

# Target Market Determination

**Product / Fund:** Perpetual Private Investment Wrap

**Effective Date:** 1 March 2025

**TMD Version:** 3.0

<b>Issuer name:</b>	Perpetual Trustee Company Limited
<b>Issuer ABN:</b>	42 000 001 007
<b>Issuer AFSL:</b>	236643
<b>Distribution status of product</b>	Open

## About this document

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

This document is **not** an Investor Directed Portfolio Services Guide (IDPS Guide)/Financial Services Guide (FSG), and is **not** a complete 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 IDPS Guide and FSG for the product 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 IDPS Guide and FSG, unless otherwise defined. The IDPS Guide and FSG can be obtained at [www.perpetual.com.au](http://www.perpetual.com.au).

## Product description and Key attributes

Product description	This is a product for individuals to accumulate savings outside of superannuation.
Key product attributes	<ul style="list-style-type: none"><li>• This product has:<ul style="list-style-type: none"><li>○ investment options/choices for a consumer to make.</li><li>○ a diversified range of managed fund investment across various asset classes, term deposits and Australian listed securities, international securities, direct property, direct fixed interest and other acceptable investments</li></ul></li></ul>

	<ul style="list-style-type: none"> <li>○ that each retail fund manager and term deposit provider is also required to make a TMD for their products to assist investors with determining whether the investment is suitable. The TMDs for these investments should be considered when making an investment decision.</li> <li>○ Online access. Investors with their advisers are provided with on-line access to update details, view investment information and access reporting.</li> <li>○ Group reporting and statements are also available as well as fee grouping.</li> <li>○ A range of optional features including automatic cash management, dollar cost averaging, auto rebalancing, participate in corporate actions, margin loans and choice of capital gains tax processing.</li> </ul>
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## Description of Target Market

The Target Market is the class of persons who are the type of consumer set out below, who have the needs and objectives set out below and are in the financial situation set out below.

## Needs and Objectives of Consumer

### TMD indicator key

The Consumer Attributes for which the product is likely to be appropriate have been assessed using a red/ green rating methodology with appropriate colour coding:

In target market	Not in target market
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### Instructions

In the tables below, Column 1, indicates a description of the likely objectives, financial situation and needs of the class of consumers that are considering this product. Column 2, indicates whether a consumer meeting the attribute in column 1 is likely to be in the target market for this product.

### Consumer objectives

For an individual consumer, this product is likely to be consistent with any one or more of the following short term and long term objectives:

- to accumulate capital/wealth
- to hold capital/wealth
- to provide a source of income

## Level of decision making

<b>Table 1: Consumer's intended level of decision making</b>	<b>Product consistency</b>
Fully self-managed	Not in target market
Investments chosen by consumer from extensive investment menu, with administration provided by the fund	In target market
Investments chosen by consumer from limited investment menu, with administration provided by the product issuer	Not in target market
Default investment strategy applied where no investments selection is made. Administration is provided by the product issuer.	Not in target market

## Product investment menu

<b>Table 2: Consumer's intended type of investment products on investment menu</b>	<b>Product consistency</b>
Range of Core and satellite options available for consumer to build own portfolio	
Passive investment options, such as passive Exchange traded fund	In target market
Ready-made diversified portfolio options	In target market
Direct share options	In target market
Separately managed accounts	Not in target market
Cash management account	In target market
Longevity product options	Not in target market
Capital preservation options	Not in target market

## Number of investment holdings

<b>Table 3: Consumer's desired number of investment holdings</b>	<b>Product consistency</b>
Low – consumer intends to hold no more than 5 investment option holdings	In target market
Medium – consumer intends to hold between 5 and 15 investment option holdings	In target market
High – consumer intends to hold more than 15 investment option holdings	In target market

## Consumer's other requirements

<b>Consumer's other requirements</b>	<b>Product consistency</b>
Timely adjustment of portfolio	In target market
Management of tax position	In target market
Visibility of investments in portfolio	In target market
Customisation of portfolio	In target market
Transfer of existing investments into portfolio	In target market

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## Financial Advice

<b>Table 3a: Consumer's desired availability of financial advice</b>	<b>Product consistency</b>
Consumer wishes to have the option to receive comprehensive personal financial advice through the product.	Not in target market
Consumer wishes to have the option to receive personal financial advice through the fund that relates to the consumer's interest in the product.	Not in target market
Consumer does not wish to have the option to receive advice through the product.	In target market
Consumer wishes to have the option to authorise an external financial adviser to assist in managing the consumer's interest in the product.	In target market

## Financial situation of consumer

### Life stage of consumer

This product is suitable for consumers of all ages and life stages.

