

Target Market Determination

Pendal Imputation Fund

APIR Code: RFA0103AU

ARSN: 089 614 693

Issuer: Pendal Fund Services Limited

Issued: 31 May 2022 (TMD Version 2)

This Target Market Determination (TMD) sets out the class of consumers for whom the Pendal Imputation Fund (Fund), including its key attributes, would likely be suitable for given their likely objectives, financial situation and needs. This document is not a Product Disclosure Statement (PDS) and is not a summary of the features or terms of the Fund. A PDS is available for the Fund and can be obtained by calling 1300 346 821 or visiting www.pendalgroup.com.

Target Market Summary

This Fund is intended for use as a **Core Component or Satellite/small allocation**, or potentially as a **Standalone Solution**, within a portfolio for a consumer who is seeking **Capital Growth and Income Distribution** and has a **High** risk/return profile for that portion of their investment portfolio. It is likely to be consistent with the financial situation and needs of a consumer with a **Medium or Long** investment timeframe and who needs the ability to request withdrawals **Daily**.

An assessment of the suitability of this Fund for a consumer's objectives, financial situation and needs should consider how a consumer (or class of consumers) may intend to hold a product. Specifically, if it is a Satellite/small allocation of a diversified portfolio or a Core Component, an assessment should be made against that component 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 a product with a High or Very High risk/return profile is consistent with the consumer's objectives for that allocation, notwithstanding 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).

Capitalised terms used in this TMD are defined at the end of this document.

Target Market

Pendal Fund Services Limited (Pendal) has assessed this Fund and formed the view that the Fund, 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. This is due to the features of this Fund likely being suitable for consumers with the attributes identified with a green indicator.

Consumer's investment objective	TMD Indicator
Capital Growth	In target market
Capital Preservation	Not considered in target market
Capital Guaranteed	Not considered in target market
Income Distribution	In target market
Consumer's intended product use (% of Investable Assets)	TMD Indicator
Standalone Solution (75-100%)	Potentially in target market
Core Component (25-75%)	In target market
Satellite/small allocation (<25%)	In target market
Consumer's investment timeframe	TMD Indicator
Short (≤ 2 years)	Not considered in target market
Medium (> 2 years)	In target market
Long (> 8 years)	In target market

Consumer's Risk (ability to bear loss) and Return profile	TMD Indicator
Low	Not considered in target market
Medium	Potentially in target market
High	In target market
Very High	In target market
Consumer's need to withdraw money	TMD Indicator
Daily	In target market
Weekly	In target market
Monthly or longer	In target market

TMD indicator key

In target market	Potentially in target market	Not considered in target market
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Generally, a consumer is unlikely to be in the target market for the Fund 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.

* An individual Fund may still be suitable if it is outside the Consumer's Risk and Return profile and/or Consumer's investment timeframe profile where it is a Satellite/small allocation used as part of a diversified portfolio.

About the Fund

Investment objective: The Fund aims to provide a return (before fees, costs and taxes) that exceeds the S&P/ASX 300 (TR) Index over the medium to long term.

Product description: The Pandal Imputation Fund is an actively managed portfolio of Australian shares. This Fund is designed for investors who want the potential for long term capital growth and tax effective income, diversification across a broad range of Australian companies and industries and are prepared to accept higher variability of returns. The Fund will primarily invest in Australian shares, including Australian listed property securities and convertible preference shares, that offer above average income returns.

Minimum investment timeframe: 5 years or more.

Risk level: High.

High risk of losing money in any year. Likely to produce higher returns over the long term.

Redemption frequency: Under normal circumstances, withdrawal requests may be made on any Business Day and requests received by the Fund's cut off time on any Business Day will generally be processed on the following Business Day. A Business Day being a day other than a Saturday, Sunday or public holiday, on which banks are open for general banking business in Sydney. Please refer to the PDS for full details on the withdrawal conditions for the Fund.

TMD 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.

Term	Definition
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)	
Standalone Solution (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
Medium	1-2 asset classes, single country, broad exposure within asset class
High	Highly diversified across either asset classes, countries or investment managers
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	
The risk level is not a complete assessment of all forms of investment risks, for instance it does not detail what the size of a negative return could be or the potential for a positive return to be less than the return an investor may require to meet their objectives.	
Consumer's need to withdraw money	
Daily/Weekly/ Monthly 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 information

The following section is for Distributors only. Distributors include AFS licensees or authorised representatives that engage in retail product distribution of the Fund.

Distribution conditions and restrictions

There are no distribution conditions or restrictions for this Fund.

Review triggers

- Material change to key attributes, fund investment objective and/or fees.
- Material deviation of performance from benchmark or 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 about the product or distribution of the product.
- The use of Product Intervention Powers, regulator orders or directions that affects the product.

Maximum period for review of this TMD

Initial review: 1 year and 3 months

Subsequent review: 3 years and 3 months

Distributor reporting requirements

Please refer to www.pendalgroup.com/ddo for additional details regarding our reporting requirements, guidance relating to “Significant dealings” and how to report information to Pental.

Reporting requirement	Reporting period	Applicable distributors
Complaints relating to the product design, product availability and distribution of the Fund. 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 who have received a complaint in the relevant quarter
Significant dealings outside of the target market of the Fund	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, dealings outside the target market of the Fund, including reason why the acquisition is outside of target market, and whether the acquisition occurred under personal advice.	Within 10 business days following the end of calendar quarter	All distributors

Disclaimer

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