

Target Market Determination

For the Sandhurst Future Leaders Fund

STL-SFLF

Product

This target market determination (TMD) applies to the Sandhurst Future Leaders Fund (SFLF).

Fund	Sandhurst Future Leaders Fund
Issuer and Responsible Entity	Sandhurst Trustees Limited ABN 16 004 030 737 AFSL 237906 (Sandhurst Trustees), a subsidiary of Bendigo and Adelaide Bank Limited ABN 11 068 049 178 AFSL / ACL 237879 (Bendigo Bank)
ARSN	100 172 601
APIR	STL0011AU
Effective Date	14 September 2022
Version	2

1. Target market for this product

Target Market

The retail clients for whom this product has been designed are investors who:

- want long term capital growth and income from a diversified portfolio of ASX listed shares;
- want a high risk investment;
- want an investment with a time horizon of at least five (5) years;
- want the ability to make additional contributions to their investment (including through regular periodic contributions);
- can make an initial investment of at least the minimum investment amount (generally \$2,000);
- want half yearly income distributions; and
- want access to quality ASX listed shares outside the top 50 shares listed on the ASX that are being undervalued.

Product Description




The SFLF is a managed fund scheme for retail clients seeking a high-risk investment, who are looking for long term capital growth and income from a diversified portfolio of ASX listed shares outside the top 50 shares listed on the ASX with at least a 5 year time horizon. This fund also allows investors to receive half-yearly income distributions.

Product key attributes

Retail clients eligible for this product are Australian residents and retail clients who are non-residents residing in Australia.

*TMD indicator key**

The Retail 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:

-  In target market
-  Potentially in target market
-  Not considered in target market

Instructions

In the following table Column 1, Retail client Attributes, indicates a description of the likely objectives, financial situation and needs of the class of retail clients that are considering this product. Refer to section 5 for definitions of Retail client Attributes. Column 2, TMD indicator, indicates whether a retail client meeting the attribute in column 1 is likely to be in the target market for this product.

Generally, a retail client is unlikely to be in the target market for the product if:

- **one or more** of their Retail client Attributes correspond to a red rating, or
- **three or more** of their Retail client Attributes correspond to an amber rating.

Investment products and diversification

A retail client (or class of retail client) may intend to hold a product as part of a diversified portfolio (typically with an intended product use of satellite/small allocation or core component). In such circumstances, the product should be assessed against the retail client's attributes for the relevant portion of the portfolio, rather than the retail client's portfolio as a whole. For example, a retail client may seek to construct a conservative portfolio with a satellite/small allocation to growth assets. In this case, it may be likely that a product with a High or Very High risk/return profile is consistent with the retail client's objectives for that allocation notwithstanding that the risk/return profile of the retail client as a whole is Low or Medium. In making this assessment, distributors should consider all features of a product (including its key attributes).

The key attributes of this product that make it likely to be consistent with the target market described above include:

Retail client Attributes	TMD Indicator	Product description including key attributes
Retail client's investment objective*		
Capital Growth		To deliver investment returns before fees above the S&P / ASX 300 Accumulation Index (excluding S&P / ASX 50 and property trusts) on a rolling four-year basis.
Capital Preservation		
Capital Guaranteed		To invest in the Underlying Investment which will be exposed to a diversified portfolio of quality ASX listed shares outside the top 50 shares listed on the ASX, where these assets are identified by IML as being undervalued.
Income Distribution		
Retail client's intended product use (% of Investable Assets)*		
Solution/Standalone (75-100%)		The Sandhurst Future Leaders Fund is a managed fund scheme for retail clients seeking a high-risk investment, who are looking for long term capital growth and income from a diversified portfolio of ASX listed shares outside the top 50 shares listed on the ASX with at least a 5 year time horizon. This fund also allows investors to receive half-yearly income distributions. The strategic asset class allocation range of the Underlying Investment is set out below. Australian shares (outside S&P/ASX 50 Index) Min 80% - Max 100%; Cash and short-term securities Min 0% - Max 20%. The strategic asset class allocation provides an indication of the intended holdings in the Underlying Investment and actual holdings may be higher or lower. In addition to ASX listed shares, the Fund may have exposure to Australian equity derivatives and hybrid securities such as preference shares. While the assets of the Underlying Investment are invested predominantly in listed shares, up to 5% of its assets may be invested in unlisted shares, where these shares are expected to list on the ASX within 12 months of the investment date.
Core Component (25-75%)		
Satellite/small allocation (<25%)		
Retail client's investment timeframe		
Short (≤ 2 years)		Minimum suggested investment period is 5 years
Medium (> 2 years)		
Long (> 8 years)		

