

Plenti Lending Platform

Supplementary Product Disclosure Statement Notes Market

Scheme

Plenti Lending Platform
(ARSN 169 500 449)

Responsible entity

Plenti RE Limited

ABN

57 166 646 635

AFSL number

449176

Date

19 December 2022

Plenti

plenti.com.au

Important notices

This Supplementary Product Disclosure Statement (**Supplementary PDS** or **SPDS**) dated 19 December 2022 is issued by Plenti RE Limited (ABN 57 166 646 635, AFSL 449176). This SPDS must be read in conjunction with the Product Disclosure Statement dated 19 December 2022 in relation to the offer of Interests in the Plenti Lending Platform (ARSN 169 500 449) (**PDS**).

This SPDS has not been and is not required to be lodged with the Australian Securities and Investments Commission (**ASIC**). ASIC takes no responsibility for the contents of this SPDS.

Any investment in the Plenti Lending Platform is made on the basis of the PDS and this SPDS is an investment in Interests in the Plenti Lending Platform.

The information set out in this SPDS adds to some information contained in the PDS (as noted in the relevant sections) for the investment market described in this SPDS.

Definitions

Terms defined in the PDS have the same meaning in this SPDS except where otherwise defined in this SPDS.

References to "Responsible Entity", "Plenti", "we", "us" throughout the PDS and SPDS are references to Plenti RE Limited (ABN 57 166 646 635) in its capacity as the Responsible Entity of the Plenti Lending Platform.

Diagrams and examples

Diagrams, charts, graphs and numerical examples contained in this PDS are intended for illustrative purposes only.

General disclaimers

The information contained in this SPDS is not financial product advice and has been prepared without taking into account your investment objectives, financial circumstances or particular needs.

Before deciding to invest in the Plenti Lending Platform, you should read the PDS and the SPDS in their entirety. You should take into account all risks referred to in the PDS and this SPDS and consider whether investing in the Plenti Lending Platform represents an appropriate investment in view of your personal circumstances.

You should carefully consider your particular investment objectives, financial circumstances and investment needs (including financial and taxation matters) and you should seek advice from your professional adviser before deciding whether to invest. You should consider the risk factors that could affect the financial performance of the Plenti Lending Platform.

Disclaimers from third parties

The Trust Company (Australia) Limited (ABN 21 000 000 993), the trustee of the Provision Fund, was not involved in preparing, nor takes any responsibility for, this SPDS (except statements referring directly to The Trust Company) and makes no promise that money invested will earn income or capital gain, or be repaid.

The role of Perpetual Corporate Trust Limited (**Perpetual**) is limited to holding assets of the Plenti Lending Platform as agent of Plenti. Perpetual has no supervisory role in relation to the operation of the Plenti Lending Platform and is not responsible for protecting your interests. Perpetual has no liability or responsibility to you for any act done or omission made in accordance with the terms of the Custody Agreement.

Further questions?

If you have any queries relating to this SPDS please contact us on 1300 768 710 or contact@plenti.com.au.

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Notes Market

1.1 Introduction

Plenti is a technology-led lending and investment company. Through the Plenti Lending Platform, we provide a transparent marketplace where investors can invest in loans, one of the world's largest asset classes. The Plenti Lending Platform has funded over \$1 billion in loans since its establishment in 2014 and has demonstrated a strong track record of delivering attractive, stable returns for investors.

In addition to funding loans via the Plenti Lending Platform, Plenti and its related entities also fund loans via warehouse facilities, which have funding support from two of Australia's largest banks and several other funders. As is customary in Australia, from time-to-time loans out of these warehouse facilities will be sold into asset-backed securities (**ABS**) structures.

The Notes Market has been established by Plenti to provide you with the ability to gain economic exposure to an investment in ABS notes, which has previously been difficult for non-wholesale, non-institutional investors to access. The ABS notes to which you will gain economic exposure via the Notes Market may be "rated" by an external rating agency, or be unrated.

By providing Australian investors the opportunity to invest in its ABS notes, Plenti's ambition is to help investors earn attractive returns and diversify their investment portfolios.

1.2 Notes Market investor screening

ABS notes are complex products and each ABS structure is different. Making an investment to gain economic exposure to ABS notes may not be suitable for all investors. The risks associated with investing in ABS notes could result in the loss of your investment and associated income.

Accordingly, your access to the Notes Market is subject to a qualification process. You can request access to the Notes Market by accessing your Plenti Account, clicking the "Invest Now" tab, then selecting the Notes Market, and following the prompts. You will be asked a series of screening questions to ensure you fall within the defined target market for the Notes Market as set out in the Target Market Determination. If Plenti considers that you fall or are reasonably likely to fall within the defined target market based on your responses to our screening questions, investing via the Notes Market will ordinarily be made available to you within two business days.

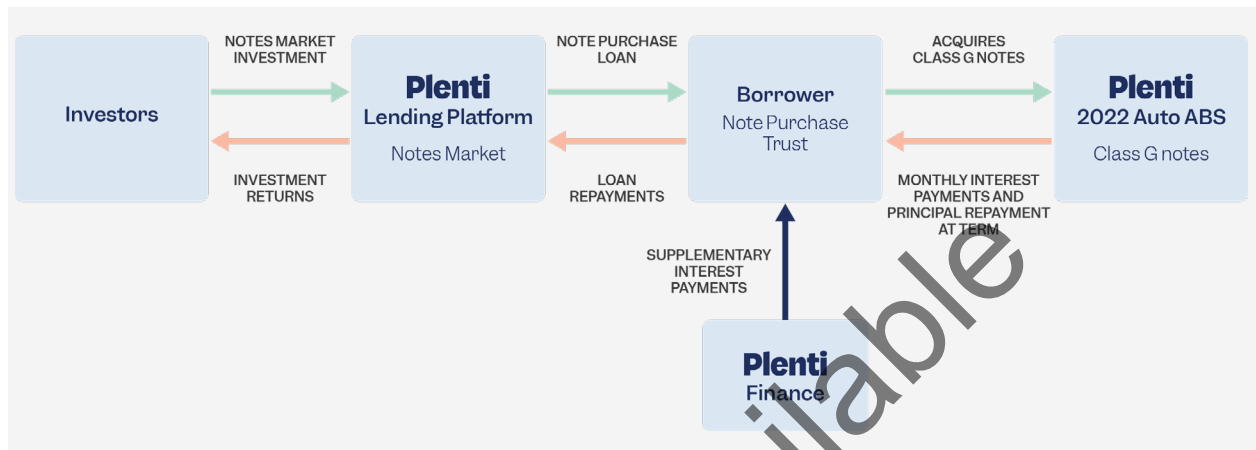
You will not be able to access the Notes Market if Plenti considers that you fall or are reasonably likely to fall outside the defined target market.

The Notes Market can be accessed via your Plenti Account on the Plenti Lending Platform website. Access is not provided via the investor app.

You must be a member of the Plenti Lending Platform to access the Notes Market. To learn about how to apply for membership of the Plenti Lending Platform, please see [Section 12](#) of the PDS.

1.3 Investment structure

When you invest in the Notes Market, you do not directly acquire an interest in ABS notes. Rather, your funds are invested in a loan to the Notes Trustee, a special purpose vehicle and a subsidiary of Plenti Group, which uses those funds to purchase a portion of the relevant ABS notes, to which you gain an economic exposure.



Further information on the investment structure is set out in [Section 5](#).

