

Target Market Determination – Funds Management

Legal disclaimer

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 One Managed Investment Funds Limited's (**OMIFL**)'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 Atlas High Income Property Fund before making a decision whether to buy this product.

Important terms used in this TMD are defined in the TMD Definitions which supplement this document. Capitalised terms have the meaning given to them in the product's PDS, unless otherwise defined. The PDS can be obtained by contacting us at atlas@oneinvestment.com.au call us on (02) 8277 0000 or on our website at www.oneinvestment.com.au/atlas.

Target Market Summary

This product is likely to be appropriate for a consumer seeking an income component within a portfolio where the consumer has a medium investment timeframe, medium to high risk profile and needs daily access to capital.

Fund and Issuer identifiers

Issuer	One Managed Investment Funds Limited	APIR Code	OMF9290AU
Issuer ABN	47 117 400 987	Product Exchange Code	ASX mFund: AFM01
Issuer AFSL	297042	Date TMD approved	23 June 2023
Fund	Atlas High Income Property Fund	TMD Version	3.0
ARSN	618 658 567	TMD Status	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
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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	Potentially in target market	The Fund is designed to deliver consistent quarterly income, which is seen as being suitable for pension phase investors and self-managed superannuation funds and for those who want to retain an exposure to listed property in their portfolio and yet still need to maintain income being generated from their portfolio.
Capital Preservation	Not considered in target market	
Capital Guaranteed	Not considered in target market	
Income Distribution	In target market	

Consumer Attributes	TMD Indicator	Product description including key attributes
Consumer's intended product use (% of Investable Assets)		
Solution/Standalone (75-100%)	Not considered in target market	The Fund aims to provide investors with income primarily through the acquisition of securities in the ASX A-REIT 200 Index. There will be an overlay of an active strategy of selling call options over a portfolio of ASX-listed property securities to boost income. Investors should use the Fund as a satellite /smaller allocation.
Core Component (25-75%)*	Not considered in target market	
Satellite/small allocation (<25%)	In target market	
Consumer's investment timeframe		
Short (\leq 2 years)	Not considered in target market	The minimum suggested timeframe for holding an investment in the Fund is 5 years.
Medium (2 - 5 years)	In target market	
Long ($>$ 5 years)	In target market	
Consumer's Risk (ability to bear loss) and Return profile		
Low	Not considered in target market	The Fund aims to provide investors with income primarily through the acquisition of securities in the ASX A-REIT 200 Index. There is an overlay of an active strategy of selling call options over the portfolio. A portion of the additional income may be used to purchase put options to reduce capital risk. The key risks to the Fund include market risk and strategy risk. The Fund has a risk band of 5 (Medium to High). The estimated likelihood of a negative annual return is 3 to less than 4 years in 20 years.
Medium	In target market	
High	In target market	
Very High	In target market	
Consumer's need to withdraw money		
Daily	Potentially in target market	The Fund is expected to be liquid at all times and investors will normally be able to

Weekly	In target market	request to redeem on any Business Day with proceeds usually paid within 10 days. The Fund's constitution allows 30 days to decide to accept a request and a further up to 21 days to pay the proceeds, however this has not occurred to date. In certain circumstances, such as a freeze on withdrawals or where the Fund is not liquid (as defined in the Corporations Act), there may be a cap on withdrawals for an aggregate value of more than 5% of NAV or investors may not be able to withdraw their investment during the usual period. This has not occurred to date and is considered very unlikely. Investors will be able to redeem units in the Fund on any Business Day, being a day other than a Saturday or Sunday on which the ASX is open for trading.
Monthly	In target market	
Quarterly	In target market	
Annually	In target market	

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.

The Issuer considers that the distribution conditions below will make it likely that the investors who acquire units in the Fund are in the target market because of the following:

- The Fund's advertisements and website content is directed towards consumers in the Fund's target market.
- The online application form for the Fund includes filtering questions and alerts.
- The distributors' past performance in relation to the distribution of financial products, about which the Issuer is aware.
- Any other relevant information about a distributor, about which the Issuer is aware.