Retail client Attributes	TMD Indicator	Product description including key attributes
Retail client's Risk (ability to bear loss) and Return profile*		
Low		This Fund is considered by Sandhurst to be a high-risk investment. To deliver investment returns before fees above the S&P / ASX 300 Accumulation Index (excluding S&P / ASX 50 and property trusts) on a rolling four-year basis.
Medium		
High		
Very High		
Retail client's need to withdraw money*		
Daily		Retail clients who generally do not require access to invested funds for at least 5 years (as the minimum suggested investment period is 5 years). Retail clients may make withdrawals, subject to the fund's constitution. A minimum withdrawal amount may apply, and funds will be credited to the retail client's nominated account (normally within 5 business days although a longer period may apply in certain circumstances). If a Withdrawal Form is received and accepted before 12 noon Melbourne time on a business day, the withdrawal will be processed using the Fund's withdrawal price calculated as at the close of business on that day. Otherwise, the following business day's withdrawal price will be used. If a withdrawal request which would result in the investment balance falling below \$2,000 is made, Sandhurst may, at its discretion, treat the withdrawal request as relating to all of the investor's remaining units in the Fund.
Weekly		
Monthly		
Quarterly		
Annually or longer		

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

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 retail clients in the target market as described above, as the features of this product in Column 3 of the table above are likely to be suitable for retail clients with the attributes identified with a green TMD Indicator in Column 2.

2. How this product is to be distributed

Sandhurst Trustees applies certain conditions and restrictions to the distribution of this product so that distribution is likely to be to retail clients within the target market for this product. The conditions and restrictions are:

Channel	<p>This product is to be distributed only through the following channels:</p> <ul style="list-style-type: none"> • Approved Financial Advisers; • Bendigo Bank's Wealth Concierge; • Bendigo Bank website; • Bendigo Bank and Community Bank branches; and • Other forms of direct marketing, e.g. internet, social media, advertisements and mail.
Additional conditions or restrictions	<p>The following additional conditions and restrictions also apply to the distribution of this product:</p> <ul style="list-style-type: none"> • Only prospective retail clients who meet Sandhurst Trustees minimum eligibility criteria for the product should apply for this product; • This product can only be issued to retail clients after applying Sandhurst Trustees application and assessment processes; • A copy of the Product Disclosure Statement and any material incorporated by reference (PDS) must be provided to the retail client before this product can be issued (or personal advice is given in relation to the product);

- This product can only be issued (or arranged to be issued) by persons who are trained by the respective distribution channels and with relevant accreditation (if required in dealing with the product).

In addition to the above, the following distribution conditions will also apply for each distribution channel:

There are no distribution conditions.

3. Reviewing this target market determination

Sandhurst Trustees will review this TMD as set out below:

Initial review	Within the first year of the effective date.
Periodic reviews	At least every 12 months from the initial review.
Review triggers or events	<p>Any event or circumstances arising that would reasonably suggest the TMD is no longer appropriate. This may include (but is not limited to):</p> <ul style="list-style-type: none"> • a material change to the design or distribution of the product, including related documentation; • occurrence of a significant dealing; • distribution conditions found to be inadequate in ensuring that the product is issued to retail clients who are likely to be in the target market; • relevant changes in the law or its application, a change in an industry code or decision of a court or other body (including through regulatory guidance) that materially affects the product; • significant changes in metrics, including, but not limited to: <ul style="list-style-type: none"> ○ a material increase in the number of complaints in relation to a product or aspect of a product; and ○ an increase in early withdrawals from the product; and ○ any other event occurs, or information is received that reasonably suggests this TMD is no longer appropriate.

4. Reporting and monitoring this target market determination

Sandhurst Trustees' third-party distributors who are regulated persons will need to collect, keep and report the following information to Sandhurst Trustees:

Type	Description of information	Frequency of reporting
Complaints	<p>Customer complaints made in relation to this product. This includes:</p> <ul style="list-style-type: none"> • written details of the complaint; and • the number of complaints during the reporting period. 	<p>Reporting Period: Quarterly</p> <p>When does the regulated person have to report:</p> <p>Within 10 business days of the end of the reporting period.</p>
Sales data	Sales and customer data in relation to this product as requested by Sandhurst Trustees.	<p>Reporting Period: Monthly</p> <p>When does the regulated person have to report:</p> <p>Within 10 business days of the end of the reporting period.</p>

Type	Description of information	Frequency of reporting
Significant dealings	<p>The following information:</p> <ul style="list-style-type: none"> • details of the significant dealing; • the date (or range) on which the significant dealing occurred; • why the distributor considers the dealing to be significant (including why it is inconsistent with this TMD); and • how the dealing was identified. 	<p>When does the regulated person have to report: Within 10 business days of the distributor becoming aware of the dealing.</p>

Important Information

This target market determination is not a recommendation, opinion or advice that any person acquire the product or is within the target market for the product. It does not summarise the terms or risks of the product and is not an offer of, or invitation to apply for, the product to any person in Australia or elsewhere. Visit bendigobank.com.au/important-information/target-market-determinations for more information about target market determinations. Visit bendigobank.com.au/managedfunds for information about the product and applicable fees and charges.