1.4 Investment orders

In your Plenti Account you can view the amount available for investment via the Notes Market, and the applicable interest rate. Interest rates for the Notes Market are shown on a simple basis, and do not assume any reinvestment of payments received over the term of the investment.

You can submit an order in the Notes Market via your Plenti Account. You will be asked to enter a desired investment amount, and to confirm your order.

Once you have submitted an order in the Notes Market, your funds will be matched to a loan immediately and you will be unable to cancel or change your order.

Once your funds have been matched you are able to view an indicative schedule of payments for your investment via your Plenti Account.

1.5 Investment returns

The interest rate on an investment in the Notes Market is fixed until the end of the investment term. Interest payable is calculated daily, and your monthly interest payments will vary depending on the number of days in the relevant period.

The fixed interest rate you receive comprises variable interest paid from the relevant ABS notes, supplemented by an amount contributed by Plenti Finance. Principal is repaid at the conclusion of the investment term.

The actual return you receive may be impacted by one or more of the risks set out in [Section 4](#), or in the event of charge-offs as described in [Section 5.4](#).

1.6 Reinvestments

You can elect to automatically reinvest interest payments received from an investment in the Notes Market into orders in any of the Flex Market, Plus Market or Green Market. You cannot automatically reinvest payments into the Notes Market.

You can set your reinvestment settings by following the steps in [Section 6.7](#) of the PDS.

No longer available

Plenti 2022 Auto ABS investment opportunity

2.1 Investment opportunity

This SPDS relates specifically to investments you can make in the Notes Market to gain economic exposure to certain ABS notes issued as part of the Plenti Auto ABS Trust 2022-1 (**Plenti 2022 Auto ABS**), an automotive ABS transaction completed in June 2022. Further information about ABS transactions is set out in [Section 2.3](#).

At the time of establishment in June 2022, the Plenti 2022 Auto ABS was secured by \$430 million in underlying loans.

2.2 Investment opportunity at a glance

Indicative term	From the date of your investment until the expected call date, being the first payment date after the earlier of a) when at least 80% of the notes in the Plenti 2022 Auto ABS (excluding the Class A-X notes) are repaid and b) 12 June 2026. See Section 5.3 for information about the expected call date. If the expected constant prepayment rate remains above 15%, the date at which the Class A to Class G notes are 80% repaid and therefore the expected call date is reached will accordingly occur before June 2026. An updated estimate of the expected call date is provided quarterly in your Plenti Account.
Indicative repayment profile	Interest is paid to investors monthly on the 16th day of the month or, if that day is not a business day, then the next business day. Principal repayment is due at the end of the indicative term, but in certain circumstances your funds may remain on loan longer than the indicative term. See Section 5 for details.
Minimum investment	Any amount from \$5,000.
Maximum investment amount available	Up to \$7,000,000 in 2022 Auto G-Notes are available for investment.
Interest rate	The interest rate payable on your investment is set by Plenti and is shown in your Plenti Account at the time you make an order.
What you are investing in	A secured loan to a special purpose vehicle used to purchase and provide economic exposure to 2022 Auto G-Notes. See Section 5 for more information on the investment structure.
Automatic reinvestments	You can elect to automatically reinvest interest payments into orders in the Flex Market, Plus Market or Green Market. You cannot automatically reinvest payments into the Notes Market. See Section 1.6 for further details about reinvestments.

Potential repayment after end of indicative term	If no Call is made on the expected call date, your funds may remain invested for an amount of time equal to the longest remaining term of an underlying loan. It is expected that in such circumstances the remaining pool of loans would be refinanced to enable investors to receive some or all of their invested funds, however, there is no guarantee that such a refinance would occur. In such circumstances, your funds may remain on loan if the borrower under the underlying loans is late in making payments and you are not compensated by the Provision Fund. See Section 4 at "Investment longer than indicative term" for further details.
Provision Fund eligibility	Your investment is eligible for Provision Fund protection, however, there is no guarantee nor any warranty as to any protection from the Provision Fund. See Section 7 of the PDS for important information about the Provision Fund.
Early access transfer feature	Not available for the Notes Market.

2.3 The Plenti 2022 Auto ABS

Key attributes of the underlying loans and corresponding borrowers of the Plenti 2022 Auto ABS as at 30 November 2022:

- 100% consumer and commercial automotive loans secured over vehicles, with security interests registered on the Personal Property Securities Register
- 44% of vehicles were new at the time of loan origination
- 102% weighted average loan-to-value ratio (value of the vehicle over which security is held)
- 860 weighted average underlying borrower Equifax comprehensive credit score

Key characteristics of the Plenti 2022 Auto ABS structure at the time notes were issued in June 2022 included:

- A standard Australian ABS structure, fully tranching from Class A to Class G notes, including a Class A-X note which is repaid more rapidly than other Plenti ABS note classes and is not collateralised by underlying loans
- The Class A and Class A-X notes are rated by both Moody's and Fitch, the Class B to Class F notes are rated by Moody's, and the Class G notes which are not rated by either
- An excess spread of approximately 2%, and expected to increase over time (excess spread had increased to 2.3% on average from September 2022 to November 2022), including as a consequence of the paydown of the Class A-X note
- A loss reserve feature to help reduce credit risk to noteholders, through which up to \$1 million of excess spread is retained in the structure in the event 90+ days arrears increases to over 2% of the underlying loans outstanding
- The expected call date being the first payment date after the earlier of:
 - a) when at least 80% of the ABS notes in the Plenti 2022 Auto ABS (excluding the Class A-X notes) are repaid; and
 - b) 12 June 2026.

If the constant prepayment rate remains above 15%, the date at which the sum of outstanding Class A to Class G notes is less than 20% of the amount of the original loan pool (and therefore the expected call date is reached) will occur before June 2026. An updated estimate of the expected call date is provided quarterly in your Plenti Account.

Key performance data relating to the Plenti 2022 Auto ABS as at 30 November 2022 included:

- Annualised average excess spread of 2.3% for the three months September to November 2022
- Annualised average net loss rate of 0.4% for the three months September to November 2022
- Cumulative net losses of 0.10% of the initial pool balance
- Loans in arrears of 90+ days represented 0.09% of the underlying loans outstanding

Further information relating to the underlying loans, borrowers, and characteristics of the Plenti 2022 Auto ABS is set out in [Section 2.4](#).

The ABS notes to which you may gain exposure via the Notes Market are the Class G notes of the Plenti 2022 Auto ABS (**2022 Auto G-Notes**) purchased by the Notes Trustee which were issued to Plenti Finance when the Plenti 2022 Auto ABS was established in June 2022.

