VMAPS

TARGET MARKET DETERMINATION

PRODUCT ISSUER	Ventura Investment Management Limited (Ventura)
ABN	49 092 375 258
AFSL	253045
PRODUCT	Ventura Managed Account Portfolios (VMAPS)
TMD LAST REVIEWED	September 2022
DATE OF NEXT REVIEW	September 2023

INTRODUCTION

This document is the Target Market Determination (TMD) for the Ventura Managed Account Portfolios (VMAPS) (Product) for the purposes of the Design and Distribution Obligations (DDO) under the *Corporations Act 2001* (Cth) (Act). This TMD is required under section 994B of the Act and sets out the class of consumers (Target Market) for whom the Product would likely be consistent with their objectives, financial situation and needs having regard to the Product's key attributes. This document is intended to provide a record of the Product Issuer's assessment of the Product, which forms the basis of this TMD. This TMD is required to outline the triggers to review the Target Market and certain other information. It also details the Product's distribution channel(s) and distribution strategy which must align to this TMD. This document is also used as a basis for the periodic review of the Product's suitability for distribution to the identified target market.

This TMD is not a Product Disclosure Statement (PDS) - the PDS for the Product is available at the following link www.venturafm.com.au/investment-management/managed-portfolios which contains full details of the Product. This document is not a full summary of the Product's features or terms and conditions of the Product which are contained in the relevant PDS issued by the Trustee (and any supplementary documents), nor is this TMD intended to provide financial product advice. This TMD does not take into account any person's individual objectives, financial situation or needs and does not constitute general or personal financial product advice. Persons interested in acquiring the Product should carefully consider the PDS and the Product's appropriateness in light of their objectives, financial situation and needs before acting on it, and in conjunction with any other documentation relating to this Product before making a decision to acquire. The Product Issuer makes no representation as to whether or not the Product is suitable for any particular person. This TMD should not be taken by a person to be a substitute for obtaining and considering the PDS or obtaining financial product advice that takes into account the person's objectives, financial situation and needs.

ABOUT THIS DOCUMENT

1. The purpose of this TMD is to describe the class of consumers for which the Product described in the PDS has been designed, having regard to the likely needs, objectives and financial situation of that class of consumers.
2. This TMD has been developed to assist product distributors to distribute the Product in a manner consistent with this TMD.

ABOUT THIS PRODUCT

1. This Product is an Investor Directed Portfolios Services - like scheme (IDPS-like). As this Product is available to retail consumers, the Responsible Entity must issue a Product Disclosure Statement (PDS) that contains information about the Product, including its benefits and risks, the cost of the Product, and the fees and charges that the Product Issuer may receive.
2. This Product may also be suitable for wholesale clients.
3. All contributions into the Product are invested exclusively in the VMAPS registered managed investment scheme (Scheme).
4. The Investment Model Menu sets out the investment models which can be accessed through the Scheme and forms part of the VMAPS PDS. The Guide is available from the VenturaFM website at www.venturafm.com.au/investment-management/managed-portfolios. Typically, the Eligible Investments are available through model portfolios devised by experienced model managers (Model Portfolios) or may be available as a single asset investment. Model Portfolios have been categorised according to the benchmarks which are designed to measure the chance of a negative return

over a 20-year period. Further information on the risks and objectives including investment horizons of each Model Portfolio, are set out in the Guides.

5. Some Eligible Investments have a separate TMD, copies of which are available from the Praemium website at www.praemium.com.au/resources.

CLASS OF CONSUMERS WHO FALL WITHIN THE TARGET MARKET

This Product has been designed for retail consumers who have engaged an authorised financial advice provider (Financial Adviser) to provide personal financial product advice in relation to this Product and the Eligible Investments and who have considered the consumer's likely objectives, financial situation and needs set out below.

This Product is suitable for a Target Market of consumers, whose likely objectives, financial situation and needs include one or more of the following;

Likely Needs

The likely needs of the Target Market include:

- having a level of decision-making control over the investments in collaboration with the consumer's Financial Adviser;
- those with a range of investment risk profiles/measures (capital growth, capital preservation, capital guaranteed, regular income) and investment time horizons (short, medium or long) including those with an ability to bear losses;
- those looking for capital growth or income from investments or a mixture of both; and
- those looking for access to a broad range of professionally managed Model Portfolios.

Likely Objectives

The likely objectives of the Target Market include:

- to accumulate and manage wealth;
- to provide a source of income; and
- to receive the benefits of pooled investments and consolidated reporting.

Likely Financial Situations

The likely financial situation of the Target Market include:

- those with existing savings; and
- consumers who do not need access to withdraw funds daily.

PRODUCT IS NOT SUITABLE FOR

The Product is not designed for consumers who:

- have not engaged a Financial Adviser (refer to the Non-Advised Investor Policy at www.venturafm.com.au/investment-management/managed-portfolios;
- are not actively engaged with their investment portfolio;
- may not benefit from consolidated reporting and the associated administration costs;
- need to withdraw funds daily; or
- are seeking to retain all corporate actions and legal ownership in respect of their investments.

PRODUCT DESCRIPTION AND KEY PRODUCT ATTRIBUTES

Overview

- The Product is an IDPS-like Scheme
- The Product provides for the accumulation of savings.

