

Issue Date: 21 June 2024

This Target Market Determination (**TMD**) is required under section 994B of the *Corporations Act 2001* (Cth) (**Act**). It describes the class of consumers that comprises the target market for the Fund Product and matters relevant to the Fund Product's distribution and review (specifically, distribution conditions, triggers to review the target market and reporting requirements). Distributors must take reasonable steps that will, or are reasonably likely to, result in distribution of the Fund Product being consistent with the most recent TMD (unless the distribution is excluded conduct). It forms part of the Issuer's design and distribution arrangements for the Fund Product.

This document is not a product disclosure statement, and is not a summary of the product features or terms of the Fund Product. This document does not take into account any person's individual objectives, financial situation or needs. Consumers interested in acquiring this Fund Product should carefully read the Supplementary Product Disclosure Statement (**SPDS**) for the Fund Product and the Product Disclosure Statement (**PDS**) for the La Trobe Australian Credit Fund (**Fund**) before deciding whether to buy this Fund Product.

1. Product and Issuer Description

Fund Product	La Trobe Australian Credit Fund – Select Investment Account
Issuer	La Trobe Financial Asset Management Limited AFSL 222213, ABN 27 007 332 363
Fund Manager	La Trobe Financial Services Pty Limited ABN 30 006 479 527
Fund ARSN	088 178 321
APIR Code	MFL0002AU
TMD Version	4.0

2. Description of target market for the Fund Product

The table below, under the column Consumer Attributes, indicates a description of the likely objectives, financial situation and needs of the class of consumers that are considering this Fund Product.

Category	Consumer Attributes
Consumer's Investment Objective	<p>The consumer seeks an investment which offers the following choices:</p> <ul style="list-style-type: none"> monthly interest income based on a fixed rate of return or a variable rate of return (determined monthly); interest income to be paid monthly or reinvested at their direction; a concentrated investment in an individual loan secured by either a registered first or subsequent ranking mortgage, which may or may not comprise part of a broader pool of concentrated investments; exposure to a loan secured by residential, commercial (office or retail), rural, development finance (construction), industrial or vacant land real estate; and investment term, as determined by the Issuer, generally between 9 months up to 5 years.
Consumer Risk (ability to bear loss) and Return Profile	<p>The consumer:</p> <ul style="list-style-type: none"> can accept no guarantee: <ul style="list-style-type: none"> of the return of their capital either by the maturity date or thereafter (in full or in part); or that interest payments will be made to consumers. can accept variable or fixed rates of return which may be less than the rate of return disclosed; can accept returns that depend on the performance of the underlying loan and the relevant borrower making the payments required under the loan or the security property being sold in repayment of the borrower's debt; is willing to accept the risk that the consumer may lose some or all of their invested capital; and can tolerate additional risks of capital loss where a loan is secured by a second or subsequent registered mortgage. <p>Note: This TMD outlines the risk and return profile in relation to a singular investment in the Fund Product only. A consumer (or class of consumer) with a more conservative risk and return profile may intend to hold the Fund Product as part of a diversified portfolio.</p>