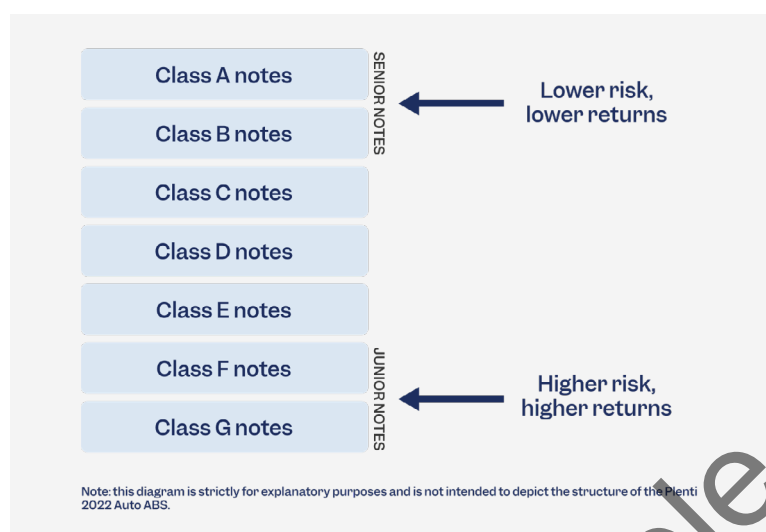
2.4 About asset-backed securities (ABS)

Asset-backed securities or ABS are a type of debt security whose repayment is sourced from the cashflow of a pool of loans (e.g. automotive loans, credit cards, personal loans). The debt securities or "notes" issued in an ABS (the **ABS notes**) carry the right for the holder of notes to receive payments of interest and principal made by the underlying borrowers (being the persons that have the underlying payment obligations). Investors in ABS notes are typically banks, superannuation and life insurance funds, specialist fixed income investors and other wholesale investors. In the calendar year ended 31 December 2021, over \$48 billion of ABS notes were issued by Australian issuers to investors. An ABS structure is often utilised by lenders to sell a pool of loans held in a bank supported warehouse facility to investors.

Holders of notes typically earn a return in exchange for taking on exposure to the risk that the underlying receivables are not repaid or not repaid in full or on time and they suffer a loss of some or all of their investment. The overall credit risk borne by holders of notes is generally measured with reference to the credit strength of the underlying borrowers, whether or not security is held on any underlying assets (e.g. cars), the ranking of the notes in the ABS structure (whether they are senior or junior), the level of "excess spread" within the structure, being the excess of the income into the structure (i.e. interest and fee payments made by borrowers) over the expenses (i.e. fixed funding and servicing costs), and other additional structural features (such as an arrears or loss reserve).



ABS notes are typically structured in tranches or "classes", with each class earning a different margin (and corresponding interest rate) and carrying a different level of priority in the receipt of interest and principal as depicted below.



The "Class A" note is a "senior" note, which typically earns the lowest interest rate but has the highest priority to receive payments. This is followed by the "Class B" note which typically earns a higher interest rate than the Class A note, but has a lower priority to receive payments, and so on. Lower ranked "junior" notes therefore typically carry higher levels of risk but earn higher interest rates.

Class G notes are often retained by the issuer of the ABS, although they may also be sold to investors either at the time the ABS is established, or at a later date. As the Class G notes rank lowest in priority for the receipt of payments out of the structure, their returns performance depends among other things on the excess spread within the structure less credit losses, rather than the level of credit support provided by junior notes within the structure. The level of the excess spread and the credit strength of the underlying receivables held by the ABS are therefore important to the performance of the Class G notes.

The timing of repayment of different classes of notes will usually differ, with some senior notes typically being repaid ahead of or more rapidly than more junior notes.

2.5 Plenti 2022 Auto ABS metrics

The below data relates to the underlying loans and borrowers in the Plenti 2022 Auto ABS and is correct as at 30 November 2022. Importantly, past performance is not a reliable indicator of future performance. This information will be updated in your Plenti Account from time to time.

Outstanding balance of loans	\$340,221,092
Number of outstanding loans	11,708
Average loan size outstanding	\$29,058
Largest loan size outstanding	\$139,073
Weighted average remaining term	59.8 months
Weighted average borrower interest rate	6.33%
Weighted average borrower credit score	860.45
Weighted average original loan-to-value ratio at loan origination	101.96%

Constant prepayment rate (CPR) (November 2022 monthly figure annualised)	16.78%
Excess spread pre losses (average September to November 2022 monthly figure annualised)	2.31%
Net loss rate (average September to November 2022 monthly figure annualised)	0.40%
Vehicle condition at loan origination	New: 43.53% Used: 56.47%
Remaining term distribution	≤ 12 Months: 0.25% > 12 Months and ≤ 24 Months: 1.26% > 24 Months and ≤ 36 Months: 3.21% > 36 Months and ≤ 48 Months: 20.66% > 48 Months and ≤ 60 Months: 21.19% > 60 Months and ≤ 72 Months: 29.97% > 72 Months and ≤ 84 Months: 23.47% > 84 Months: 0%
Borrower location	Victoria: 26.31%, New South Wales: 26.13%, Queensland: 29.12%, Western Australia: 9.56%, Tasmania: 1.6%, Northern Territory: 0.89%, Australian Capital Territory: 1.63%, South Australia: 4.76%
Borrower age distribution at time of loan origination	≤ 25 years old: 8.87% > 25 and ≤ 35 years old: 35.18% > 35 and ≤ 45 years old: 30.48% > 45 and ≤ 55 years old: 18.49% > 55 and ≤ 65 years old: 6.52% > 65 years old: 0.45%
Balance distribution	> \$0 and ≤ \$10,000: 0.92% > \$10,000 and ≤ \$30,000: 29.42% > \$30,000 and ≤ \$50,000: 39.99% > \$50,000 and ≤ \$70,000: 20.90% > \$70,000 and ≤ \$90,000: 6.56% > \$90,000: 2.20%
Loan-to-value ratio at loan origination distribution	≤ 35%: 0.21% > 35% and ≤ 55%: 2.16% > 55% and ≤ 75%: 7.83% > 75% and ≤ 95%: 21.17% > 95% and ≤ 115%: 43.15% > 115% and ≤ 135%: 22.43% > 135% and ≤ 145%: 2.88% > 145%: 0.18%

Equifax credit score at loan origination distribution	≤ 500: 0.03% > 500 and ≤ 600: 1.82% > 600 and ≤ 700: 10.57% > 700 and ≤ 800: 20.26% > 800 and ≤ 900: 28.07% > 900 and ≤ 1000: 23.20% > 1000 and ≤ 1100: 13.99% > 1100: 2.05%
Arrears	Current: 96.52% 1-30 days: 2.48% 31-60 days: 0.67% 61-90 days: 0.25% 91 days or more: 0.09%
Loans subject to hardship arrangements (% of outstanding balance)	0.27%

No longer available

Significant benefits of investing

Investing in the Plenti Lending Platform is not without risk. It is important that as well as reading the benefits of investing set out below, you read and understand each of the risk factors set out in [Section 4](#) of this SPDS as well as [Section 5](#) of the PDS.

Economic exposure to an asset class traditionally reserved for institutional investors

Investments in ABS notes such as those in the Plenti 2022 Auto ABS are typically only made available to institutional investors, in particular due to the large amount of investment capital required for the investment. Through the Notes Market you are able to gain economic exposure to Plenti ABS notes via a secured loan, with a minimum investment amount of \$5,000.

Simple and cost effective structure through which you can gain economic exposure to ABS notes

Plenti has established an investment structure that helps you gain economic exposure to Plenti ABS notes in a simple way. See the PDS for a description of how the Plenti Lending Platform operates and see [Section 5](#) for further details regarding the investment structure.

Investment risk mitigation

The Notes Market provides investors with the opportunity to access economic exposure to Plenti ABS notes, with the benefit of risk mitigation features including:

- Potential Provision Fund protection in the event of late payments or default (see below); and
- Guarantees provided by Plenti Group in respect of the payment of interest

Additionally, the Plenti 2022 Auto ABS provides a loss reserve feature to help reduce credit risk to noteholders, through which up to \$1 million of excess spread is retained in the structure in the event 90+ days arrears increase to over 2% of the underlying loans outstanding.

