## Target Market Determination

This Target Market Determination (TMD) is required under section 994B of the Corporations Act 2001 (Cth) (the Act). It sets out the class of consumers for whom the product, including its 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 the Issuer'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 this product should carefully read the Product Disclosure Statement (PDS) for the Product before making a decision whether to buy this product.
Important terms used in this TMD are defined in the TMD Definitions at the end of this document. Capitalised terms have the meaning given to them in the product's PDS, unless otherwise defined. The PDS can be obtained by contacting the Investment Manager on 1300901711 or on their website at https://www.coolabahcapital.com.


## DESCRIPTION OF TARGET MARKET

## TMD INDICATOR KEY

The Consumer Attributes for which the product is likely to be appropriate have been assessed using a red/amber/green rating methodology with appropriate colour coding:

| In target market | Potentially in target market | Not considered in target market |
| :--- | :--- | :--- | :--- |

## INSTRUCTIONS

In the tables below, Column 1, Consumer Attributes, indicates a description of the likely objectives, financial situation and needs of the class of consumers that are considering this product. Column 2 , TMD indicator, indicates whether a consumer meeting the attribute in column 1 is likely to be in the target market for this product.
Generally, a consumer is unlikely to be in the target market for the product if:

- one or more of their Consumer Attributes correspond to a red rating, or
- three or more of their Consumer Attributes correspond to an amber rating.


## INVESTMENT PRODUCTS AND DIVERSIFICATION

A consumer (or class of consumer) may intend to hold a product as part of a diversified portfolio (typically with an intended product use of satellite/small allocation or core component). In such circumstances, the product should be assessed against the consumer's attributes for the relevant portion of the portfolio, rather than the consumer's portfolio as a whole. For example, a consumer may seek to construct a conservative portfolio with a satellite/small allocation to growth assets. In this case, it may be likely that a product with a High or Very High risk/return profile is consistent with the consumer's objectives for that allocation notwithstanding that the risk/return profile of the consumer as a whole is Low or Medium. In making this assessment, distributors should consider all features of a product (including its key attributes).

| Consumer Attributes | TMD Indicator | Product description including key attributes |
| :---: | :---: | :---: |
| Consumer's investment objective |  |  |
| Capital Growth |  | The Fund targets returns in excess of the Bloomberg AusBond Composite 0+ Yr Index, after management costs, by $1.0 \%$ to $2.0 \%$ per annum over rolling 12 month periods. It is a multi-distributed managed fund, meaning investors can buy and sell units either directly with the Responsible Entity or by purchasing units via a broker on the Securities Exchange. Investors who enter the Fund via the exchange can dispose of their units directly with Responsible Entity and vice versa. |
| Capital Preservation |  |  |
| Capital Guaranteed |  |  |
| Income Distribution |  |  |
| Consumer's intended product use (\% of Investable Assets) |  |  |
| Solution/Standalone (75-100\%) |  | The Fund is actively managed and aims to take advantage of investment opportunities within the Australian cash and fixed-income markets. The Fund is permitted to invest in bonds, such as government and semi-government bonds, bank and corporate bonds, and asset-backed securities, including residential-mortgage backed securities, issued in Australian Dollars or in G10 currencies hedged to Australian Dollars. It can also invest in cash, cash-equivalents, exchange traded and over-the-counter derivatives for hedge and borrowing purposes. The Fund targets a weighted average ' $A$ ' credit rating and interest rate duration that passively tracks that of the Bloomberg AusBond Composite $0+$ Yr Index. It does not invest in unrated or sub-investment grade debt, hybrid securities, listed or unlisted shares, or property. The Fund is permitted to take long and short positions, borrow and use derivatives, meaning the Fund is geared or leveraged. Leverage can amplify gains and losses. The Fund is classified as a Hedge Fund according to ASIC guidelines. |
| Core Component (25-75\%) |  |  |
| Satellite/small allocation (<25\%) |  |  |
| Consumer's investment timeframe |  |  |
| Short ( $\leq 2$ years) |  | The suggested minimum timeframe is 3 years. The Fund may be suitable for consumers with a medium to long term investment timeframe. |
| Medium (>2 years) |  |  |
| Long (> 8 years) |  |  |
| Consumer's Risk (ability to bear loss) and Return profile |  |  |
| Low |  | The portfolio consists of a high target weighting to cash and fixed income assets. Combined with an active asset-allocation investment philosophy would indicate the product may be suitable for Consumer's with a medium tolerance for loss. The Standard Risk Measure (estimated number of negative annual returns over any 20 year period) is 1 to 2 (Low to Medium). On a scale of 1 to 7 where 7 is riskiest, the Fund is in category 3 . |
| Medium |  |  |
| High |  |  |
| Very high |  |  |
| Consumer's need to withdraw money |  |  |
| Daily |  |  |
| Weekly |  |  |
| Monthly |  | The Fund is daily priced and offers daily redemptions. However, in certain circumstances it can take up to 180 days to withdraw. |
| Quarterly |  |  |
| Annually or longer |  |  |