Consumer Financial Situation and Investment Timeframe	<p>The consumer:</p> <ul style="list-style-type: none"> • is also within the target market of the Classic Notice Account; • has sufficient funds to invest the minimum investment amount of \$1,000 consistent with the consumer's intended product use (see below); and • has an investment timeframe consistent with the investment term and will not require the right to make early withdrawals. 										
Consumer's Intended Product Use (% of Investable Assets¹)	<p>The intended product use allocation set out below relates to a consumer's investment into a single loan in the Fund Product.</p> <table border="1" data-bbox="451 443 1209 645"> <tr> <td>Solution/Standalone (up to 100%)</td> <td>Not in target market</td> </tr> <tr> <td>Major allocation (up to 75%)</td> <td>Not in target market</td> </tr> <tr> <td>Core component (up to 50%)</td> <td>Not in target market</td> </tr> <tr> <td>Minor allocation (up to 25%)</td> <td>Not in target market</td> </tr> <tr> <td>Satellite/Small Allocation (up to 10%)</td> <td>In target market</td> </tr> </table> <p>Note: The intended product use allocation recommended by the Issuer relates to a consumer's investment into a single loan in the Fund Product. E.g., an investment of \$1,000 into a single loan could be in the target market for a consumer with investable assets of at least \$10,000.</p> <p>Solution/Standalone The consumer may hold the investment as up to 100% of their total investable assets¹. The consumer is likely to seek a product with very high portfolio diversification².</p> <p>Major allocation The consumer may hold the investment as up to 75% of their total investable assets¹. The consumer is likely to seek a product with at least high portfolio diversification².</p> <p>Core Component The consumer may hold the investment as up to 50%, of their total investable assets¹. The consumer is likely to seek a product with at least medium portfolio diversification².</p> <p>Minor allocation The consumer may hold the investment as up to 25%, of their total investable assets¹. The consumer is likely to seek a product with at least low portfolio diversification².</p> <p>Satellite/Small allocation The consumer may hold the investment as up to 10% of their total investable assets¹. The consumer may seek a product with very low portfolio diversification². Products classified as extremely high risk are likely to meet this category only.</p>	Solution/Standalone (up to 100%)	Not in target market	Major allocation (up to 75%)	Not in target market	Core component (up to 50%)	Not in target market	Minor allocation (up to 25%)	Not in target market	Satellite/Small Allocation (up to 10%)	In target market
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Satellite/Small Allocation (up to 10%)	In target market										
Consumers for whom the Fund Product may be unsuitable	<p>This Fund Product may not be suitable for consumers who:</p> <ul style="list-style-type: none"> • have an intended product use indicated as 'Not in target market' above; • are seeking a capital guaranteed investment or who do not have the ability to bear loss; • want to invest in a bank deposit or a term deposit with a bank or benefit from Australian Government's deposit guarantee scheme (the Financial Claims Scheme); • are seeking an investment product which is diversified across a broad range of asset classes; and • are seeking access to some or all of their funds upon request. 										

Investable Assets

1. Investable Assets means those assets that the consumer has available for investment, excluding the residential home.

Portfolio diversification

2. **Very High:** The product provides exposure to a large number of holdings across a broad range of asset classes, sectors and geographic markets with limited correlation to each other.

High: The product provides exposure to a large number of holdings (for example, over 50 securities) in multiple broad asset classes, sectors or geographic markets (for example, global equities).

Medium: The product provides exposure to a moderate number of holdings (for example, up to 50 securities) in at least one broad asset class, sector or geographic market (for example, Australian fixed income securities or global natural resources).

Low: The product provides exposure to a small number of holdings (for example, fewer than 25 securities) or a narrow asset class, sector or geographic market (for example, a single major commodity (e.g. gold) or equities from a single emerging market economy).

Very Low: The product provides exposure to a single asset (for example, a commercial property) or a niche asset class (for example, minor commodities, crypto-assets or collectibles).

3. Consistency of Fund Product's features with consumer attributes of Target Market

The Issuer has assessed the Fund Product and formed the view that the Fund Product, including its key attributes summarised below, is likely to be consistent with the likely objectives, financial situation and needs of consumers in the target market, as the features of this Fund Product, including its key attributes, summarised below are likely to be suitable for consumers with the attributes summarised in Section 2 above.

The product description set out below relates to a consumer's investment into a single loan in the Fund Product.

