

# Target Market Determination

Dimension Fixed Income Fund

Company: Australian Capital Funds Management  
ACN: 130 957 658  
AFSL 327505  
Date Prepared: Jan 2023  
Phone 130 180 606  
Email: info@acfml.com.au

## SECTION A – ABOUT THIS TARGET MARKET DETERMINATION

---

### 1. INTRODUCTION

- 1.1 Australian Capital Funds Management Ltd (“**ACFM**”, “**we**”, “**us**” or “**our**”) operates a registered managed investment scheme, namely, Dimension Fixed Income Fund (“**Scheme**”). DC is a distributor of the Scheme to retail clients. Accordingly, we must comply with the Design and Distribution Obligations set out in Part 7.8A of the *Corporations Act 2001*. Part 7.8A of the *Corporations Act 2001*;
- 1.2 DC is an authorised representative (Authorised Representative No. 1295622) of Australian Capital Funds Management Ltd ACN 130 957 658 (“**ACFM**”) who holds an Australian Financial Services Licence (Number: 327505). ACFM is the Responsible Entity and an issuer of interests in the Scheme.
- 1.3 This Target Market Determination is issued by ACFM and covers ACFM’s offering of interests in the Dimension Fixed Income Fund to retail clients. If you are interested in reviewing ACFM’s Target Market Determination for other types of products we offer with a view to acquiring one or more of them, please refer to [www.acfml.com.au](http://www.acfml.com.au).
- 1.4 ACFM is committed to creating and maintaining a client-centric approach to the design of its financial products, including the Scheme.
- 1.5 This Target Market Determination applies to retail clients only (“**Retail Clients**”) and does not apply to wholesale clients as defined by section 761G and 761GA of the *Corporations Act 2001*.
- 1.6 This Target Market Determination does not contain all the information that a retail client may require prior to making a decision to acquire or continue to hold a financial product. This document does not provide financial product advice and does not contain a full summary of the financial product’s features, applicable fees, benefits or risks. You should refer to the relevant Product Disclosure Statement (“**PDS**”) before deciding whether to acquire or continue to hold a financial product. The PDS is available at the following link:
- [Dimension Fixed Income Fund’s PDS](#)
- 1.7 You should also review the other documents relating to the Scheme, including but not limited to the following:
- [Financial Services Guide](#)
  - [Application Form](#)

- [Withdrawal Offer](#)
- [Withdrawal Offer Instructions](#) and
- [Constitution upon request.](#)

## **2. FINANCIAL PRODUCTS ISSUED BY US UNDER THIS TARGET MARKET DETERMINATION**

- 2.1 ACFM issues interests in the Scheme which is a registered managed investment scheme. The Scheme invests in stable income producing Fixed Income Investments, which may consist of the following underlying assets:
- (a) Cash held in a bank or other ADI.
  - (b) Short term money market securities or cash equivalent.
  - (c) Registered and unregistered managed investment schemes with high yield fixed income strategies, including investments exclusively offered to ACFM Capital.
  - (d) Funds, portfolios or securities backed by residential mortgage-backed securities (RMBS) with appropriate risk adjusted returns.
  - (e) Funds, portfolios or securities backed by other asset-backed securities or ABS. That is, non-RMBS which may include securitisations backed by consumer loans, loans to SMEs and auto loans among others.
  - (f) Funds, portfolios or securities backed by suitable investments which includes, but is not limited to, secured and unsecured debt securities, secured and unsecured loans, bonds, funds, office buildings, retail, industrial, commercial and residential properties that are substantially leased and income producing, and/or businesses with superior return potential.
- 2.2 This Target Market Determination has been prepared in relation to the Scheme only.

## **SECTION B –TARGET MARKET**

---

### **3. PRODUCT DESCRIPTION AND KEY ATTRIBUTES**

- 3.1 Managed investment schemes (also known as managed funds) are where multiple investors pool their money and receive an interest in the Scheme. ACFM operates the Scheme and you do not have day-to-day control over the operation of the Scheme and its assets. ACFM's Scheme invests in assets listed in 2.1 above.