<b>Table 4: Life stage of consumer</b>	<b>Product consistency</b>
Child (under 18)	In target market
Student	In target market
Accumulation (under 65)	In target market
Pre-retirement (40 to 65)	In target market
Retired (over 65)	In target market

### Intended size of investment

<b>Table 5: Consumer's intended investment amount</b>	<b>Product consistency</b>
\$0 to \$100,000	In target market
\$100,000.01 to \$400,000	In target market
Over \$400,000	In target market

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## Other elements of TMD

### Appropriateness requirements

Explanation of consistency of key attributes with TMD
<p>The Investment Wrap provides investors with a simple and diversified range of investment options and asset classes to enable clients and their advisers to create a tailored investment portfolio which suits their risk profile and investment horizon.</p>
<p>Investors can select from a diversified range of managed fund investments across various asset classes, term deposits and Australian Listed Securities.</p>
<p>Investors will require a financial adviser or account manager registered on the Perpetual Private Wrap to manage their account and transact on their behalf.</p>
<p>The Investment Wrap has been assessed to be consistent with the likely objectives, financial situation and needs of clients in the target market as identified with a green TMD Indicator in the above tables.</p>

### Distribution Conditions/Restrictions

The distribution conditions only apply to distribution through dealing.

Distribution channel	Permitted channel?	Distribution conditions in relation to dealing in this product
All channels	No	
Direct retail (issuer distributing direct to consumer with no intermediary)	No	
To implement personal advice or arrange the execution of trades on clients' instruction	Yes	Investors will require a financial adviser or account manager registered on the Perpetual Private Wrap to manage their account and transact on their behalf.
Through general advice	No	

### Review Triggers

- 1) Where the issuer of the TMD has determined that any of the following has occurred:
  - a) ASIC reportable significant dealing outside of TMD.
  - b) Significant or unexpectedly high number of complaints (as defined in section 994A(1) of the Act) relating to the product where the product issuer considers this reasonably suggests that this TMD is no longer appropriate.
  - c) Material change to key product attributes, terms and/or conditions where the product issuer considers this reasonably suggests that this TMD is no longer appropriate.

- d) The use of Product Intervention Powers, regulator orders or directions in relation to the distribution of this product where the product issuer considers this reasonably suggests that this TMD is no longer appropriate.
- e) A significant breach event relating to the design or distribution of this product where the product issuer considers this would reasonably suggest that (i) this product is unsuitable for a particular cohort of consumers and (ii) the TMD may no longer be appropriate.
- f) The issuing of a Significant Event Notice for this product where the product issuer considers this reasonably suggests that this TMD is no longer appropriate.

### Maximum period for reviews

Review periods	Maximum period for review
Initial review	1 year and 3 months (Complete)
Subsequent review	2 years and 3 months (June 2027)

### Distributor Information Reporting Requirements

Regulated person(s)	Requirement	Reporting deadline
All distributors	Complaints (as defined in section 994A(1) of the Act) relating to the product. The distributor should provide all the content of the complaint, having regard to privacy law.	Quarterly *
All distributors	Significant dealing outside of target market under s994F(6) of the Act.	As soon as practicable but no later than 10 business days after distributor becomes aware of the significant dealing.

\* Quarterly reporting is due as soon as practicable, but no later than 10 business days after the end of the calendar quarter.

If practicable, distributors should adopt the FSC data standards for reports to the issuer. Distributors must report to the issuer via email [DDOmail@perpetual.com.au](mailto:DDOmail@perpetual.com.au).

## Definitions

In some instances, examples have been provided below. These examples are indicative only and not exhaustive.

Term	Definition
<b>Consumer's intended product use (% of Investable Assets)</b>	
Solution/Stand alone (up to 100%)	The consumer may hold the investment option as up to 100% of their total <i>investable assets</i> . The consumer is likely to seek an option with <i>very high</i> portfolio diversification.
Major allocation (up to 75%)	The consumer may hold the investment option as up to 75% of their total <i>investable assets</i> . The consumer is likely to seek an option with at least <i>high</i> portfolio diversification.
Core Component (up to 50%)	The consumer may hold the investment option as up to 50% of their total <i>investable assets</i> . The consumer is likely to seek an option with at least <i>medium</i> portfolio diversification.
Minor allocation (up to 25%)	The consumer may hold the investment option as up to 25% of their total <i>investable assets</i> . The consumer is likely to seek an option with at least <i>low</i> portfolio diversification.
Satellite allocation (up to 10%)	The consumer may hold the investment option as up to 10% of the total <i>investable assets</i> . The consumer may seek an option with <i>very low</i> portfolio diversification. Options classified as <i>extremely high</i> risk are likely to meet this category only.
<i>Investable Assets</i>	Those assets that the investor has available for investment, excluding the residential home.
<b>Portfolio diversification (for completing the option attribute section of consumer's intended product use)</b>	
Note: exposures to cash and cash-like instruments may sit outside the diversification framework below.	
Very low	The option provides exposure to a single asset (for example, a commercial property) or a niche asset class (for example, minor commodities, crypto-assets or collectibles).
Low	The option 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).
Medium	The option 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).
High	The option 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).
Very high	The option provides exposure to a large number of holdings across a broad range of asset classes, sectors <u>and</u> geographic markets with limited correlation to each other.