Secured lending

Investments in the Notes Market are made via a secured loan to the Notes Trustee, which has granted a security interest over the assets of the Note Purchase Trust (being the 2022 Auto G-Notes held by the Notes Trustee).

Access to potentially attractive returns

An investment in the Notes Market may be able to earn a higher return than an investment in another of Plenti's investment markets, representing amongst other things the different risk profiles of different markets. See [Section 4](#) for more information about risks.

Regular income

You can receive monthly payments of interest, which may provide a regular income.

Provision Fund helps protect investors

We may make a claim to the Provision Fund if the Notes Trustee is late in making an interest or principal payment or if it defaults on its loan. Our objective is to ensure that the Provision Fund is sufficiently funded to be able to protect investors on an ongoing basis from late payment or default such that you do not suffer financial loss. However, the Provision Fund is not a guarantee nor an insurance product. See [Section 7](#) of the PDS for more information about the Provision Fund.

Bankruptcy remote

The Note Purchase Trust and the Plenti 2022 Auto ABS are each bankruptcy remote vehicles. In the event of an insolvency event in respect of Plenti or a related entity of Plenti, your economic interests in the 2022 Auto G-Notes should not be impacted.

No longer available

Significant risks of investing

This section sets out the significant risks of investing in the Notes Market, which you should read in conjunction with the risks set out in [Section 5](#) of the PDS.

Key risks

Poor performance of underlying loans may lead to losses

If borrowers relating to the underlying loans are late in making payments or default on their obligation to repay their loan, the ABS trustee will suffer a loss of income. If total losses exceed the level of excess spread in any period then the 2022 Auto G-Notes may not receive some or all of the interest due and some or all of the 2022 Auto G-Notes principal balance may be charged-off, which may lead you to suffer financial loss.

Economic exposure to the most subordinated note in the ABS structure

The 2022 Auto G-Notes are the most subordinated notes in the Plenti 2022 Auto ABS structure. In the event that the Plenti 2022 Auto ABS cannot make all payments due to noteholders, holders of 2022 Auto G-Notes are in the class of notes first and most exposed to suffering financial loss.

Australian macroeconomic risk

A deterioration in macroeconomic conditions of the Australian economy may lead to a higher proportion of borrowers with underlying loans being unable to meet their loan obligations. In particular, higher levels of unemployment, high levels of inflation and increases in the RBA Cash Rate Target could negatively impact the ability of borrowers to service their debt obligations, leading to an increase in arrears and defaults on the underlying loans, which may lead to you suffering financial loss.

Plenti Finance default

The interest rate on the 2022 Auto G-Notes is expected to be less than the interest rate applicable to your investment. Plenti Finance provides supplemental interest payments to the Notes Trustee to cover the difference between the interest payable on a Note Purchase Loan funded at the Notes Market rate and the interest rate payable on the 2022 Auto G-Notes. These supplemental interest payments are guaranteed by Plenti Group through a parent company guarantee. If Plenti Group were to become insolvent and unable to meet its obligations under the interest guarantee, you may not receive the full amount of the supplemental interest payment, and you may suffer financial loss.

Rate of prepayment of underlying loans

If a high proportion of the borrowers to underlying loans repay all or part of their loan prior to the end of their loan term, the amount of available income in the Plenti 2022 Auto ABS will be reduced and may be insufficient to cover all the required payments including the repayment of the Class A-X notes. This may result in the 2022 Auto G-Notes being subject to charge-offs and you may suffer financial loss. See [Section 5](#) for further information.

Additionally, if the underlying loans are repaid at a rate different to that assumed in the swap arrangements, then the Plenti 2022 Auto ABS may not receive sufficient income from those swaps to meet its interest payment obligations. This may mean excess spread is reduced and the 2022 Auto G-Notes would become more exposed to loss in the event of default on underlying loans, and accordingly you may suffer financial loss.

Limited recourse

Plenti's recourse to payments due from the Notes Trustee is limited to the amounts received by the Notes Trustee in relation to the 2022 Auto G-Notes (including any supplemental interest payments), and therefore you may not receive some or all of the interest or principal due on a Note Purchase Loan in the event that the Notes Trustee does not receive all amounts, on time and in full, payable to it on the 2022 Auto G-Notes or under the supplemental interest payment arrangements. The guarantee by Plenti Group in relation to the obligations of the Notes Trustee under a Note Purchase Loan is in respect of amounts of interest only and you may not receive amounts of principal where the Notes Trustee does not itself receive a payment of principal from the ABS trustee.

Investment longer than indicative term

Your funds may need to stay on loan beyond the indicative term in the event that there is no Call on the expected call date, or in the event the Plenti 2022 Auto ABS has insufficient funds, or is unable to be refinanced, in order to repay the principal and interest owed on all of the Plenti ABS notes on issue.

Your funds may need to remain on loan for an amount of time equal to the longest remaining term of an underlying loan. In such circumstances, you may continue to receive repayments of both principal and interest. If part or all of the 2022 Auto G-Notes have been charged-off, you may only receive a proportion of your principal repayment, or you may suffer financial loss.

Other counterparty default

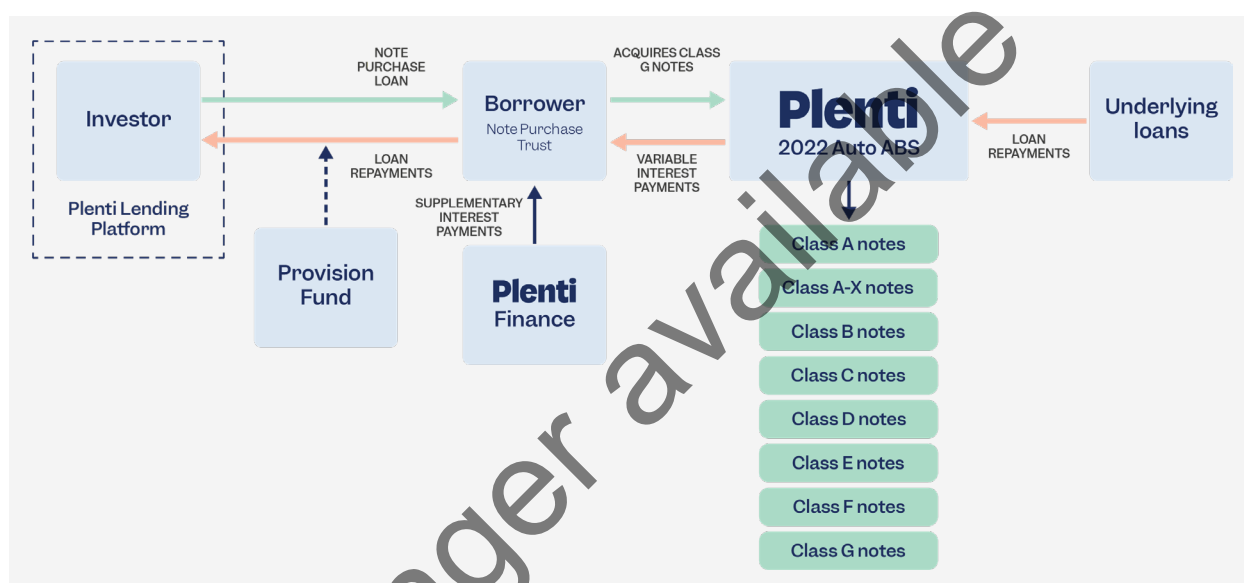
Operation of the Plenti 2022 Auto ABS is supported by a number of parties including an interest rate swap and liquidity facility provider, the ABS trustee, the trust manager, Plenti Finance as originator and Plenti as servicer. If a counterparty were to default on their obligations this would impact the operation of the Plenti 2022 Auto ABS and could result in losses for the Note Purchase Trust. While counterparties who are at risk of default may be replaced, it cannot be guaranteed that this would occur or that there would not be economic cost from the change in counterparty resulting in losses or you suffering a financial loss.