3.2 The Scheme's PDS contains detailed information on the key features, key benefits and key risks of the Scheme. It is the responsibility of a Retail client to review not only this Target Market Determination but also the PDS and other documents listed in section 1.7 prior to investing in the Scheme.

Key Attributes of the Scheme	Class of retail client
<b>Eligibility Requirements</b>	<ul style="list-style-type: none"> <li>• resident/citizen of Australia;</li> <li>• accept the offer in Australia;</li> <li>• <u>   </u> above the age of 18;</li> <li>• <u>   </u> have read and accepted the PDS;</li> <li>• have confirmed employment;</li> <li>• hold a diversified allocation of investments</li> </ul>
<b>High/medium levels of risk exposure</b>	<p><b>Ability to bear loss:</b> Clients who:</p> <ul style="list-style-type: none"> <li>• are prepared to lose amounts that can be as great as the sum of their total deposits.</li> <li>• accept risks associated with payment delays and losses associated with political instability, war, suspension of financial markets and catastrophic events.</li> </ul> <p><b>Tolerance to risk:</b> Managed funds are suitable for clients with high/medium investment risk tolerance.</p> <p>Please note that there are particular risks associated with investing in managed investment schemes. Please refer to the PDS for further information in relation to the risks of investing in Scheme.</p>
<b>Liquidity considerations</b>	<p>The Schemes allows for withdrawals only after the Units are held for <u>   </u> the minimum periods as per the unit class set out in the PDS and there is no guarantee that we will make a withdrawal offer each month or quarter. Therefore, <u>   </u> retail clients must be able to accept these liquidity constraints when balanced against their other requirements.</p>

#### 4. LIKELY OBJECTIVES, FINANCIAL SITUATION AND NEEDS

4.1 The Scheme has been designed for retail clients whose likely objectives, financial situation and needs (as outlined in this document) align with the Scheme (including its key attributes), including retail clients who:

- (a) have a mid-long term investment horizon;
- (b) are looking for an investment manager to invest their funds via a managed investment scheme, as opposed to investing directly in underlying assets;
- (c) are looking for exposure to a diversified portfolio of cash or cash equivalent; managed investment schemes with high yield fixed income strategies; funds, portfolios or securities backed by RMBS, other asset-backed securities or ABS, fixed income securities and etc;
- (d) wish to minimise the fees associated with investing;
- (e) have medium to high risk appetites (this will depend on the assets under management);
- (f) can accept loss of their entire deposit / investment without suffering financial hardship;

## **5. RETAIL CLIENTS FOR WHOM ACFM'S FINANCIAL PRODUCT IS NOT SUITABLE**

### **5.1 The scheme is not suitable for clients who:**

- (a) do not meet the eligibility requirements;
- (b) are risk-adverse;
- (c) cannot afford to bear loss;
- (d) are below the age of 18;
- (e) do not wish to be exposed to counterparty risk of any form;
- (f) have low levels of financial literacy and technological literacy;
- (g) reside in a country which restricts or prohibits investing in the Scheme;
- (h) are in financial hardship or going through bankruptcy;
- (i) have a low tolerance to risk;
- (j) do not have the ability and willingness to lose some or all of their investment;
- (k) wish to invest using income, or cash that they rely on for living expenses or personal savings;
- (l) are vulnerable, including those who are:
  - (i) elderly or suffering an age-related impairment;
  - (ii) suffering any form of cognitive impairment;
  - (iii) suffering from elder or financial abuse;
  - (iv) unemployed or who have recently experienced job loss;

- (v) suffering from mental or other forms of serious illness affecting capacity;
- (vi) suffering from any form of addiction; or
- (vii) suffering from any other personal or financial circumstances causing significant detriment.

## **6. CONSISTENCY BETWEEN THE TARGET MARKET AND FINANCIAL PRODUCT**

- 6.1 ACFM has assessed the Scheme and formed the view that the Scheme, including its key attributes, is likely to be consistent with the likely objectives, financial situation and needs of Retail clients in the target market, as described above.

# **SECTION C – DISTRIBUTION**

---

## **7. DISTRIBUTION CHANNELS**

- 7.1 The Scheme is distributed by:

- (a) ACFM.
- (b) ACFM's website, including online and physical application forms in accordance with this document;
- (c) financial advisers;
- (d) Corporate Authorised Representatives/Authorised Representatives;
- (e) through an investment platform; and
- (f) referrers.