Category	Product Description including key attributes
Consumer's Investment Objective	<p>The Fund Product:</p> <ul style="list-style-type: none"> • aims to pay monthly interest income based on a fixed or variable rate of return; • provides a concentrated investment in an individual loan secured by a registered first or subsequent ranking mortgage, which may or may not comprise part of a broader pool of concentrated investments; • provides investment exposure to a loan secured by residential, commercial (office or retail), rural, development finance (construction), industrial or vacant land real estate; and • provides a choice of investment term, as determined by the Issuer, generally between 9 months up to 5 years.
Consumer Risk (ability to bear loss) and Return Profile	<p>The Issuer considers the Fund Product:</p> <ul style="list-style-type: none"> • does not guarantee the return of capital by the maturity date or thereafter (in full or in part); • does not guarantee that interest payments will be paid to consumers; • may provide variable rates of return which may be less than the rate disclosed; • has a risk profile that depends on the performance of the underlying loan and the relevant borrower making the payments required under the loan; • has very low diversification (see Section 2 above); and • may lead consumers to lose some or all of their invested capital.
Consumer Financial Situation and investment timeframe	<p>The Fund Product:</p> <ul style="list-style-type: none"> • requires the consumer to have or open a La Trobe Australian Credit Fund - Classic Notice Account with the Issuer; • has a minimum investment amount of \$1,000; and • has a minimum investment timeframe generally between 9 months up to 5 years.
Consumer's need to access capital	<p>Consumers will generally have their capital returned upon partial or full discharge of the loan they have invested in. The return of capital is dependent on the individual borrower repaying the loan.</p> <p>The Fund Product does not provide the consumer with the right of early withdrawal of some or all of their funds invested in the Fund Product.</p> <p>The Issuer may, at its discretion, consider an early withdrawal request from a consumer facing exceptional circumstances but only where the Issuer can locate a substitute investor and where the Fund is liquid.</p>
Consumer's Intended Product Use	<p>The Issuer considers the Fund Product has very low diversification (see Section 2 above) on the basis that it provides investment exposure to a peer to peer loan investment. The consumer may hold the investment as up to 10% of their total investable assets.</p>
Consumers for whom the Fund Product may be unsuitable	<p>The Fund Product:</p> <ul style="list-style-type: none"> • does not guarantee any investment result, the return of capital, interest payments to consumers or liquidity; • pays a fixed or variable rate of return; • is not a bank deposit or a term deposit, and is not covered by the Australian Government's deposit guarantee scheme (the Financial Claims Scheme); and • provides a concentrated investment in an individual loan with a maturity of between 9 months and 5 years. Early withdrawals are not available from the Fund Product.

4. Distribution conditions/restrictions

Distributors this condition applies to	Distribution Conditions	Distribution condition rationale
Issuer – Direct to Consumer	<p>Investor Questionnaire</p> <p>Consumers applying to invest in the Fund Product on or after 21 June 2024 are required to complete the attributes questionnaire provided as part of the onboarding process, unless the consumer:</p> <ul style="list-style-type: none"> • is investing >\$500,000 into a Select Investment Account Fund Product; • is a wholesale or professional investor as defined in the Act; or • has received personal financial advice to make an investment in the Fund Product. 	<p>Personal Advice</p> <p>This distribution condition is likely to result in distribution to consumers who are likely to be in the target market because persons providing personal financial product advice to acquire the Fund Product must consider the consumer's individual circumstances and comply with the best interests' duty and related obligations under Pt 7.7A of the Act.</p> <p>Investor Questionnaire</p> <p>This distribution condition will make it likely that the Issuer can identify if the Fund Product is being effectively distributed within the target market.</p> <p>Further it assists the Issuer to identify where a consumer is not within the target market and where a risk of harm could exist.</p>
	<p>Training of Sales & Distribution Staff</p> <p>The Issuer's distribution and sales staff and Authorised Representatives are required to be properly trained in</p> <ul style="list-style-type: none"> • the principles of the DDO regime and undergo at least annual training; and • the terms of this TMD 	<p>Training of Sales & Distribution Staff</p> <p>This distribution condition will make it more likely that the Issuer's sales or distribution staff or Authorised Representatives will identify if a consumer is not within the target market.</p>
	<p>Marketing, Advertising & Promotion</p> <p>The Issuer will not market, advertise or promote the Fund Product in media channels used for mass communication specifically radio, television, and billboards.</p> <p>No Fund Product marketing, advertising or promotional materials may be sent or made available by the Issuer unless the Issuer has completed an external communications compliance checklist.</p>	<p>Marketing, Advertising & Promotion</p> <p>The Issuer has assessed that this distribution condition is likely to result in distribution to consumers who are likely to be in the target market as opposed to marketing to a wide audience.</p> <p>The Issuer has assessed that this distribution condition is likely to result in distribution to consumers who are likely to be in the target market because distributors using this promotional material will not be promoting the Fund Product in a way that could misrepresent the Fund Product or likely direct marketing to potential consumers outside the target market.</p>
Third-Party Distribution	<p>Legal Obligations</p> <p>All third-party distributors must meet all ongoing regulatory and disclosure obligations relating to their position in the market.</p> <p>Financial advisers are also required to hold an Australian Financial Services License or maintain an appointment as a representative authorised to engage in activities on behalf of a financial services licensee as part of the Issuer's accreditation requirements.</p>	<p>Legal Obligations</p> <p>In relation to financial advisers, the Issuer has assessed that this distribution condition is likely to result in distribution to consumers who are likely to be in the target market because:</p> <ul style="list-style-type: none"> • The issuer of each approved product has its own obligations as a distributor to take reasonable steps that will or are reasonably likely to result in retail product distribution conduct being consistent with this TMD; • The Issuer has an arrangement with each distributor governing their relationship and distributors, are required to take reasonable steps that will, or are likely to, result in distribution of the Fund Product being consistent with its TMD; and • Where investments are placed under advice, the standard advice documentation process (ie the provision of advice to the consumer) will be followed.

