

## **INVESTSMART GROUP LTD**

### **FUNDLATER LOANS**

#### **Non-recourse Fundlater Loan**

**Effective date: 30 September 2021**

This Target Market Determination (**TMD**) sets out the target market for the product, triggers to review the target market for this product and certain other information. It forms part of InvestSMART's product governance framework for the product.

This document is not a Product Disclosure Statement (**PDS**) and is not a summary of the product features or terms of the product. This TMD does not take into account any person's individual objectives, financial situation or needs and only considers potential consumers generally.

#### **Target Market**

InvestSMART Fundlater Loans are designed for customers who want to borrow money for a short term on a limited recourse basis, specifically to invest in a limited choice of portfolios through the InvestSMART Professionally Managed Accounts managed investment scheme, namely:

- Growth portfolio
- High Growth portfolio
- Ethical Growth portfolio

#### **Non-recourse Fundlater Loan**

The Non-recourse Fundlater Loan is designed for people looking to borrow a specific amount of money over a fixed period of time to invest in a limited choice of portfolios in a InvestSMART Professionally Managed Account (i.e. Growth, High Growth or Ethical Growth portfolios) and prefer the certainty of fixed repayments over 20 months with a fixed facility fee.

The Fundlater Loan is suitable for people who:

- seek funds to increase their investment in a portfolio of Exchange Traded Funds available through the InvestSMART PMA, with minimum loan amount of \$1,000 up to maximum of \$6,000
- want a short-term loan over a fixed term of 20 months
- want consistency and certainty in 20 equal repayments over the term of the loan
- want the certainty of a fixed facility fee to maintain the loan
- may want the option to repay the loan more quickly. Unlimited free extra repayments are permitted and there are also no early payout fees.

#### **Growth, High Growth and Ethical Growth portfolio (Portfolios)**

This TMD should be read in conjunction with the specific Portfolio's [Target Market Determination](#).

Broadly speaking, the Portfolios are designed for people looking for a greater degree of volatility in an actively managed portfolio of ETFs to achieve a greater return over the long-term, to be used as a core or satellite holding within a portfolio where the consumer has a medium to longer term investment timeframe and a high risk/return profile. The Fundlater Loans will magnify the volatility and the returns on these portfolios.

These Portfolios are not suitable for investors seeking a low risk/low return or are seeking capital preservation or guarantees.

### **Distribution conditions**

This product must only be distributed to customers who meet the eligibility requirements in relation to the product.

### **Eligibility Criteria**

All applicants must:

- be individuals of at least 18 years of age, unless investing through a bare trust with a parent or guardian as trustee
- be a permanent resident of Australia with a valid and verifiable Australian residential and email address, mobile telephone number
- hold an Australian bank account which can be direct debited or used for BPay payments for the duration of the Fundlater Loan.

Applications are only available via the InvestSMART website or Fundlater app.

### **Reporting**

InvestSMART as issuer and distributor of this product will record details of:

- product related complaints received each month from its customers and distributors.
- any significant dealing which is not consistent with this TMD. Reporting must be within 10 business days of becoming aware of such dealing.
- sales data including number of accounts opened and cancelled monthly.

### **Reviewing this document**

We will review this TMD within 15 months from the first effective date to ensure it remains appropriate. Thereafter, regular reviews will be completed within 3 years from the completion of the last review.

We will also review this TMD if:

- we make a material change to the product or the terms and conditions of the product
- we make a change in our acceptance criteria that impacts on the suitability of the product for the target market
- we make a material change to the distribution conditions of the product
- we discover a relevant and material deficiency in the products' disclosure documentation

- a significant number of complaints are received from customers about the product which indicate that the TMD is no longer appropriate
- there are material and relevant changes in key product metrics which indicate that the TMD is no longer appropriate. Such metrics include negative trends across sales, complaints, and product usage data, or rates of hardship