

Target Market Determination - TPT Long Term Fund

Issuer: TPT Wealth Limited | **ARSN:** 093255791 | **APIR Code:** TPT0002AU | **TMD Status:** 9 August 2024 V1.1

TARGET MARKET SUMMARY

This product is likely to be appropriate for a consumer seeking capital stability and regular income to be used as a cash investment within a portfolio (core or satellite) or as a standalone investment where the consumer has any investment timeframe (short, medium or long term), low to medium risk/return profile and does not require immediate access to capital. There is an initial investment period of 9 months and a 7 business day redemption notice period, where notice can be given after the initial 9 months. An early redemption fee can be paid to access the investment within the initial investment period. It is not suitable for investors who want capital growth or a capital guarantee or intend to maintain their investment for less than 9 months. This product is not available for anyone under 18 years of age or non-residents of Australia.

APPROPRIATENESS

The Issuer has assessed the Fund 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 below, as the features of this product in Column 3 of the table are likely to be suitable for consumers with the attributes identified with a green TMD Indicator in Column 2.

DESCRIPTION OF TARGET MARKET

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.

Definitions of the Consumer Attributes in column 1 in the table below are available at www.tptwealth.com.au/important-information

Where product is part of a portfolio

If this product is to be part of a portfolio, it should be assessed against the consumer's attributes for the relevant portion in the portfolio notwithstanding what the risk/return profile of the portfolio or consumer as a whole is. In making this assessment, you 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	No	The purpose of the Fund is to provide investors with low risk capital stability and regular, competitive income distributions through investment in a diversified portfolio of instruments. It is not suitable for an investor who is looking for capital growth or who requires their capital to be guaranteed.																
Capital Preservation	Yes																	
Capital Guaranteed	No																	
Income Distribution	Yes																	
Consumer's intended product use (% of Investable Assets)																		
Solution/Standalone (75-100%)	Yes	The Fund meets a range of investor needs and can be used as a standalone investment, as a core component of a portfolio of investments or as a small allocation. It is TPT Wealth policy to invest the assets of the Fund as follows:																
Core Component (25-75%)	Yes	<table border="1"> <tr> <td>Cash & Shorter-term Fixed Interest</td> <td>5% -100%</td> <td>Longer-Term Fixed Interest</td> <td>0% - 50%</td> </tr> <tr> <td>Residential Mortgage Backed Securities</td> <td>0% - 25%</td> <td>Commercial Mortgage Backed Securities</td> <td>0% - 20%</td> </tr> <tr> <td>Asset Backed Securities</td> <td>0% - 20%</td> <td>External Managed Investment Schemes</td> <td>0% - 20%</td> </tr> <tr> <td>Mortgages</td> <td>20% - 80%</td> <td>Non-Mortgage Loans</td> <td>0% - 5%</td> </tr> </table>	Cash & Shorter-term Fixed Interest	5% -100%	Longer-Term Fixed Interest	0% - 50%	Residential Mortgage Backed Securities	0% - 25%	Commercial Mortgage Backed Securities	0% - 20%	Asset Backed Securities	0% - 20%	External Managed Investment Schemes	0% - 20%	Mortgages	20% - 80%	Non-Mortgage Loans	0% - 5%
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Asset Backed Securities	0% - 20%	External Managed Investment Schemes	0% - 20%															
Mortgages	20% - 80%	Non-Mortgage Loans	0% - 5%															
Satellite/small allocation (<25%)	Yes																	
Consumer's investment timeframe																		
Short (≤ 2 years)	Yes	The suggested minimum investment timeframe for the Fund is 9 months. The Fund has a 9 month initial investment term during which the investment may only be redeemed after paying an early redemption fee. Redemptions after the initial period require 7 business days' notice. Income is accrued daily and distributions are paid monthly. Distributions can be reinvested.																
Medium (> 2 years)	Yes																	
Long (> 8 years)	Yes																	

Consumer Attributes	TMD Indicator	Product description including key attributes
Consumer's Risk (ability to bear loss) and Return profile		
Low	Yes	The Fund is considered a low to medium risk fund. However as the Fund does not invest in shares, it is slightly less risky than the definition of medium risk provided in the TMD definitions.
Medium	Yes	
High	Potentially	As the Fund is an income fund it may be suitable for any risk return profile where the investor requires a portion of their investment diversified into defensive assets or needs access to their capital in the shorter term (> 9 months).
Very High	Potentially	
Consumer's need to withdraw money		
Daily	No	The Fund has an initial term of 9 months during which the investment can only be redeemed by paying an early redemption fee as set out in the PDS. There is no fee for redemptions after the initial 9 months. Additional investments (including reinvested distributions) are not required to meet the initial investment term. All redemptions require 7 business days' notice and this notice can be given during the initial investment period. Redemptions can be applied for on any business day. Redemptions are usually paid within 3-5 business days after the redemption notice period has expired but can in extreme circumstances of low liquidity may be up to 180 days. * After the initial investment period redemptions require 7 business day's notice.
Weekly	No	
Monthly	Potentially	
Quarterly	Potentially	
Annually or longer	Yes	

DISTRIBUTION CONDITIONS / RESTRICTIONS

Distribution Condition	Distribution Condition Rationale
<p>This product can only be distributed by TPT Wealth, its related bodies corporate or by authorised third parties.</p> <p>Distributors must take reasonable steps to ensure the product is distributed within the target market and can be distributed with or without financial product advice.</p>	TPT Wealth is in a position to assess the education and competency of its own staff and that of third party introducers to ensure that they have training, knowledge and capability to determine whether the consumer is within the target market.

Review triggers	
Material change to key attributes, fund investment objective and/or fees.	Determination by the issuer of an ASIC reportable Significant Dealing.
Material deviation from benchmark / objective over sustained period.	Material or unexpectedly high number of complaints about the product or distribution of the product.
Key attributes have not performed as disclosed by a material degree and for a material period.	The use of Product Intervention Powers, regulator orders or directions that affects the product.

Review period	
Initial review	1 year, 3 months
Subsequent review	1 year

Distributor Reporting requirement	Reporting period	Who this applies to
Complaints 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 TMD Definitions for further detail.	As soon as practicable, and no later than 10 business days after distributor becomes aware of the significant dealing.	All distributors
To the extent a distributor is aware, dealings outside the target market, 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

Distributors must report to or contact TPT Wealth electronically at Reporting@tptwealth.com.au