	<p>Marketing, Advertising & Promotion</p> <p>Third-party distributors may not use marketing, advertising or promotional materials that are inconsistent with the Issuer's issued materials.</p> <p>Distributors (other than licensed financial advisers) are not able to provide consumers with direct access to SPDSs. All enquiries for Select Investment loans are required to be directed to the Issuer who will issue the SPDS to the third-party distributor and/or the underlying consumer.</p>	<p>Marketing, Advertising & Promotion</p> <p>The Issuer has assessed that this distribution condition is likely to result in distribution to consumers who are likely to be in the target market because distributors using promotional material will not be promoting the Fund Product in a way that could misrepresent the Fund Product or likely direct marketing to potential consumers outside the target market.</p>
	<p>Distribution Agreement</p> <p>Where a third-party distributor has entered into a distribution agreement with the Issuer, each third-party distributor must meet on an ongoing basis the Issuer's accreditation requirements and referrers, investment platforms and authorised representatives must comply with their respective distribution agreement with the Issuer.</p>	<p>Distribution Agreement</p> <p>The Issuer has assessed that this distribution condition is likely to result in distribution to consumers who are likely to be in the target market because requiring distributors to attest at least annually on their compliance with the DDO or other relevant conditions of distribution aims to reinforce to the distributor that the Issuer is committed to its compliance with the DDO regime.</p>

Note: In addition to the above conditions and restrictions, the Fund Product must not be issued unless the applicant has returned to the Issuer a copy of the SPDS and signed the acknowledgements in the SPDS.

5. Reviewing this TMD

This TMD will be reviewed on:

- a scheduled basis with reviews to be completed before the end of the maximum period for review specified below; and
- where a Review Trigger (as defined below) has occurred.

Mandatory TMD review periods

Reporting requirements	Maximum period for review
Initial review	Not applicable.
Subsequent Review	18 January 2025.

Note: The review period allows for the collection of data for 12 months, plus three months for the completion of the review.

