

ANZ Enhanced Yield Fund

TARGET MARKET DETERMINATION

ARSN 169 284 539 | APIR code MMF2133AU

05 Oct 2021

This Target Market Determination (**TMD**) seeks to offer consumers (**clients**) and distributors with an understanding of the class of clients for which this Product has been designed, having regard to the objectives, financial situation and needs of the target market.

This document is **not** a product disclosure statement and is **not** a summary of ANZ Enhanced Yield Fund (**Fund** or **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 ANZ Enhanced Yield Fund before making a decision whether to buy this product.

TARGET MARKET SUMMARY

ANZ Enhanced Yield Fund is an actively managed portfolio of high-quality short-term deposits and securities, floating rate notes (FRN's) and investment grade hybrids. The Fund will be managed with the intention of avoiding negative quarterly returns, although clients should be prepared to accept some variability in returns.

This Fund is likely to be appropriate for an advised or unadvised client seeking a satellite or core investment solution complemented by other investments. It may be suitable for those clients who:

- are able to invest their money for the short term
- are seeking a very low risk/return profile and
- may need daily access to funds (we will apply the unit price available on the day we receive the request or the following business day if we receive the request after 12pm).

This Fund may not be suitable for those investing in diversified funds, geared investments or looking for high risk/return portfolios.

Clients who may be appropriate include retail clients through 'broad-based platforms', such as investor directed portfolio services (IDPSs), superannuation wrap platforms and master trusts.

TMD Indicator*

The likely objectives, financial situation and needs of clients (**Client Attributes**) for which the Product is likely to be appropriate have been assessed using a red/amber/green rating methodology with appropriate colour coding as follows (refer to **Instructions and Key Definitions for further information**):



In target market



Potentially in target market



Not considered in target market

Client Attributes	TMD Indicator	Description of key product attributes and Client Attributes
Investment objective*		
Capital Growth	✗	The Fund aims to outperform the Bloomberg AusBond Bank Bill Index (before fees, charges and taxes) over periods of one year or more.
Capital Preservation	△	This Fund is likely to be suitable for clients seeking Income Distribution.
Capital Guaranteed	✗	
Income Distribution	✓	



Product use*		
Solution/Standalone (75-100%)	✗	The Fund is an actively managed portfolio of high quality short-term deposits & securities, floating rate notes (FRN's) and investment grade hybrids. The Fund may also invest in investment grade longer dated fixed income securities when the manager is confident that these investments will achieve a superior risk adjusted return when compared to the RBA cash rate. The Fund will be managed with the intention of avoiding negative quarterly returns, although clients should be prepared to accept some variability in returns. The Fund has low portfolio diversification*.
Core Component (25-75%)	⚠	
Satellite (<25%)	✓	
Investment timeframe		
Short (≤ 2 years)	✓	The minimum suggested timeframe for holding investments in the Fund is 1 to 2 years .
Medium (> 2 years)	✓	
Long (> 8 years)	✓	
Client's risk (ability to bear loss) and return profile*		
Very high risk and return	✗	The Fund has a risk band of 1 (Very low risk) consistent with the risks of investing in a fixed income portfolio.
High risk and return	✗	
Medium risk and return	⚠	
Low risk and return	✓	
Redemption frequency		
Daily	✓	When you withdraw from the Fund or when your Service Operator withdraws from the Fund on your behalf, we will apply the unit price available on the day we receive the request (or the following business day if we receive the request after 12pm or on a day that is not a business day).
Weekly	✓	
Monthly	✓	
Quarterly	✓	
Annually or longer	✓	

* Refer to **Instructions and Key Definitions** for further information.

The Product, including its key attributes, has been assessed to be consistent with the likely objectives, financial situation and needs of clients in the target market and is likely to be suitable for clients seeking the Product attributes identified in the table above.

DISTRIBUTION CONDITIONS

This product can be distributed/issued only through the following channels:

Distribution	Distribution description
 Advised	To clients by approved financial advisers who provide personal financial product advice in relation to the Product as authorised by us to distribute the Product.
 Broad-based platform	Through a 'platform product' (such as an investor-directed portfolio service or a superannuation wrap product or master trust) as authorised by us to distribute the product. Investment minimum limits do not apply. Clients of broad based-platforms should refer to their product issuer for investment limits applicable to their product.

These distribution conditions make it likely that clients who invest into the Product are in the class of clients for which it has been designed, and facilitate the Product being made available to retail clients via distributors required to take reasonable steps likely to result in retail product distribution conduct being consistent with this TMD.

REVIEW PERIOD AND TRIGGERS

Review period	Maximum period for review
 Effective date	05 Oct 2021
 Next review by	05 Jan 2023
 Periodic review	At least every 3 years and 3 months from the previous review.

Review triggers
<p>Any event or circumstances that arise that would suggest the TMD is no longer appropriate. This may include (but is not limited) to the following material changes:</p> <ul style="list-style-type: none"> • Material change to key attributes, such as the Product's investment objective and/or fees. • A significant increase in outflows from the Product. • 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. • Material deviation from benchmark / objective over a sustained period.

DISTRIBUTOR REPORTING

Significant dealings outside the target market

Section 994F(6) of the Corporations Act 2001 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 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 product, or
- they constitute an individual transaction which has resulted in, or will or is likely to result in, significant detriment to the client (or class of client).

In each case, the distributor should have regard to:

- 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 client (which may be indicated by the value of the client's investment, their intended product use or their ability to bear loss),
- 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 client), including an explanation of why the dealings occurred outside the target market,
- the date range of when the significant dealing occurred,
- the number of clients impacted by the significant dealing (the number of clients who are not in the target market (or have been excluded from the target market) as a proportion of all clients who have acquired the Product), and
- the time period in which these acquisitions outside the target market occurred.

Objectively, a distributor may consider a dealing (or group of dealings) outside the TMD to be significant if:

- it constitutes more than half of the distributor's total retail product distribution conduct in relation to the product over the reporting period.

The reporting period is as soon as practicable but no later than 10 business days after becoming aware of the significant dealing.

Complaints

The distributor will provide details of the number and nature of complaints relating to Product design, Product availability and distribution, having regard to privacy.

The distributor should provide details as soon as practicable but no later than 10 business days following the end of the calendar quarter.

Sales outside the target market

To the extent the distributor is aware of dealings outside the target market, including reasons why acquisition is outside of the target market, and whether acquisition occurred under personal advice.

The distributor is to provide details as soon as practicable but no later than 10 business days following the end of the calendar quarter.

This Target Market Determination (TMD) has been prepared and issued by OnePath Funds Management Limited (OPFM) ABN 21 003 002 800, AFS Licence No. 238342. OnePath Funds Management Limited is the Responsible Entity and the issuer of the Fund.

OnePath Funds Management Limited is referred to in this TMD as 'OPFM', 'IOOF', 'Responsible Entity', 'RE', 'we', 'our' or 'us'. OPFM is an entity within the IOOF group of companies (IOOF group).

The IOOF group consists of IOOF Holdings Ltd (ABN 49 100 103 722) and its related bodies corporate (IOOF group). An investment in the Fund does not represent an investment in, deposit or other liability of OPFM, the investment managers through whom the Fund invests, or any other related body corporate within the IOOF group.

The information is of a general nature only and has been prepared without taking into account any client's objectives, financial situation and needs. Before making a decision based on this information, you should consider the appropriateness of the information, having regard to your objectives, financial situation and needs.

For more information and before deciding whether to acquire or continue to hold an interest in the Fund, please refer to the Product Disclosure Statement for the Fund, which is available free of charge at [or contact 1800 002 217](#).