

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 accessing <https://www.eqt.com.au/insto/>.

Summary		This product is likely to be appropriate for a consumer seeking capital growth to be used as a small allocation within a portfolio where the consumer has a long term investment timeframe, high risk/return profile and needs quarterly access to capital	
Issuer	Equity Trustees Limited	Fund	GAM LSA Private Shares AU Fund
Issuer ABN	46 004 031 298	ARSN	655 643 397
Issuer AFSL	240975	APIR Code	ETL5089AU
ISIN Code	AU60ETL50894	Date TMD approved	2022-02-09
Market Identifier Code		TMD Version	4
Product Exchange code		TMD Status	Available / Current

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	Green	The Fund intends to pursue its investment objective by investing substantially all of its assets into the GAM LSA Private Shares (Cayman) Master Fund (the "Master Fund").
Capital Preservation	Red	The Master Fund's investment objective is also to achieve attractive investment gains over the medium to long-term, primarily through capital appreciation in its investments. The Master Fund's target investment return is also between 15 - 20% per annum (net any fees, expenses or taxes). The Master Fund seeks to achieve its investment objective by primarily investing, under normal market conditions, at least 80% of its net asset value in the equity securities (e.g., common and/or preferred stock, or equity-linked securities convertible into such equity securities) of certain private, operating growth companies
Capital Guaranteed	Red	
Income Distribution	Red	The Fund generally distributes income annually at 30 June.
Consumer's intended product use (% of Investable Assets)		
Solution/Standalone (75-100%)	Red	The fund provides access to a diversified portfolio of leading privately-owned companies that are in the final non-public funding rounds. With a focus on late stage high-growth innovation companies, the fund aims to back already-successful companies with established market share, strong management boards and proven products. Investors aim to participate in the potential appreciation of these dynamic private companies whilst they are under private ownership
Core Component (25-75%)	Yellow	The Fund intends to pursue its investment objective by investing substantially all of its assets into the GAM LSA Private Shares (Cayman) Master Fund (the "Master Fund").
Satellite/small allocation (<25%)	Green	On the basis of a look-through into the Master Fund's portfolio, the portfolio diversification of the fund is Medium.
Consumer's investment timeframe		
Short (≤ 2 years)	Red	
Medium (> 2 years)	Green	The minimum suggested timeframe for holding investments in the Fund is more than 5 years
Long (> 8 years)	Green	
Consumer's Risk (ability to bear loss) and Return profile		
Low	Red	
Medium	Red	The Fund has a risk band of 7 (very high).
High	Green	The Fund's target investment return is also between 15 - 20% per annum (net any fees, expenses or taxes)
Very high	Green	
Consumer's need to withdraw money		
Daily	Red	Withdrawal requests may be made by written notice to the Administrator. For a withdrawal request received before 2pm (Sydney time) on a Business Day that is 25 days prior to the 25th of March, June, September and December, and accepted, the Withdrawal Price calculated for that Business Day will apply. Where the request is received on or after 2pm (Sydney time) 25 days prior to the 25th of the last month in the quarter, and is accepted, the Withdrawal Price for the next quarter will apply. There is no minimum withdrawal amount.
Weekly	Red	
Monthly	Red	
Quarterly	Green	Quarterly withdrawals from the Fund will subject to a limit applied at the Master Fund level. The limit will be equal to 5% of the NAV of the Master Fund, applied cumulatively to the Fund together with any other feeder funds into the Master Fund (including the feeder fund named GAM LSA Private Shares (Cayman) Fund).
Annually or longer	Green	

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 conditions/restrictions	Distribution Condition Rationale
Only suitable for distribution through specified distributors / specified channels	The Fund is available to retail and wholesale investors via platforms. Direct investment is available to wholesale investors only.

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 and 3 months
Subsequent review	3 years and 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

If practicable, distributors should adopt the FSC data standards for reports to the issuer. Distributors must report to the Issuer using the method specified on this website: www.eqt.com.au/DDOreporting. This link also provides contact details relating to this TMD for the Issuer.