Distribution conditions/restrictions

Distribution Channel and Conditions	Distribution Condition Rationale
<p>Direct (Retail Clients via website)</p> <p>Retail investors will only be admitted to the Fund on completion of an approved on-line application form which includes certain filtering questions and alerts including, in certain circumstances, prompting investors to seek further advice before progressing with the application. The Issuer will monitor this.</p>	<p>The product will only be offered on the website using an on-line application form which will provide real-time automated responses to filtering questions and alerts to assist investors to identify if they are in the Target Market for the product.</p>
<p>mFund</p> <p>Brokers who participate in mFund are likely to have their own product governance arrangements therefore Retail Investors who invest into the Fund via mFund have no distribution conditions. The Issuer will seek to monitor this.</p>	<p>Noting the target market of the Fund, the number of complaints received since the establishment and the size and likely product governance, and capability of each broker, the Issuer considers monitoring these brokers and receiving their distributors' reports as required under this TMD should identify if the product is being distributed outside of its target market.</p>
<p>Direct (wholesale)</p> <p>Only Investors who fall within the definition of wholesale investor under section 761 of Corporation Act on a completion of an on-line application have no distribution conditions.</p>	<p>The Design and Distribution Obligation and Target Market Determination does not apply to financial products acquired by wholesale investor.</p>
<p>Personally advised clients</p> <p>Retail investors indicating that they have received personal advice on a completed online application form have no distribution conditions.</p>	<p>The retail investor under a personal advice model is exempt from the core obligation under the Design and Distribution Obligation regime.</p>

Review triggers
If there is a material change to key attributes, fund investment objective and/or fees.
If there is a 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
Next scheduled review	By 9 June 2024
Subsequent review	At least once every year since the date of the last review of the TMD (for whatever reason)

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, 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 the end of the calendar quarter.	All distributors

If practicable, distributors should adopt the FSC data standards for reports to the issuer. Distributors must report to One Managed Investment Funds Limited using the email address DDO@oneinvestment.com.au or the method specified at <https://www.oneinvestment.com.au/ddo/>.

Disclaimer

This document is issued by One Managed Investment Funds Limited (ABN 47 117 400 987) (AFSL 297042) (**OIG**) as responsible entity of the Atlas High Income Property Fund ARSN 618 658 567 (**Fund**). Atlas Funds Management Pty Ltd (ABN 83 612 499 528) is the investment manager of the Fund (**Investment Manager**).

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You should obtain and carefully consider the Product Disclosure Statement (**PDS**) for the Fund before making any decision about whether to acquire, or continue to hold, an interest in the Fund. Applications for units in the Fund can only be made pursuant to the application form relevant to the Fund. A copy of the PDS and Additional Information Booklet dated 29 September 2022, continuous disclosure notices and relevant application form may be obtained from www.oneinvestment.com.au/atlas.

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".

Term	Definition
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).
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 - 5 years)	The consumer has a medium investment timeframe and is unlikely to redeem within two to five years.
Long (> 5 years)	The consumer has a long investment timeframe and is unlikely to redeem within five years.
Consumer's Risk (ability to bear loss) and Return profile	
The Issuer has adopted the Standard Risk Measure (<i>SRM</i>) to calculate the likely number of negative annual returns over a 20 year period, using the guidance and methodology outlined in the <i>Standard Risk Measure Guidance Paper For Trustees</i> . The assessment has been undertaken assuming likely returns after fees and costs but before taxes. 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.	
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)). Consumer typically prefers growth assets such as shares, property and alternative assets.
Review Triggers and Distributor Reporting	
Significant Dealings	Section 994F(6) of the Act requires distributors to notify the issuer if they become aware of a significant dealing in the Fund that is not consistent with the TMD. Section 994G of the Act requires the Issuer to notify ASIC if it becomes aware of a significant dealing in the Fund that is not consistent with the TMD. Neither the Act nor ASIC

Term	Definition
	<p>defines when a dealing is ‘significant’ and distributors and the Issuer have discretion to apply its ordinary meaning. Whether or not a dealing is significant is a matter to be determined in the circumstances of each case and must be determined having regard to ASIC’s policy in RG 274.</p> <p>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>Dealings outside this TMD may be significant because 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> <p>In each case, the distributor should have regard to:</p> <ul 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>Objectively, a distributor may consider a dealing (or group of dealings) outside the TMD to be significant if:</p> <ul style="list-style-type: none"> • the consumer’s intended product use is <i>Solution / Standalone</i>, or • the consumer’s intended product use is <i>Core component</i> and the consumer’s risk (ability to bear loss) and return profile is <i>Low</i>.