Product.
- The use of Product Intervention Powers by ASIC, regulator orders or directions that affects the Product.
- Changes to the Issuer’s distribution arrangements for the Product.

Mandatory review periods

Review period	Maximum period for review
Initial review	1 year.
Subsequent review	2 years from the date of the previous review.

Review trigger information requirements

Information	Details	Distributor	Reporting frequency
Complaints	The number, nature and outcome of complaints received about the Product’s design, features, availability and distribution (excluding where no complaints have been received during the reporting period).	All Distributors	Quarterly, within 10 business days following the end of each quarter
Significant dealings outside target market	The nature and circumstances of the significant dealing (including why the dealings occurred outside the Target Market), the date range of when the significant dealing occurred, the number of consumers to whom the report relates, whether personal advice was provided and whether consumer harm or detriment has or likely occurred as a result of the significant dealing	All Distributors	As soon as practicable but no later than 10 business days after they become aware of the significant dealing

This information can be reported to SHSL at admin@shsl.com.au.