## **8. DISTRIBUTION CONDITIONS**

- 8.1 ACFM takes reasonable steps to ensure that ACFM as well as any distributors, distribute the Scheme and to the Target Market.

- 8.2 ACFM has implemented the following processes to ensure distribution is consistent with retail clients who fall within the Target Market:

- (a) verification of a potential retail client including whether they:
  - (i) fall within the Target Market during the onboarding process,
  - (ii) meet all eligibility requirements;

8.3 ACFM will take reasonable steps to ensure its marketing strategy and the marketing strategy of distributors is targeting retail clients within Target Market. The following processes have been implemented by ACFM:

( a ) marketing campaigns are reviewed and approved by ACFM prior to publication;

( b ) conducting a compliance review on a sample of phone recordings and correspondence from client facing staff; and

( c ) all client onboarding is conducted and/or supervised by ACFM directly to ensure the Target Market criteria is met.

8.4 ACFM's distributors cannot release marketing materials without obtaining ACFM's prior written consent.

## 9. ADEQUACY OF DISTRIBUTION CONDITIONS

9.1 ACFM has determined that the distribution conditions and restrictions will make it likely that retail clients who purchase the Scheme is in the class of retail clients for which it has been designed. We consider that the distribution conditions are appropriate and will assist distribution being directed towards the target market for whom the Scheme has been designed.

# SECTION D – REVIEW AND MONITORING

---

## 10. REVIEW

10.1 ACFM reviews this Target Market Determination in accordance with the below:

<b>Initial Review:</b>	Within 6 months of the effective date.
<b>Periodic Reviews:</b>	Annually after the initial review.

<b>Review Triggers:</b>	<p>When any event or circumstance arises that suggests the Target Market Determination is no longer appropriate. This includes (but is not limited to):</p> <ul style="list-style-type: none"> <li>• receipt of a Product Intervention Power order from ASIC requiring ACFM to cease retail distribution of the Scheme;</li> <li>• material changes to the key attributes of the Scheme;</li> <li>• the occurrence of a significant dealing including when distribution occurs outside the target market;</li> <li>• where the distribution conditions are found to be inadequate;</li> <li>• the liquidity of the product has changed and is found to be inadequate;</li> <li>• the fees of the Scheme are found to be inadequate;</li> <li>• external events such as adverse media coverage or regulatory attention;</li> <li>• significant changes in metrics, including, but not limited to, receipt of a large volume of complaints by ACFM or one of our distributors, and</li> </ul>
	<ul style="list-style-type: none"> <li>• where ACFM detects issues with the distribution of the Scheme through the monitoring of daily business activities as well as the monitoring and supervision of distributors.</li> </ul>

## 11. DISTRIBUTOR REPORTING REQUIREMENTS

11.1 ACFM collects the following information from distributors in relation to this Target Market Determination:

<b>Complaints</b>	ACFM's Distributors report all complaints in relation to the Scheme covered by this Target Market Determination on a monthly basis.
<b>Significant Dealings</b>	ACFM's distributors report to ACFM if they become aware of a significant dealing in relation to this Target Market Determination within ten (10) business days. ACFM must notify ASIC of a significant dealing in relation to the Scheme that is not consistent with the products TMD within ten (10) business days.
<b>Feedback</b>	ACFM's distributors report all Retail Client feedback (including performance of the Scheme) in relation to the Scheme covered by this Target Market Determination on a monthly basis.



<b>Other Information</b>	ACFM's distributor report other distribution information required from distributors e.g. transaction data, outcomes from sale practices monitoring on a monthly basis.
--------------------------	--

## SECTION E – CONCLUSION

---

11.2 ACFM reserves the right to amend this Target Market Determination at any time.

11.3 For further information, please contact us by:

- (a) Email: [info@acfml.com.au](mailto:info@acfml.com.au); or
- (b) Phone: 1300 180 606; or
- (c) Post: Suite 1301, Level 13, 570 George Street Sydney NSW 2000; or
- (d) ACFM's website: <https://www.acfml.com.au>.