Investment structure

5.1 Structure overview

This section describes the structure of an investment in the Notes Market.

Investments in the Notes Market are used to fund a Note Purchase Loan to the Notes Trustee, which uses the proceeds of a Note Purchase Loan to purchase Class G notes issued in respect of the Plenti 2022 Auto ABS. This structure is illustrated in the diagram below.



A Note Purchase Loan is a loan contract between Plenti, the Custodian and the Notes Trustee. The Note Purchase Trust is a special purpose trust established by the Notes Trustee to enter into Note Purchase Loans and use the loan proceeds to purchase the 2022 Auto G-Notes.

For information about key aspects of the Plenti 2022 Auto ABS relevant to an investment in the Notes Market, see [Section 5.2](#).

For more information about the structure of a Note Purchase Loan, see [Section 5.3](#).

For more information about other factors which may impact payments received by Class G noteholders and which may impact returns in the Notes Market, see [Section 5.4](#).

5.2 The Plenti 2022 Auto ABS

The 2022 Auto G-Notes acquired by the Note Purchase Trust are a portion of the Class G notes issued in respect of the Plenti 2022 Auto ABS. This section describes key aspects of the Plenti 2022 Auto ABS relevant to an investment in the Notes Market.

ABS trustee

The trustee of the Plenti 2022 Auto ABS is Perpetual Corporate Trust Limited (**ABS trustee**). The ABS trustee is responsible for, amongst other things:

- Holding the underlying loans and receiving repayments of principal and interest made by the borrowers under those loans
- Issuing the notes in relation to the Plenti 2022 Auto ABS to noteholders, including the Class G notes
- Making payments of principal and interest to noteholders
- Entering into the swap contracts that form part of the Plenti 2022 Auto ABS structure

The ABS trustee has appointed a trust manager, Perpetual Nominees Limited, to undertake certain duties including providing periodic reporting to noteholders on the performance of the Plenti 2022 Auto ABS.

Underlying loans

The underlying loans in the Plenti 2022 Auto ABS are automotive loans to creditworthy Australian-resident consumers and businesses, financed by Plenti Finance. These loans may be used to finance the purchase of a new or used vehicle, or to refinance an existing automotive loan. Loans are secured against the relevant vehicle.

The underlying loans are governed by standard form loan contracts which have been entered into between the borrower and Plenti Finance. Borrowers are required to repay the underlying loans, most commonly on a monthly basis, by direct debit, BPAY or bank transfer.

Each borrower to an underlying loan has been subject to the borrower risk assessment processes set out in [Section 8.1](#) of the PDS. In the event of a borrower late payment or default in respect of an underlying loan, Plenti pursues collection via a debt recovery process in the manner set out in [Section 8.2](#) of the PDS.

Plenti ABS note classes

The ABS notes issued in the Plenti 2022 Auto ABS are organised into classes from Class A notes through to Class G notes, with Class A notes being the most senior and Class G notes being the most junior.

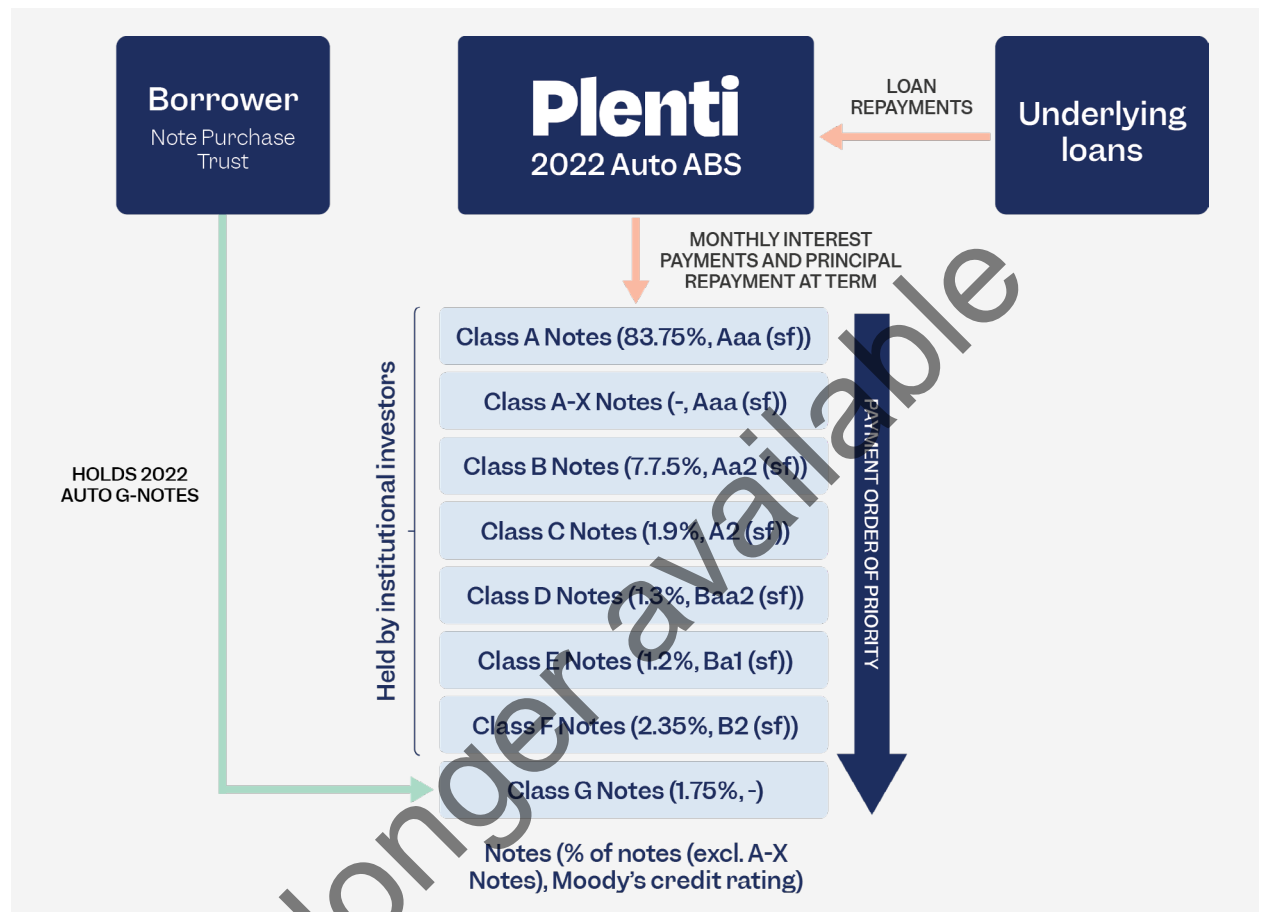
Class A to Class F notes and the Class A-X notes are held by institutional and wholesale investors. Each of these Plenti ABS notes has been rated by Moody's Investors Service and assigned a rating between Aaa (sf) and B2 (sf) as indicated in the diagram below.

The Class G notes to be acquired by the Notes Trustee using funds advanced through a Note Purchase Loan are currently held by Plenti Finance. The Class G notes (including the 2022 Auto G-Notes) are not rated. See [Section 2.4](#) for further detail.

