Target Market Determination

Oracle Fixed Income Fund

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 Oracle Fixed Interest 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 **oracle@oneinvestment.com.au**, call us on (02) 8277 0000 or on our website at www.oneinvestment.com.au/oracle.

Target Market Summary

This product is likely to be appropriate for a consumer seeking Capital Preservation and Income Distribution to be used as a Satellite or Minor allocation within a portfolio where the consumer has a minimum investment timeframe of 2 years, a Low to Medium risk/return profile and who, under ordinary circumstances, needs access to capital no more frequently than 3 business days after requesting to withdraw.

Fund and Issuer identifiers

Issuer	One Managed Investment Funds Limited	**Fund name**	Oracle Fixed Interest Fund—Ordinary Units
Issuer ABN	47 117 400 987	**ARSN**	650 401 004
Issuer AFSL	297042	**ISIN Code**	N/A

Fund Manager	Oracle Investment Management Pty Ltd	**Market Identifier Code**	AU60OIM48666
TMD issue date	20 March 2024 NOT CURRENT	**Product Exchange code**	N/A
TMD Version	3.0	**Distribution status of fund**	Available
APIR Code	OIM4866AU		

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	See Issuer instructions*	Not in target market

***Please see the 'Product description including key attributes' in the table below for Issuer 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.

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 the features of this product in Column 3 of the table below are likely to be suitable for consumers with the attributes identified with a green TMD Indicator in Column 2.

Investment products and diversification

A consumer (or class of consumer) may intend to hold a product as part of a diversified portfolio (for example, with an intended product use of *minor allocation*). 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 balanced or moderate diversified portfolio with a minor allocation to growth assets. In this case, a product with a *High* risk/return profile may be consistent with the consumer's objectives for that *minor allocation* notwithstanding that the risk/return profile of the consumer as a whole is *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	See Issuer instructions	The Fund provides investors with exposure to selected credit (income) securities, with the aim of providing a stable income stream, and some moderate capital growth. The portfolio aims to outperform the Bloomberg AusBond Credit 0+ Yr Index on an annual basis by investing primarily in listed and unlisted (i.e. over the counter) Australian fixed income securities, including corporate bonds, and cash. The Fund does not invest in shares, derivatives or property. The Fund aims to provide monthly distributions to investors and offers distribution reinvestment. The Fund is designed to provide the potential for some capital growth by investing in credit (income) securities issued by companies with strong management and with balance sheets that display characteristics such as sufficient liquidity and low levels of gearing. However, investors seeking capital growth as a primary objective are not in the target market for the Fund.
Capital Preservation	In Target Market	
Capital Guaranteed	Not in Target Market	
Income Distribution	In Target Market	
Consumer's intended product use (% of Investable Assets)		
Solution/Standalone (up to 100%)	Not in Target Market	The Fund offers access to investment opportunities via a portfolio which is intended to, over time, be diversified across the credit (income) securities asset class, including interest bearing and fixed interest investments, which individual investors would not typically have access to. Investments might be made in securities of global companies issued in Australia (or overseas), although it is expected that the investments will predominantly be in domestic securities. Therefore, the Fund's portfolio diversification is Low to Medium. Investors should use the Fund as a Satellite or Minor allocation as part of a balanced investment portfolio. Investors may also use the Fund as a Core component where the investor seeks increased exposure to the Fund Manager and Fund's strategy.
Major allocation (up to 75%)	Not in Target Market	
Core component (up to 50%)	See Issuer instructions	
Minor allocation (up to 25%)	In Target Market	
Satellite allocation (up to 10%)	In Target Market	
Consumer's investment timeframe		

Consumer Attributes	TMD indicator	Product description including key attributes
Minimum investment timeframe	2 years	This is a suggested minimum investment timeframe over which the investment objective of the Fund is likely to be achieved. If you do not intend to hold the investment for this period of time, the investment may not be suitable for you.
Consumer's Risk (ability to bear loss) and Return profile		
Low	In target market	The Fund invests primarily in defensive assets such as cash and fixed income and has a risk band of between 1 and 5 (Low to Medium). The portfolio aims to outperform the Bloomberg AusBond Credit 0+ Yr Index on an annual basis. However, the returns from the Fund are not guaranteed and there are risks involved in the Fund as disclosed in the PDS. It is expected the Fund may experience an estimated 1 to 2 negative returns over a 20 year period (SRM 1 to 2). The Fund is suitable for investors with a Low and Medium risk and return profile. The Fund may also be suitable for an investor with a High, Very high or Extremely high risk and return profile where the investor considers the moderate return objective for the Fund is an acceptable level of return for the investor. Investors seeking higher returns will not be in the target market for the Fund.
Medium	In target market	
High	See Issuer instructions	
Very high	See Issuer instructions	
Extremely high	See Issuer instructions	
Consumer's need to access capital		
Daily (payment usually within 3 business days)	See Issuer instructions	The Fund is not an 'at call' cash account and should not be treated as such. However, normally, investors can request to withdraw all or part of their investment at any time. Under ordinary circumstances, withdrawals will normally be paid within 3 business days of when the request is accepted by the Issuer, but may take longer and up to 21 days as per the constitution. In certain circumstances, such as a freeze on withdrawals or where the Fund is illiquid, investors may not be able to withdraw their investment in the usual manner however this has not occurred to date. The Fund is suitable for investors who, under ordinary circumstances, are comfortable with withdrawal proceeds being paid no more frequently than 3 business days after requesting to withdraw.
Weekly	In target market	
Monthly	In target market	
Quarterly	In target market	
Annually or longer	In target market	