Review Triggers

The events and circumstances described below (**Review Triggers**) will also require a review of this TMD:

- material change to the terms or attributes of the Fund Product which the Issuer reasonably considers indicates that this TMD is no longer appropriate;
- where and when the Fund Product is not being distributed and purchased as envisaged by this TMD which the Issuer reasonably considers indicates that this TMD is no longer appropriate;
- an event or circumstance that would materially change a factor considered in making the TMD for the Fund Product which the Issuer reasonably considers indicates that this TMD is no longer appropriate;
- reporting from distributors of one or more 'significant dealings' multiple distributors of 'significant dealing' (see Section 6 below) in the Fund Product or numerous reports from one distributor of 'significant dealings' in the Fund Product which the Issuer reasonably considers indicates that this TMD is no longer appropriate;
- determination by the issuer of a 'significant dealing' (see Section 6 below) in the Fund Product which the Issuer reasonably considers indicates that this TMD is no longer appropriate;
- material or unexpectedly high number of complaints (as defined in section 994A(1) of the Act) about the Fund Product or the distribution of the Fund Product which the Issuer reasonably considers indicates that this TMD is no longer appropriate;
- a reportable situation (as defined in section 912D of the Act) has been reported in relation to the design or distribution of the Fund Product and which the Issuer reasonably considers indicates that the TMD may no longer be appropriate;
- regulatory inquiry by AFCA, ASIC or another regulatory authority as to the design or distribution of the Fund Product which the Issuer reasonably considers indicates that this TMD is no longer appropriate; and/or
- the use by ASIC or other regulators of Product Intervention Powers, regulatory orders or directions that affect the Fund Product which the Issuer reasonably considers indicates that this TMD is no longer appropriate.

The above Review Triggers do not limit the Issuer's obligations under section 994C(3)(ii) of the Act. When a review trigger has occurred, this TMD will be reviewed within 10 business days.

6. Reporting and monitoring this TMD

The following reporting requirements apply to all distributors of the Fund Product:

Reporting requirements	Reporting period
Where the distributor is aware or ought to reasonably be aware, it should report on each 'significant dealing' outside of the target market, under section 994F(6) of the Act (see guidance below) by completing the Notification of Significant Dealing Form and submitting it to: targetmarketdistribution@latrobefinancial.com.au .	As soon as practicable but no later than 10 business days after the distributor becomes aware of the 'significant dealing'.
Distributors must report to the Issuer (at targetmarketdistribution@latrobefinancial.com.au): <ul style="list-style-type: none"> if the distributor received complaints in relation to the Fund Product during the reporting period, the number of complaints it received; and include, with its report, a copy of each complaint (as defined in section 994A(1) of the Act) (to the extent permitted under privacy and other laws), or where this is not possible, report on the content of each complaint. 	On a quarterly basis and for each quarter as soon as practicable but no later than 10 business days following the end of the quarter.

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 Fund 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 Fund 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 determining whether a 'significant dealing' has occurred, the Issuer expects that the following non-exhaustive list of factors may be relevant for distributors:

- the nature and risk profile of the Fund Product;
- whether a consumer outside of the target market has acquired the Fund Product;
- the extent to which the acquisition of the Fund Product by the consumer outside of the target market has the potential to harm or has caused harm (including the amount of any financial loss); and/or
- the nature and extent to which the distribution of the Fund Product is inconsistent with the TMD.

The above list is not exhaustive and distributors should consider, having regard to the circumstances of their business, whether other factors or events may suggest that a significant dealing has occurred. A significant dealing may be identified through the distributor's product governance arrangements, as a result of a consumer complaint or the occurrence of a Review Trigger.

7. Contact Us

Please contact the Issuer at targetmarketdistribution@latrobefinancial.com.au with any questions or feedback with respect to this TMD.

Historical versions of this TMD and the Notice of Significant Dealing Form are available at <https://latrobefinancial.com.au/investments/investment-solutions/tmd/>.

8. Disclaimer

Issued by La Trobe Financial Asset Management Limited (AFSL 222213, ABN 27 007 332 363) (**Issuer**). The Issuer is the responsible entity and issuer of the Fund Product referred to in this TMD. This TMD 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 TMD is appropriate for you and obtain financial advice tailored to you having regard to your individual objectives, financial situation, needs and circumstances. This TMD 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.