The 2022 Auto G-Notes to be purchased by the Note Purchase Trust are a portion of the Class G notes issued to Plenti Finance. Not all Class G notes issued to Plenti Finance will be available for purchase by the Note Purchase Trust.

Payments to noteholders

The ABS trustee is responsible for making monthly interest payments to noteholders at a rate which is set as the 1 month BBSW plus a defined margin. These payments are paid in accordance with the seniority of the notes as shown in the diagram below. The original value of the issued notes (excluding the Class A-X notes) is equivalent to the value of the underlying loans.



Note: This diagram is for illustrative purposes only.

Interest payments to noteholders are made from income received in connection with the underlying loans, made up of borrower fees, loan interest repayments, and recoveries in relation to prior loan defaults.

If the income received by the Plenti 2022 Auto ABS for a given month is greater than the sum of its expenses (including noteholder interest expenses) and any loan defaults for that month, all noteholders receive their interest payments, and the leftover income is paid to the residual unit holder.

If the income received by the Plenti 2022 Auto ABS for a given month is less than the expenses and loan defaults for that month, junior notes may not receive part or all of their interest for that month (even though more senior notes may receive full payment).

Where an amount of interest is not paid to a noteholder in a given month because of insufficient income, that amount is carried forward and may be paid to the noteholder in a future month from any excess spread, in priority to it being distributed to the residual unit holder.

The interest paid to holders of Class G notes by the ABS trustee may also be affected by, amongst other things, a charge-off of the Class G notes, an amortisation event, or in the event the Call is not exercised at the expected call date. Further detail in relation to these potential events is set out in [Section 5.4](#) below.

ABS interest rate swap arrangements

The Plenti 2022 Auto ABS noteholders benefit from interest rate swap arrangements which have been entered into to help provide stability to the level of excess spread.

All underlying loans are fixed-rate loans, and as such the interest income from underlying loans in the Plenti 2022 Auto ABS does not vary with movements in 1 month BBSW. However, noteholders are paid interest at a rate which is set as 1 month BBSW plus a margin. The interest rate payable to noteholders can therefore vary depending on movements in 1 month BBSW from time to time.

To mitigate the effect of changes in 1 month BBSW on noteholder interest expenses of the Plenti 2022 Auto ABS, the ABS trustee has entered into an interest rate "swap" arrangement with a large domestic bank. Under this interest rate swap arrangement, the Plenti 2022 Auto ABS pays a fixed monthly rate (1.185%) on an agreed amortising principal balance, and receives 1 month BBSW on the same balance. Accordingly, the swap helps to protect the Plenti 2022 Auto ABS excess spread.

If the amortisation rate on the underlying loans is different to the amortisation rate utilised for the interest rate swap, the excess spread available to pay noteholders may be affected. Further detail is set out in [Section 5.4](#) below.

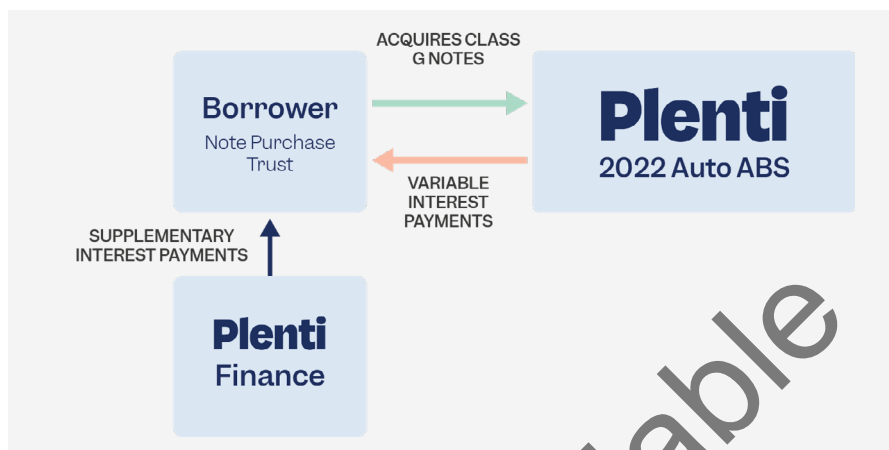
5.3 Structure of a Note Purchase Loan

Key terms

Borrower	Plenti Facility Provider Pty Ltd as trustee of the Note Purchase Trust.
Purpose	To fund the purchase of 2022 Class G-Notes in Plenti 2022 Auto ABS from Plenti Finance.
Loan term	The period from the date an investor's funds are invested in a Note Purchase Loan until the expected call date, being the first payment date after the earlier of: (a) when at least 80% of the ABS notes in the Plenti 2022 Auto ABS (excluding the Class A-X notes) are repaid; and (b) 12 June 2026. If the expected constant prepayment rate remains above 15%, the date at which the Class A to Class G notes are 80% repaid and therefore the expected call date is reached will accordingly occur before June 2026. An updated estimate of the expected call date is provided quarterly in your Plenti Account.
Loan amount	The amount of the order placed in the Notes Market by the investor funding that loan.
Interest rate	The interest rate which applies to the order funding a loan.
Repayments	Monthly interest payments on the first business day on or after the 16th of each month, with principal repaid at the end of the loan term.
Security	A Note Purchase Loan is secured over the assets of the Note Purchase Trust. This security is registered on the PPSR.

Composition of interest payments

As noted in [Section 1.5](#), the interest on your investment in the Notes Market (which is calculated at a fixed rate) comprises interest payments received by the Notes Trustee, calculated at a variable rate, supplemented by an amount contributed by Plenti Finance.



The variable interest rate component is the monthly interest payments the Notes Trustee is entitled to receive from the 2022 Auto G-Notes that were purchased by a Note Purchase Loan. Interest payments received by the Notes Trustee in respect of 2022 Auto G-Notes must be applied towards its payment obligations under a Note Purchase Loan. Interest is payable to the Notes Trustee at the rate equal to the prevailing 1 month BBSW as at the date of the last interest payment date.

If the interest payable to the Notes Trustee in respect of the 2022 Auto G-Notes is less than the interest payable under a referable Note Purchase Loan, then, pursuant to an agreement between the Notes Trustee and Plenti Finance, Plenti Finance will provide a supplemental interest payment to the Notes Trustee to enable the Notes Trustee to make the interest payment required under the relevant Note Purchase Loan.

For example, if the Notes Trustee receives an interest payment of \$50 in respect of 2022 Auto G-Notes referable to a Note Purchase Loan, but is required to make an interest payment of \$200 in respect of that Note Purchase Loan, Plenti Finance has agreed to pay the supplemental interest amount (in this example, \$150) on the date that the Notes Trustee is required to make the payment of \$200.

Investors in the Notes Market indirectly receive the benefit of parent company guarantees provided by Plenti Group. Plenti Group has provided parent company guarantees a) to the Notes Trustee in respect of the obligation of Plenti Finance to provide supplemental interest payments to the Note Purchase Trust, and b) to Plenti in respect of the obligation of the Note Purchase Trust to make interest payments under a Note Purchase Loan. Importantly, these parent company guarantees apply only to payments of interest and do not guarantee the repayment of any amount of principal under a Note Purchase Loan.

You may incur a financial loss in the event that the Note Purchase Trust is unable to meet its obligations to repay the principal amount at term. You may also incur a financial loss of interest in the event that the Note Purchase Trust, Plenti Finance, and/or Plenti Group are unable to meet their respective obligations (including those under any guarantee) in relation to payments of interest.

