

Target Market Determination

For the Sandhurst Strategic Income Fund

STL-SSIF

Product

This target market determination (TMD) applies to the Sandhurst Strategic Income Fund (SSIF).

Fund	Sandhurst Strategic Income 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	151 201 106
APIR	Class A - STL0027AU Class B - STL0044AU

Issuer

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).

Date from which this target market determination is effective.

5 October 2021.

1. Target market for this product

Target Market

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

- want a regular income;
- want a low risk investment;
- want an investment with a time horizon of at least two (2) years;
- can make an initial investment of at least the minimum investment amount (Class A - generally \$2,000, Class B – Generally \$500,000);
- want the ability to make additional contributions to their investment (including through regular periodic contributions);
- want to invest in a diversified portfolio of mainly domestic interest-bearing securities; and
- want quarterly income distributions.

Product Description

The SSIF is a managed fund scheme for retail clients seeking a low-risk investment. For retail clients looking for regular income by investing in a diversified portfolio of mainly domestic interest-bearing securities with at least a 2 year time horizon. The Fund offers more than one class of unit. Both units are ranked equally on a return of capital basis and have the same investment portfolio. This fund also allows investors to receive quarterly income distributions.

Product key attributes

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

Attribute	Appropriate for
Eligibility	Retail clients who are Australian residents and retail clients who are non-residents residing in Australia.
Minimum investment	Retail clients who can make an initial investment of at least the minimum investment amount (Class A - generally \$2,000, Class B – generally \$500,000). If the current value of the investment falls below the minimum investment balance (Class A - generally \$2,000, Class B – generally \$500,000), Sandhurst Trustees may redeem the retail client's interests and pay the proceeds to them.
Additional contributions	Retail clients may also make additional contributions to the fund using BPAY, cheque, direct debit or other method acceptable to Sandhurst Trustees, subject to the minimum contribution amount. Retail clients can make regular periodic contributions.
Access to funds	Retail clients who generally do not require access to invested funds for at least 2 years (as the minimum suggested investment period is 2 years). Retail clients may make withdrawals, subject to the fund's constitution. Withdrawal requests are processed weekly. A minimum withdrawal amount may apply and funds will be credited to the retail client's nominated account (normally within 5 business days after the request has been processed, although a longer period may apply in certain circumstances).
Investment risk	Retail clients who want an investment with a low risk profile.
Generate regular income	Retail clients who want regular income through a diversified portfolio of mainly domestic interest-bearing securities with a choice of Class A and Class B units depending on the type of investors. Details are provided in the PDS.
Income distribution	Retail clients who want quarterly income distributions. Retail clients can elect to reinvest distributions or have them paid to them.

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

This product is to be distributed only through the following channels:

- Approved Financial Advisers;
- Bendigo Bank's Wealth Concierge;
- Bendigo Bank website;
- Bendigo Bank and Community Bank branches;
- A master trust, wrap account or other investor directed portfolio-type service (collectively a Platform); and
- Other forms of direct marketing, e.g. internet, social media, advertisements and mail.

Additional conditions or restrictions

The following additional conditions and restrictions also apply to the distribution of this product:

- 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); and
- Where this product is issued to a Platform, that Platform holds an Australian financial services (AFS) license.

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

Distribution Channel	Distribution conditions/restrictions
Approved financial advisers	<p>Financial advisers must:</p> <ul style="list-style-type: none"> • by conduct or agreement agree to the terms with the issuer before they can distribute the product; and • have the relevant licence and authority to distribute the product.
Direct through online applications on Sandhurst Trustees website	<ul style="list-style-type: none"> • Specific content about the product and information to assist customers in determining the appropriate investment solution for their circumstances is provided on the Bendigo Bank website, which is linked to the Sandhurst Trustees website; • All public facing content about or documentation related to the product must be consistent with the product's PDS and this TMD; and • The fund application process will include questions to filter out applicants who do not fall within the target market and will remind applicants to review the PDS and seek professional advice before making a decision.
Bendigo Bank and Community Bank Branches	<p>Branch staff must:</p> <ul style="list-style-type: none"> • provide factual product information only; • be trained before providing relevant information about the product to retail clients; • direct retail clients to the relevant information and online application process, with the appropriate consent (if required); and • comply with the fund application process which includes questions to filter out applicants who do not fall within the target market.
Bendigo Bank's Wealth Concierge	<p>Wealth Concierge staff must:</p> <ul style="list-style-type: none"> • be authorised from an AFS licensee to at least provide general financial product advice and deal in a financial product; • be trained before providing relevant information about or general advice on the product to retail clients; and • refer retail clients who want personal advice to a financial adviser.
Platforms	<p>Platforms must:</p> <ul style="list-style-type: none"> • by conduct or agreement agree to the terms with Sandhurst Trustees before they can distribute the product; • have the relevant license and authority to distribute the product; and • provide or direct retail clients to the relevant PDS.

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>
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>