

## Interest rates and fees — archived October 2014

Total transparency and no sneaky business.

At Harmoney, we're 100% open and transparent about our rates and fees. If you're thinking about getting a loan, you can check what interest rate will apply to you through our no obligation loan application process, and you won't be charged a Platform Fee until your loan is issued. If you're an investor, you'll find details regarding the service fee below.

### Interest rates

Harmoney interest rates are priced on a risk gradient. Each loan application is attributed to a risk grade with an associated interest rate according to Harmoney's credit scorecard. The interest rate on a loan is both the interest rate paid by borrowers and the gross interest rate due to investors. Harmoney's risk grades and their corresponding interest rates are displayed in the table below.

How does it work in practice?

1. During the loan application, borrowers provide us with some financial information;
2. Based on an assessment of this information, we'll assign a risk grade to the borrower;
3. The borrower will then be able to apply for a loan at the interest rate that corresponds to their risk grade.

Grade / Interest Rate

A1: 6.99% p.a.

A2: 8.49% p.a.

A3: 9.99% p.a.

A4: 10.99% p.a.

A5: 11.99% p.a.

B1: 12.99% p.a.

B2: 13.69% p.a.

B3: 13.99% p.a.

B4: 14.49% p.a.

B5: 14.79% p.a.

C1: 14.99% p.a.

C2: 15.49% p.a.

C3: 15.99% p.a.

C4: 16.49% p.a.

C5: 16.99% p.a.


D1: 18.99% p.a.

D2: 20.49% p.a.

D3: 22.49% p.a.

D4: 24.39% p.a.

D5: 25.69% p.a.


E1: 

E2: 

E3: 

E4: 

E5: 

F1: 

F2: 

F3: 

F4: 

F5: 

### **Borrower fees**

Borrowers who maintain their regular repayment schedule will be charged no additional fees beyond the one-off Platform Fee.

**Platform fee**

Harmony charges an up front, one-off Platform Fee to borrowers. The Platform Fee ranges from 2-6% of the loan amount, depending on the risk grade, with a minimum amount of \$300. The fee will be rounded up or down to the nearest \$25 and added to the loan amount requested. See the below table for further detail.

The Platform Fee will be charged on advancement of the loan.

\* A minimum Platform Fee of \$300 applies to all risk grades and loan amounts.

**Dishonour fee**

In the case where a borrower's repayment is dishonoured, a \$15 fee will be charged to the borrower's account due to the additional administration required to re-process the payment. The fee will be due in the borrower's next payment.

**Legal fees**

If legal action is required against a borrower, the legal and associated third party costs incurred will be charged to the borrower's account. The fees are due in the borrower's next payment.

**Investor fees**

The only fee paid by investors is the Service Fee as outlined below.

**Service fee**

Investors are charged a Service Fee of 1.25% of the principal and interest payments collected on each note. The service fee is deducted from repayments into the investor account. The fee is paid to Harmony for managing borrower repayments and administering the account on behalf of investors.