

FIXED INCOME FUND TARGET MARKET DETERMINATION

Issuer:

Skyring Asset Management Limited
ACN 156 533 041

Start date:

5 October 2022

Version date:

1 June 2024

Next review date:

By 1 June 2026

Review period (ongoing):

Every 24 months from the date of the last review of this Target Market Determination

Skyring Fixed Income Fund ARSN 622 775 464

This Target Market Determination (TMD) is a publicly available document required under section 994B of the Corporations Act 2001 (Cth). It sets out the target market for the product, triggers to review the target market and certain other information. It forms part of Skyring's design and distribution framework 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 relevant Product Disclosure Statement, available at skyring.com.au and consider obtaining financial advice before making a decision whether to acquire this product.

1 PRODUCT DESCRIPTION

Skyring Fixed Income Fund is an investment option offering the following key features:

- Aims to provide investors with regular income via monthly distributions
- Aims to provide investors with quarterly withdrawal offers, subject to a minimum investment term
- Offers investment exposure to loans secured by a registered first mortgage
- Access to an online investor portal for investment reporting and transactions
- All monies invested into the Fund is used exclusively to purchase Secured Notes issued by Skyring Capital Pty Ltd
- Skyring Capital Pty Ltd operates a lending business where all loans are secured by a registered first mortgage

2 TARGET MARKET

Objectives, Financial Situation and Needs of the Target Market

Class of Customer

This product is targeted at the class of customer which meets the below needs, objectives and financial situation.

Needs and Objectives

This product is designed for individuals or entities who:

- are looking for an investment manager to invest their funds via a managed investment scheme, as opposed to investing directly in underlying assets;
- are looking to invest up to 25% of their investable assets;
- are looking for monthly distributions;
- are not looking for capital growth
- have a tolerance for medium risk

Financial Situation

This product is designed for individuals or entities who seek to invest their capital for a minimum of three months and may seek, but do not require, the opportunity to realise their investment on a quarterly basis after such minimum term.

Appropriateness of the target market

This product is likely to be consistent with the likely objectives, financial situation and needs of the class of customers in the target market. This is based on an analysis of the key terms, features and attributes of the product, including the Fund's liquidity profile and investment objectives, the performance of the Fund since it commenced operating on 13 July 2018 and a finding that these are consistent with the identified class of customers.

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3 DISTRIBUTION CHANNELS AND CONDITIONS

Direct distribution: The product will be distributed directly to investors via Skyring's website and through targeted advertising (including via search engines, social media and radio). Investors are asked to complete an application form which includes questions relating to this TMD.

Platform: Additional steps are not required for advised clients beyond consideration of this TMD by the adviser. Unadvised clients cannot currently access the product on platforms.

Adviser: The product will also be distributed indirectly to investors via financial advisers. The application form for the product requires, for advised customers, the financial adviser to confirm whether or not the customer is in the target market (and, if not, why) and whether the client was provided with personal advice.

It has been determined that the distribution conditions and restrictions will make it likely that customers who purchase the product are in the class of customers for which it has been designed. We consider that the distribution conditions are appropriate and will assist distribution in being directed towards the target market for whom the product has been designed.

4 REVIEW TRIGGERS

Where Skyring determines that one of the below review triggers has occurred, we must undertake a review of this TMD:

1. Receipt of a significant or an unexpectedly high number of complaints from customers who have acquired this product, regarding the product design, features, availability and any distribution condition that would reasonably suggest that this TMD is no longer appropriate.
2. Occurrence of a significant dealing(s) outside of the TMD requiring notification to ASIC.
3. Material change to key product features, investment objectives, terms and conditions and/or fees that would reasonably suggest that this TMD is no longer appropriate.
4. Any significant or continual poor performance of the product or risk that the investment option is not likely to meet its investment objective over the minimum suggested investment timeframe, reasonably suggesting that this TMD is no longer appropriate.
5. The liquidity of the product has changed and is no longer able to offer regular withdrawals, reasonably suggesting that this TMD is no longer appropriate.
6. The fees of the product are no longer appropriate, reasonably suggesting that this TMD is no longer appropriate.
7. A significant increase in product outflows or withdrawal requests, reasonably suggesting that this TMD is no longer appropriate.
8. Receipt of a Product Intervention Power order from ASIC requiring Skyring to cease retail distribution of this product.
9. A material change to legislation, including tax legislation, or benefits such as the tax benefits of the product which reasonably suggest that the TMD is no longer appropriate.

Where a review trigger has occurred, or another event or circumstance has occurred that would reasonably suggest that the determination is no longer appropriate, this TMD will be reviewed within 10 business days.

5 REVIEW TRIGGER INFORMATION REQUIREMENTS

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Information		Provider	Reporting frequency
Complaints	The number, nature and outcomes of complaints received in relation to this product's design, features, availability and distribution (excluding where no complaints have been received during the reporting period). The distributor should provide all the content of the complaint, having regard to privacy.	Distributor	Quarterly, within 10 business days following the end of the calendar quarter
Significant dealing outside the target market	The nature and circumstances of the significant dealing (including why the dealings occurred outside the Target Market), the date range of when the significant dealing occurred, the number of consumers to whom the report relates, whether personal financial advice was provided (in writing) and whether consumer harm or detriment has or likely occurred as a result of the significant dealing.	Distributor	As soon as practicable, but no later than 10 business days after the distributor becomes aware of the significant dealing.
Dealings outside the target market	Where a financial adviser arranges the product acquisition on behalf of their client, they must confirm within the product application form: <ul style="list-style-type: none"> - whether they believe the consumer is in the Target Market; - whether the consumer has been provided with personal financial product advice; and - where the consumer is not in the Target Market, the reasons why the consumer is not in the Target Market. 	Distributor	At the time the product application is submitted.