Term	Definition
<b>Consumer's intended investment timeframe</b>	
Minimum	The minimum suggested timeframe for holding the option. Typically, this is the rolling period over which the investment objective of the option is likely to be achieved.
<b>Consumer's Risk (ability to bear loss) and Return profile</b>	
<p>This TMD uses the Standard Risk Measure (<b>SRM</b>) to estimate the likely number of negative annual returns for an option over a 20 year period, using the guidance and methodology outlined in the <b><i>Standard Risk Measure Guidance Paper For Trustees</i></b> (note the bands in the SRM guidance differ from the bands used in this TMD). However, 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 (including under conditions of market stress) or that a positive return could still be less than a consumer requires to meet their investment objectives/needs. The SRM methodology may be supplemented by other risk factors. For example, some options may use leverage, derivatives or short selling; may have liquidity or withdrawal limitations; may have underlying investments with valuation risks or risks of capital loss; or otherwise may have a complex structure or increased investment risks, which should be documented together with the SRM to substantiate the product risk rating.</p> <p>A consumer's desired product return profile would generally take into account the impact of fees, costs and taxes.</p>	
Low	<p>For the relevant part of the consumer's portfolio, the consumer:</p> <ul style="list-style-type: none"> <li>• has a conservative or low risk appetite,</li> <li>• seeks to minimise volatility and potential losses (e.g. has the ability to bear up to 1 negative return over a 20 year period (SRM 1 to 2)), and</li> <li>• is comfortable with a low target return profile.</li> </ul> <p>The consumer typically prefers stable, defensive assets (such as cash).</p>
Medium	<p>For the relevant part of the consumer's portfolio, the consumer:</p> <ul style="list-style-type: none"> <li>• has a moderate or medium risk appetite,</li> <li>• seeks low volatility and potential losses (e.g. has the ability to bear up to 4 negative returns over a 20 year period (SRM 3 to 5)), and</li> <li>• is comfortable with a moderate target return profile.</li> </ul> <p>The consumer typically prefers defensive assets (for example, fixed income).</p>
High	<p>For the relevant part of the consumer's portfolio, the consumer:</p> <ul style="list-style-type: none"> <li>• has a high risk appetite,</li> <li>• can accept high volatility and potential losses (e.g. has the ability to bear up to 6 negative returns over a 20 year period (SRM 5 or 6)), and</li> <li>• seeks high returns (typically over a medium or long timeframe).</li> </ul> <p>The consumer typically prefers growth assets (for example, shares and property).</p>
Very high	<p>For the relevant part of the consumer's portfolio, the consumer:</p> <ul style="list-style-type: none"> <li>• has a very high risk appetite,</li> <li>• can accept very high volatility and potential losses (e.g. has the ability to bear 6 to 7 negative returns over a 20 year period (SRM 6 or 7)), and</li> <li>• seeks to maximise returns (typically over a medium or long timeframe).</li> </ul> <p>The consumer typically prefers high growth assets (such as high conviction portfolios, hedge funds, and alternative investments).</p>



Term	Definition
Extremely high	<p>For the relevant part of the consumer's portfolio, the consumer:</p> <ul style="list-style-type: none"> <li>• has an extremely high risk appetite,</li> <li>• can accept significant volatility and losses, and</li> <li>• seeks to obtain accelerated returns (potentially in a short timeframe).</li> </ul> <p>The consumer seeks extremely high risk, speculative or complex options which may have features such as significant use of derivatives, leverage or short positions or may be in emerging or niche asset classes (for example, crypto-assets or collectibles).</p>
<b>Consumer's need to access capital</b>	

This consumer attribute addresses the likely period of time between the making of a request for redemption of an option by the consumer (or access to investment proceeds from an option more generally) and the proceeds from this request are applied to the consumer's account under ordinary circumstances.

#### Consumer's Other requirements

Timely adjustment of portfolio	The consumer seeks a product that enables a directly held portfolio to be monitored and adjusted in a timely and efficient manner by an investment adviser.
Management of tax position	The consumer seeks a product that enables the tax position of the consumer to be optimised or actively managed. This could for example include the selective realisation of gains and losses in a portfolio to reduce capital gains tax (CGT) liabilities, and the quarantining of the consumer's tax position from the tax position of other investors in the same product.
Visibility of investments in portfolio	The consumer seeks a product that provides the consumer with visibility of the investments in the portfolio.
Customisation of portfolio	The consumer seeks a product that provides the flexibility to add or remove investments from the portfolio. The customer or adviser may include or exclude investments (or categories of investment) for example to implement ESG filtering, for tax reasons, for changing the regularity of income, or to accommodate existing investments.
Transfer of existing investments into portfolio	The consumer seeks a product that permits existing investments to be <i>in specie</i> transferred into the product, with the retention of direct ownership. These prior investments would then be managed inside the product in accord with the management of the whole managed account. The consumer may seek this option to reduce tax, brokerage and other transaction costs.

## 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 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 consumer (or class of consumers).

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 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 and/or amber ratings attributed to the consumer).

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The Investor Directed Portfolio Services Guide (IDPS Guide) and Financial Services Guide (FSG), issued by Perpetual Trustee Company Limited, should be considered before deciding whether to invest in the product. The IDPS Guide and FSG can be obtained by calling 1800 099 265 or visiting our website [www.perpetual.com.au](http://www.perpetual.com.au).

### More information

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