Distribution conditions/restrictions

Distribution Channel and Conditions	Distribution Condition Rationale
Direct (Retail Clients or Wholesale Clients) The Fund does not offer the option for Retail Clients or Wholesale Clients to apply for units directly through its website or via a paper application form. Distribution is only through Platform or Wrap providers. No on-line or paper application form will be made available to Retail Clients or Wholesale Clients.	Not applicable
Platform/Wrap The Fund is only available through specified distributors or distribution channels such as investment or super platforms or wrap products (platforms).	The issuer of each platform product has its own obligations as a distributor to take reasonable steps that will or are reasonably likely to result in retail product distribution conduct being consistent with this TMD. Clients who have not received personal advice are not able to access the Fund unless the platform or wrap provider has a process where the client is asked filtering questions relating to the TMD. The filtering questions have been designed to assist the Issuer to assess whether it is likely the investor is in the target market for the Fund. The Issuer will review the information provided in response to the filtering questions, assess those answers against the Fund's key attributes (set out above). Where the Issuer concludes the investor is not likely to be within the target market, the Issuer may reject the application or seek further information from the investor.

Review triggers

Material change to key attributes, fund investment objective and/or fees.
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 TMD review periods

Review period	Maximum period for review
Initial Review	Completed
Subsequent review	1 year 3 months following the previous TMD review

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. The distributor should provide all the content of the complaint, having regard to privacy.	As soon as practicable but no later than 10 business days following end of calendar quarter.	All distributors
Significant dealing outside of target market, under section 994F(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

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 method specified oracle@oneinvestment.com.au,

Definitions

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

Term	Definition
Consumer's investment objective	
Capital Growth	The consumer seeks to invest in a product designed or expected to generate capital return over the investment timeframe. 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 designed or expected to have low volatility and minimise capital loss. The consumer prefers exposure to defensive assets that are generally lower in risk and less volatile than growth investments (this may include cash or fixed income securities).
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 or expected to distribute regular and/or tax-effective income. The consumer prefers exposure to income-generating assets (this may include high dividend-yielding equities, fixed income securities and money market instruments).
Consumer's intended product use (% of Investable Assets)	
Solution/Standalone (up to 100%)	The consumer may hold the investment as up to 100% of their total *investable assets*. The consumer is likely to seek a product with *very high* portfolio diversification.
Major allocation (up to 75%)	The consumer may hold the investment as up to 75% of their total *investable assets*. The consumer is likely to seek a product with at least *high* portfolio diversification.
Core Component (up to 50%)	The consumer may hold the investment as up to 50% of their total *investable assets*. The consumer is likely to seek a product with at least *medium* portfolio diversification.
Minor allocation (up to 25%)	The consumer may hold the investment as up to 25% of their total *investable assets*. The consumer is likely to seek a product with at least *low* portfolio diversification.

Term	Definition
Satellite allocation (up to 10%)	The consumer may hold the investment as up to 10% of the total *investable assets*. The consumer may seek a product with *very low* portfolio diversification. Products classified as *extremely high* risk are likely to meet this category only.
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) Note: exposures to cash and cash-like instruments may sit outside the diversification framework below.	
Very low	The product 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 product 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 product 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 product 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 product 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.
Consumer's intended investment timeframe	
Minimum	The minimum suggested timeframe for holding the product. Typically, this is the rolling period over which the investment objective of the product is likely to be achieved.
Consumer's Risk (ability to bear loss) and Return profile	

Term	Definition
Instructions to issuers: Issuers should undertake a comprehensive risk assessment for each product. If the SRM does not adequately estimate the risk of this product, issuers should consider alternatives, for example the risk measure used under UCITS (Synthetic Risk and Reward Indicator), and amend the text below. This TMD uses the Standard Risk Measure (***SRM***) to estimate the likely number of negative annual returns for this product over a 20 year period, using the guidance and methodology outlined in the ***Standard Risk Measure Guidance Paper For Trustees*** (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 products 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. A consumer's desired product return profile would generally take into account the impact of fees, costs and taxes.	
Low	For the relevant part of the consumer's portfolio, the consumer: • has a conservative or low risk appetite, • 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 • is comfortable with a low target return profile. The consumer typically prefers stable, defensive assets (such as cash).
Medium	For the relevant part of the consumer's portfolio, the consumer: • has a moderate or medium risk appetite, • 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 • is comfortable with a moderate target return profile. The consumer typically prefers defensive assets (for example, fixed income).
High	For the relevant part of the consumer's portfolio, the consumer: • has a high risk appetite, • 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 • seeks high returns (typically over a medium or long timeframe). The consumer typically prefers growth assets (for example, shares and property).

Term	Definition
Very high	For the relevant part of the consumer's portfolio, the consumer: • has a very high risk appetite, • 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 • seeks to maximise returns (typically over a medium or long timeframe). The consumer typically prefers high growth assets (such as high conviction portfolios, hedge funds, and alternative investments).
Extremely high	For the relevant part of the consumer's portfolio, the consumer: • has an extremely high risk appetite, • can accept significant volatility and losses, and • seeks to obtain accelerated returns (potentially in a short timeframe). The consumer seeks extremely high risk, speculative or complex products 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).
Consumer's need to access capital	
This consumer attribute addresses the likely period of time between the making of a request for redemption/withdrawal (or access to investment proceeds more generally) and the receipt of proceeds from this request under ordinary circumstances.	

Term	Definition
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 consumer). 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). 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 quarter, • the consumer's intended product use is *solution/standalone*, • the consumer's intended product use is *core component* or higher and the consumer's risk/return profile is *low*, or • the relevant product has a green rating for consumers seeking *extremely high* risk/return.

Disclaimer

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