## APPROPRIATENESS

The Issuer has assessed the product and formed the view that the product, including its key attributes, is likely to be consistent with the likely objectives, financial situation and needs of consumers in the target market as described above, as the features of this product in Column 3 of the table above are likely to be suitable for consumers with the attributes identified with a green TMD Indicator in Column 2.

| Distribution conditions/restrictions | Distribution Condition Rationale |  |
| :---: | :---: | :---: |
| There are no distribution conditions. | Not applicable. |  |
| Review triggers |  |  |
| Material change to key attributes, fund investment objective and/or fees. |  |  |
| Material deviation from benchmark / 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 Act) about the product or distribution of the product. |  |  |
| The use of Product Intervention Powers, regulator orders or directions that affects the product. |  |  |
| Mandatory review periods |  |  |
| Review Period | Maximum period for review |  |
| Initial Review | 1 year, 3 months |  |
| Subsequent review | 3 year, 3 months |  |
| Distributor reporting requirements |  |  |
| Reporting requirement | Reporting period | Which distributors this requirement applies to |
| Complaints (as defined in section 994A(1) of the Act) relating to the product design, product availability and distribution. The distributor should provide all the content of the complaint, having regard to privacy. | Within 10 business days following end of calendar quarter | All distributors |
| Significant dealing outside of target market, under s994F(6) of the Act. See Definitions for further detail. | As soon as practicable but no later than 10 business days after distributor becomes aware of the significant dealing. | All distributors |
| To the extent a distributor is aware of dealings outside the target market these should be reported to the issuer, including reason why acquisition is outside of target market, and whether acquisition occurred under personal advice. | Within 10 business days following end of calendar quarter. | All distributors |

 This link also provides contact details relating to this TMD for the Issuer.
 material provides general information only and does not take into account your individual objectives, financial situation, needs or circumstances. Before making any investment decision, you should assess whether the material is appropriate for you and obtain financial advice tailored to you having regard to your individual objectives, financial situation, needs and circumstances. This material is not a financial product recommendation or an offer or solicitation with respect to the purchase or sale of any financial product in any jurisdiction.

## Definitions

| Term | Definition |
| :--- | :--- |
| Consumer's investment objective | The consumer seeks to invest in a product designed to generate capital return. The consumer prefers exposure to growth assets (such as shares or <br> property) or otherwise seeks an investment return above the current inflation rate. |
| Capital Growth | The consumer seeks to invest in a product to reduce volatility and minimise loss in a market down-turn. The consumer prefers exposure to defensive <br> assets (such as cash or fixed income securities) that are generally lower in risk and less volatile than growth investments. |
| Capital Preservation | The consumer seeks a guarantee or protection against capital loss whilst still seeking the potential for capital growth (typically gained through a derivative <br> arrangement). The consumer would likely understand the complexities, conditions and risks that are associated with such products. |
| Capital Guaranteed | The consumer seeks to invest in a product designed to distribute regular and/or tax-effective income. The consumer prefers exposure to <br> income-generating assets (typically, high dividend-yielding equities, fixed income securities and money market instruments). |
| Income Distribution | The consumer intends to hold the investment as either a part or the majority (up to 100\%) of their total investable assets (see definition below). The <br> consumer typically prefers exposure to a product with at least High portfolio diversification (see definitions below). |
| Consumer's intended product use (\% of Investable Assets) |  |
| The consumer intends to hold the investment as a major component, up to 75\%, of their total investable assets (see definition below). The consumer |  |
| typically prefers exposure to a product with at least Medium portfolio diversification (see definitions below). |  |