Issued by Equity Trustees Limited ABN 46004031298 AFSL 240975 (Issuer). Issuer is the responsible entity and issuer of units in the managed investment scheme referred to in this material. This 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	
Capital Growth	The consumer seeks to invest in a product designed to generate capital return. The consumer prefers exposure to growth assets (such as shares or property) or otherwise seeks an investment return above the current inflation rate.
Capital Preservation	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 assets (such as cash or fixed income securities) that are generally lower in risk and less volatile than growth investments.
Capital Guaranteed	The consumer seeks a guarantee or protection against capital loss whilst still seeking the potential for capital growth (typically gained through a derivative arrangement). The consumer would likely understand the complexities, conditions and risks that are associated with such products.
Income Distribution	The consumer seeks to invest in a product designed to distribute regular and/or tax-effective income. The consumer prefers exposure to income-generating assets (typically, high dividend-yielding equities, fixed income securities and money market instruments).
Consumer's intended product use (% of Investable Assets)	
Solution/Standalone (75-100%)	The consumer intends to hold the investment as either a part or the majority (up to 100%) of their total <i>investable assets</i> (see definition below). The consumer typically prefers exposure to a product with at least High <i>portfolio diversification</i> (see definitions below).
Core Component (25-75%)	The consumer intends to hold the investment as a major component, up to 75%, of their total <i>investable assets</i> (see definition below). The consumer typically prefers exposure to a product with at least Medium <i>portfolio diversification</i> (see definitions below).
Satellite (<25%)	The consumer intends to hold the investment as a smaller part of their total portfolio, as an indication it would be suitable for up to 25% of the total <i>investable assets</i> (see definition below). The consumer is likely to be comfortable with exposure to a product with Low <i>portfolio diversification</i> (see definitions below).
Investable Assets	Those assets that the investor has available for investment, excluding the residential home.
Portfolio diversification (for completing the key product attribute section of consumer's intended product use)	
Low	Single asset class, single country, low or moderate holdings of securities - e.g. high conviction Aussie equities.
Medium	1-2 asset classes, single country, broad exposure within asset class, e.g. Aussie equities "All Ords".
High	Highly diversified across either asset classes, countries or investment managers, e.g. Australian multi-manager balanced fund or global multi-asset product (or global equities).

Term	Definition
------	------------

Consumer's intended investment timeframe

Short (≤ 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 (ability to bear loss) and Return profile

Issuers should undertake a comprehensive risk assessment for each product. The FSC recommends adoption of the Standard Risk Measure (**SRM**) to calculate the likely number of negative annual returns over a 20 year period, using the guidance and methodology outlined in the **Standard Risk Measure Guidance Paper For Trustees**. SRM is not a complete assessment of risk and potential loss. For example, it does not detail important issues such as the potential size of a negative return or that a positive return could still be less than a consumer requires to meet their investment objectives/needs. Issuers may wish to supplement the SRM methodology by also considering other risk factors. For example, some products may use leverage, derivatives or short selling, may have liquidity or withdrawal limitations, or otherwise may have a complex structure or increased investment risks, which should be documented together with the SRM to substantiate 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. 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. 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.

Consumer's need to withdraw money

Issuers should consider in the first instance the redemption request frequency under ordinary circumstances. However, the redemption request frequency is not the only consideration when determining the ability to meet the investor's requirement to access capital. To the extent that the liquidity of the underlying investments or possible liquidity constraints (e.g. ability to stagger or delay redemptions) could impact this, this is to be taken into consideration in completing this section.

Term	Definition
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	<p data-bbox="510 363 2152 419">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.</p> <p data-bbox="510 419 2152 480">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.</p> <p data-bbox="510 491 1093 520">Dealings outside this TMD may be significant because:</p> <ul data-bbox="533 533 1995 587" style="list-style-type: none"> ● 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). <p data-bbox="510 612 1050 641">In each case, the distributor should have regard to:</p> <ul data-bbox="533 654 2123 758" style="list-style-type: none"> ● 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). <p data-bbox="510 783 1635 812">Objectively, a distributor may consider a dealing (or group of dealings) outside the TMD to be significant if:</p> <ul data-bbox="533 825 1841 904" style="list-style-type: none"> ● 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.
----------------------	---