The Product allows consumers to access a wide range of investment options with designated risk measures and recommended investment time horizons.

Custody

Investments into the Product are held by a third-party custodian.

Key attributes

Key product attributes include the following;

- A range of pre-determined Model Portfolios managed by experienced investment managers and/or a broad range of individual investment options including managed funds, ETFs, ASX-listed securities and term deposits.
- An interest-bearing cash account requiring a minimum holding of 1% of the consumer's investment account which acts as the hub of the consumer's portfolio for deducting fees and settling transactions.
- Daily account rebalancing to ensure ongoing alignment with the selected investment strategy taking account of:
    - changes to Model Portfolios notified by the relevant investment manager
    - investments in or cash withdrawals from the consumer's account;
    - Model Portfolio or individual asset switches;
    - Fees; and
    - minimum cash holding requirements and other circumstances as outlined in the PDS for the VMAPS Scheme.
- Account customisation options including: minimum trade size specification, individual securities substitution, and the application of holding locks to selected securities
- Consolidated ongoing reporting of investment holdings, asset allocation, transactions, fees, performance and taxation which is available 24/7 via the Investor Portal
- Access to potential costs savings associated with pooling of investments with other consumers (e.g., lower brokerage fees from the netting of listed securities trades, lower investment management costs associated with wholesale investments and lower administration fees from family account aggregation)
- Fees for financial product advice agreed with the consumer's Financial Adviser can also be administered from the account; and
- No minimum initial investment to establish an account.

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.

CONDITIONS AND RESTRICTIONS ON THE DISTRIBUTION OF THE PRODUCT

Given the Product's broad application to retail consumers, this Product can only be distributed by holders of an Australian Financial Services Licence (AFSL) who provide personal financial product advice and authorised representatives of these AFSLs. These AFSLs and authorised representatives must be registered to access and use the VMAPS platform prior to recommending the Product to appropriate consumers. In order to distribute this product the AFSL and authorised representatives must have met the minimum criteria set and monitored by VMAPS.

Consumers will not be permitted to invest directly in the Product without financial advice.

In the event that a consumer becomes non-advised while maintaining investments in the product they will come under the Product's Non-Advised Investor Policy (available at https://www.venturafm.com.au/vmaps-non-advised-investor-policy).

These distribution conditions make it likely that consumers who acquire the Product are in the Target Market because all consumers have engaged a financial product advice provider and will continue to be advised.

REVIEWING THIS TARGET MARKET DETERMINATION

We will review this TMD in accordance with the requirements listed below:

Initial review	30 September 2022
Next periodic review	30 September 2023
Maximum review period	15 months. This TMD will be reviewed at least on or before the 15 month anniversary of the date of this TMD. The Product Issuer will also review this TMD within 10 business days upon the occurrence of a review trigger or event.

Review triggers or events	Any event or circumstance(s) arises that would suggest the TMD is no longer appropriate. This may include (but is not limited to):
	• a material change to the design or distribution of the Product, including related documentation such as the PDS;
	• occurrence of an ASIC reportable "Significant Dealing" (see examples of Significant Dealings below);
	  ○ external events such as adverse media coverage or regulatory attention;
	  ○ significant changes in metrics, including, complaints;
	  ○ significant increase in consumers exiting the Product;
	  ○ significant or unexpectedly high number of complaints (as defined in section 994A(1) of the Act) regarding product design, product availability or any distribution condition where the Product Issuer considers this reasonably suggests that this TMD is no longer appropriate;
	  ○ a change has occurred that effects the objectives of the target market; and
	  ○ Receipt of a Product Intervention Power order from ASIC requiring Ventura to cease retail distribution of this product.

REPORTING AND MONITORING THIS TARGET MARKET DETERMINATION

We will collect the following information from all of our distributors in relation to this TMD.

Complaints	Distributors will report the number of complaints in relation to the Product covered by this TMD on a quarterly basis. This will include the substance of complaints and general feedback relating to the Product and its performance.
Significant dealings	Distributors will report if they become aware of a significant dealing in relation to this TMD within 10 business days. A significant dealing includes: • Specific proportion of consumers outside the Target Market who have acquired the Product, including the proportion; • Potential/actual harm to consumers if consumers outside the Target Market acquire the product; and • Time period when consumers outside the target market acquired the product.
Acquisitions outside the target market	When a financial adviser arranges the product acquisition on behalf of their client, they must confirm within the product application form: - whether they believe the consumer is in the Target Market; - whether the product application supports the implementation of personal financial product advice; and - where the consumer is not in the Target Market, the reasons why the consumer was not in the Target Market. Distributors must report on each acquisition that is outside of Target Market, including reason why acquisition is outside of Target Market, and whether acquisition occurred under personal advice.

Disclaimer
This Target Market Determination guide is issued by Ventura Investment Management Limited ABN 49 092 375 258, AFS licence number 253045 (Ventura) and is based on its understanding of current regulatory requirements & laws as at 5 October 2021. Should you have any questions we recommend you seek professional advice from your accountant, taxation or other professional adviser. Ventura believes the information contained in this Target Market Determination guide is correct at the time of compilation and while every effort has been made to ensure its accuracy, Ventura disclaims any liability for any errors or omissions in this Target Market Determination guide.