| Term | Definition |
| :---: | :---: |
| Consumer's intended investment timeframe |  |
| Short ( $\leq 2$ years) | The consumer has a short investment timeframe and may wish to redeem within two years. |
| Medium (> 2 years) | The consumer has a medium investment timeframe and is unlikely to redeem within two years |
| Long (> 8 years) | The consumer has a long investment timeframe and is unlikely to redeem within eight years. |
| Consumer's Risk | s) and Return profile |





 the product risk rating.

A consumer's desired product return profile would generally take into account the impact of fees, costs and taxes.

| Low | The consumer is conservative or low risk in nature, seeks to minimise potential losses (e.g. has the ability to bear up to 1 negative return over a 20 year period (SRM 1 to 2)) and is comfortable with a low target return profile. <br> Consumer typically prefers defensive assets such as cash and fixed income. |
| :---: | :---: |
| Medium | The consumer is moderate or medium risk in nature, seeking to minimise potential losses (e.g. has the ability to bear up to 4 negative returns over a 20 year period (SRM 3 to 5 )) and comfortable with a moderate target return profile. Consumer typically prefers a balance of growth assets such as shares, property and alternative assets and defensive assets such as cash and fixed income. |
| High | The consumer is higher risk in nature and can accept higher potential losses (e.g. has the ability to bear up to 6 negative returns over a 20 year period (SRM 6)) in order to target a higher target return profile. <br> Consumer typically prefers predominantly growth assets such as shares, property and alternative assets with only a smaller or moderate holding in defensive assets such as cash and fixed income. |
| Very high | The consumer has a more aggressive or very high risk appetite, seeks to maximise returns and can accept higher potential losses (e.g. has the ability to bear 6 or more negative returns over a 20 year period (SRM 7) and possibly other risk factors, such as leverage). Consumer typically prefers growth assets such as shares, property and alternative assets. |
| Consume |  |


 delay redemptions) could impact this, this is to be taken into consideration in completing this section.

Daily/Weekly/Monthly/Quarterly/ Annually or longer

The consumer seeks to invest in a product which permits redemption requests at this frequency under ordinary circumstances and the issuer is typically able to meet that request within a reasonable period.

## Distributor Reporting

Significant dealings

Section 994F(6) of the Act requires distributors to notify the issuer if they become aware of a significant dealing in the product that is not consistent with the TMD. Neither the Act nor ASIC defines when a dealing is 'significant' and distributors have discretion to apply its ordinary meaning.
The issuer will rely on notifications of significant dealings to monitor and review the product, this TMD, and its distribution strategy, and to meet its own obligation to report significant dealings to ASIC.
Dealings outside this TMD may be significant because:

- they represent a material proportion of the overall distribution conduct carried out by the distributor in relation to the product, or
- they constitute an individual transaction which has resulted in, or will or is likely to result in, significant detriment to the consumer (or class of consumer).

In each case, the distributor should have regard to:

- the nature and risk profile of the product (which may be indicated by the product's risk rating or withdrawal timeframes),
- the actual or potential harm to a consumer (which may be indicated by the value of the consumer's investment, their intended product use or their ability to bear loss), and
- the nature and extent of the inconsistency of distribution with the TMD (which may be indicated by the number of red or amber ratings attributed to the consumer).

Objectively, a distributor may consider a dealing (or group of dealings) outside the TMD to be significant if:

- it constitutes more than half of the distributor's total retail product distribution conduct in relation to the product over the reporting period,
- the consumer's intended product use is Solution / Standalone, or
- the consumer's intended product use is Core component and the consumer's risk (ability to bear loss) and return profile is Low.