Defaults on a Note Purchase Loan

Plenti's recourse to payments due from the Notes Trustee on a Note Purchase Loan is limited to the amounts received by the Notes Trustee in relation to the Plenti 2022 Auto ABS G-Note funded by that loan. Whilst losses in respect of the 2022 Auto G-Notes are shared pro-rata between investors in the Notes Market, any action against the Note Purchase Trust following a default on its obligations under a Note Purchase Loan is limited to any amount which the Note Purchase Trust has actually received or recovered in respect of the 2022 Auto G-Notes which are the subject of the Note Purchase Loan.

5.4 Potential factors influencing payments to holders of Class G Notes

As noted above, the amount paid to the trustee of the Note Purchase Trust as holder of 2022 Auto G-Notes can be impacted by the occurrence of certain events. This section provides an overview of these events and their potential impact on the amount paid to holders of Class G notes.

Class G note charge-off

If the income received by the Plenti 2022 Auto ABS in a month is less than the sum of loan defaults and expenses, then the value of the notes in the Plenti 2022 Auto ABS is reduced, starting with the most subordinated notes, to reflect the reduction in the value of the underlying loans (i.e. notes are charged-off). As it is the most subordinated class of notes, the value of the Class G notes (and therefore the 2022 Auto G-Notes held by the Notes Trustee) is charged-off before any other note in the Plenti 2022 Auto ABS.

The impact of charge-offs on the interest payments on the holders of Class G notes (including the 2022 Auto G-Notes) is dependent upon the level of charge-offs, as follows:

- If the Class G notes are only partially charged-off, then interest payable to the holders of the Class G notes from the Plenti 2022 Auto ABS is not impacted
- If all of the Class G notes have been charged-off, no interest is accrued as payable to the holders of the Class G notes

If, following a charge-off, there is sufficient excess spread (including from recoveries on defaulted underlying loans), then notes can be reinstated. That is, a note once charged-off will not necessarily remain charged-off for the remainder of the indicative term.

Amortisation event

If the Call is exercised at the end of the indicative term, as is anticipated, the Plenti 2022 Auto ABS will repay any principal amounts outstanding on all notes. In respect of the Class G notes, the full outstanding balance of the notes is repayable, even if part or all of the Class G notes are charged-off at that time.

However, if the Call is not exercised at the expected call date, an amortisation event occurs. Following an amortisation event principal repayments are made to noteholders in order of seniority, with Class G note principal repaid last. This means that Class G note principal is repaid after the principal is repaid on all other classes of Plenti ABS notes. Part or all of an investor's funds may therefore remain on loan for a term equal to the longest remaining term of an underlying loan.

If the Plenti 2022 Auto ABS enters an amortisation period and part or all of the Class G notes have been charged-off, the amount of principal received by noteholders may be reduced. For example, if 5% of the Class G notes (including the 2022 Auto G-Notes) have been charged-off, the underlying loans may only repay 95% of the principal balance. If only 95% of the principal amount is repaid to the Note Purchase Trust, then it in turn may only pay 95% of the principal balance to investors, and you may suffer a financial loss.

Principal repayments to more senior notes

As principal is repaid on the underlying loans, the Class A to Class F notes in the Plenti 2022 Auto ABS are repaid in order of seniority. Initially, Class A notes receive all principal repayments until certain tests are met, most notably that Class A notes represent 75% or less of all notes outstanding. After this point, Class B to Class F notes are repaid on a pro-rata basis from underlying loan principal repayments (unless an amortisation event has occurred). The principal of Class G notes is not repaid until the expected call date or until all other notes have been repaid if an amortisation event occurs.

The Class A-X notes are excluded from the above principal repayment regime as explained in the following section.

Potential impact of Class A-X notes on excess spread

The principal value of the Class A-X notes is repaid on a set schedule over the first approximately three years that the Plenti 2022 Auto ABS operates. Unlike the other note classes, repayment of the principal value of the Class A-X notes comes from the income of the ABS structure, rather than from principal repayments on underlying loans. The existence of the Class A-X notes therefore reduces the amount of excess spread available.

No longer available

Fees and other costs

6.1 Consumer advisory warning

DID YOU KNOW?

Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns.

For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You may be able to negotiate to pay lower fees. Ask the fund or your financial adviser.

TO FIND OUT MORE

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC)** website (www.moneysmart.gov.au) has a managed funds fee calculator to help you check out different fee options.

6.2 Fees and other costs

This section shows fees and other costs that you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from the assets of the managed investment scheme as a whole. Taxes are set out in Section 10 of the PDS. You should read all the information about fees and costs because it is important to understand their impact on your investment.

Fees and costs summary

Plenti Lending Platform - Notes Market

Type of fee or cost	Amount	How and when paid
Ongoing annual fees and costs		
<i>Management fees and costs</i> The fees and costs for managing your investment	A fee equal to any interest generated on cash held for an investor in the Plenti Trust Account (i.e. the bank account a member's funds are held in when they are not on loan). And Custodian fees, being \$45,755.47 per annum paid to the Custodian for custodial services in relation to the assets of the Plenti Lending Platform.	The fee is paid within two business days after the Plenti Trust Account is credited with interest. The fee is not debited directly from your holding account. This fee is paid quarterly in instalments by Plenti. This fee is not directly debited from your holding account and is not paid out of the assets of the Plenti Lending Platform.
<i>Performance fees</i> Amounts deducted from your investment in relation to the performance of the product	Nil	Not applicable
<i>Transaction costs</i> The costs incurred by the scheme when buying or selling assets	Nil	Not applicable
Member activity related fees and costs (fees for services or when your money moves in or out of the Plenti Lending Platform)		
<i>Establishment fee</i> The fee to open your investment	Nil	Not applicable
<i>Contribution fee</i> The fee on each amount contributed to your investment	Nil	Not applicable
<i>Buy-sell spread</i> An amount deducted from your investment representing costs incurred in transactions by the scheme	Nil	Not applicable
<i>Withdrawal fee</i> The fee on each amount you take out of your investment	Nil	Not applicable
<i>Exit fee</i> The fee to close your investment	Nil	Not applicable
<i>Switching fee</i> The fee for changing investment options	Nil	Not applicable

6.3 Example of annual fees and costs

This table gives an example of how the ongoing annual fees and costs for this managed investment product can affect your investment over a 1 year period. You should use this table to compare this product with other products offered by managed investment products schemes.

EXAMPLE - NOTES MARKET		Balance of \$50,000 with contribution of \$5,000 during year
Contribution fees	Nil	For every additional \$5,000 you put in, you will be charged \$0.
PLUS Management fees and costs	0% p.a. + fee equal to interest earned on your funds in the Plenti Trust Account + Custodian fees	And, for every \$50,000 you have in the Notes Market, you will be charged or have deducted from your investment \$0 each year. In addition you will be charged a fee of \$6.52 assuming you contribute \$5,000 halfway through the year and those funds are not invested but remain in your holding account.¹ And, for every \$50,000 you have in the Notes Market, Plenti pays Custodian fees of \$9.58. In addition, Plenti pays Custodian fees of \$0.48 assuming you contribute \$5,000 halfway through the year and those funds are not invested but remain in your holding account. These fees are not directly debited from your holding account and are not paid out of the assets of the Plenti Lending Platform.
PLUS Performance fees	Nil	And , you will be charged or have deducted from your investment \$0 each year.
PLUS Transaction costs	Nil	And , you will be charged or have deducted from your investment \$0 in transaction costs.
EQUALS Cost of the Notes Market		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees and costs in the range of: \$16.59 What it costs you will depend on the investment option you choose and the fees you negotiate.

¹ The amount of interest earned on your funds in the Plenti Trust Account and which is payable to Plenti shown is Plenti's reasonable estimate, calculated as an average by dividing the total of all interest amounts earned on the Plenti trust account in FY22, across each \$50,000 investment in the Plenti Lending Platform.

6.4 Additional explanation of fees and costs

For additional details about the interest earned on Plenti Trust Account funds and Custodian fees, see [Section 9.5](#) of the PDS.

Other information

7.1 Plenti Finance sale of ABS notes

Class G notes originally issued to Plenti Finance from other ABS structures have previously been transferred directly to wholesale investors. Direct transfers to wholesale investors other than through the Notes Market do not involve the Plenti Lending Platform. In such circumstances, the investor does not benefit from potential Provision Fund protection in relation to their investment.

Plenti Finance may undertake additional transfers of its interests in ABS notes, including Class G notes in Plenti 2022 Auto ABS, either directly to wholesale investors or to investors via the Notes Market.

7.2 Early access feature not available

The early access transfer feature is not available for investments in the Notes Market. See [Section 6.8](#) of the PDS for information regarding the early access feature.

7.3 Management of potential conflicts of interest

Plenti has identified those circumstances in which it considers that it may face a conflict of interest and has adopted policies designed to mitigate or avoid those conflicts.

This section sets out information regarding Plenti's management of potential conflicts of interest specific to the Notes Market. Information regarding the management of potential conflicts of interest in relation to the Plenti Lending Platform is set out in [Section 11.6](#) of the PDS.

Discretion to determine Notes Market interest rate

A potential conflict of interest may arise between Plenti's exercise of its discretion to determine the interest rate applying to investments in the Notes Market at a given time and the interests of Plenti Group's and Plenti Finance's obligations under the documents giving effect to your investment in the Notes Market.

In addition to having regard to its legal and regulatory obligations, Plenti manages this conflict by taking into consideration the following factors when determining the interest rate:

- The interest rates available on similar investments, including the interest rate paid to investors who have purchased other 2022 Auto G-Notes via the Plenti Lending Platform
- The level of excess spread in the ABS structure and the credit performance of the underlying loans
- The interest rates available in other Plenti Lending Platform investment markets
- The amount of money in the Provision Fund and the track record of the Provision Fund for protecting investors from borrower late payment or default

Related party transactions

The arrangements described in [Section 5](#) involve agreements between related entities of Plenti, including Plenti Group, Plenti Finance and the Notes Trustee. Related party transactions can give rise to conflicts and risks which, if not adequately managed, may adversely impact the Plenti Lending Platform and investors. Plenti has adopted a Conflicts policy which applies to these arrangements. Compliance with the Conflicts policy is monitored by a Conflicts Officer with oversight from Plenti's external Compliance Committee.

Having regard to all relevant circumstances, including the terms of the Note Purchase Loan agreement, the security interest granted over the assets of the Note Purchase Trust, the supplemental payments to the Notes Trustee and the guarantees described in this SDPS, the Responsible Entity considers the related party transaction entered into between Plenti, the Custodian and the Notes Trustee under the Note Purchase Loan agreement to be on arm's length terms. Accordingly, no member approval has been sought in relation to the transaction. Rather, your investment in your Plenti Account will not be allocated to an order in the Notes Market unless you read this SPDS (including the specific risks associated with investing in the Notes Market set out in [Section 4](#)) and the Target Market Determination, obtain investment advice where appropriate and place an order in the Notes Market on the Plenti Platform website.

No longer available

Glossary

In this SPDS, the following terms have the following meaning unless the context otherwise requires:

TERM	MEANING
\$	Australian dollars
2022 Auto G-Notes	Class G notes issued by the ABS trustee which are purchased by the Note Purchase Trust and which are referable to a Note Purchase Loan
ABS	Asset-backed securities, which are financial investments backed by income-generating assets such as a portfolio of loans
ABS note	A debt security issued in an ABS transaction, secured by the cash flow from a specified pool of underlying receivables
ABS transaction	A transaction involving ABS, as described in Section 2.3
ABS trustee	Perpetual Corporate Trust Limited, in its capacity as trustee of the Plenti 2022 Auto ABS
BBSW	Bank Bill Swap Rate
Call	The right of the trustee of the Plenti 2022 Auto ABS to buy back all of the outstanding underlying loans by repaying all principal and interest owed on the outstanding notes to noteholders once call conditions have been met
call date	The date on which the Call is exercised
charge-off, charged off	Has the meaning given to that term in Section 5.4
constant prepayment rate, CPR	An annualised rate representing principal repayments on loans repaid in excess of a borrower's contractual payments
custodian	The custodian of the Plenti Lending Platform, which is Perpetual Corporate Trust Limited as at the date of this PDS
excess spread	The leftover income in the Plenti 2022 Auto ABS after all expenses (including interest payments to noteholders and required principal repayments) are made, but prior to any credit losses. Excess spread does not include payments to the residual unitholder
expected call date	The first payment date after the earlier of: - when at least 80% of the ABS notes in the Plenti 2022 Auto ABS (excluding the Class A-X notes) are repaid; and 12 June 2026
indicative term	The period from the date of an investment until the expected call date
investment term	The duration of an investment in the Notes Market
loan default	A default under an underlying loan

TERM	MEANING
noteholder	A holder of an ABS note issued by the ABS trustee
Notes Market	The Plenti Lending Platform investment market described in this SPDS
Note Purchase Loan	The loan from Plenti and the Custodian to the Notes Trustee which is funded by an order in the Notes Market
Note Purchase Trust	The Plenti Note Purchase Trust, being the special purpose trust that holds the 2022 Auto G-Notes purchased with the proceeds of a Note Purchase Loan
Notes Trustee	Plenti Facility Provider Pty Ltd ABN 97 628 882 673 in its capacity as trustee of the Note Purchase Trust
Perpetual Corporate Trust Limited	Perpetual Corporate Trust Limited ABN 99 000 341 538
Perpetual Nominees Limited	Perpetual Nominees Limited ABN 37 000 733 700
Plenti 2022 Auto ABS	Plenti Auto ABS Trust 2022-1
Plenti ABS note	An ABS note issued by the trustee of Plenti 2022 Auto ABS, including the 2022 Auto G-Notes
Plenti Corporate	Plenti Corporate Funding No. 1 Pty Limited ABN 12 657 687 986
Plenti Facility Provider Pty Ltd	Plenti Facility Provider Pty Ltd ABN 97 628 882 673
Plenti Finance	Plenti Finance Pty Limited ABN 82 636 759 861
Plenti Group	Plenti Group Limited ABN 11 643 435 492
recovery, recoveries	A payment received by the Plenti 2022 Auto ABS in respect of an underlying loan the subject of a loan default
residual unit holder	The holder of a unit in the Plenti 2022 Auto ABS which is entitled to the excess spread less credit losses. As at the date of the SPDS, the residual unit holder is Plenti Corporate
Responsible Entity, Plenti, our, us, we	Plenti RE Limited ABN 57 166 646 635
trust manager	The trust manager of the Plenti 2022 Auto ABS, currently Perpetual Nominees Limited
underlying loans	The loans originated by Plenti Finance which are held in the Plenti 2022 Auto ABS

No longer available