

MyNorth[®] Investment Guarantee

Target Market Determination

Legal Disclaimer

This Target Market Determination (TMD) is required under section 994B of the *Corporations Act 2001* (Cth) (the Act). It describes the types of consumers who are the target market for the product and matters relevant to the product's distribution and review (specifically, distribution conditions and reporting requirements, and review periods and triggers). It forms part of AMP's design and distribution framework for the product.

This document is **not** a product disclosure statement (PDS) 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. People interested in acquiring this product should carefully read the PDS for MyNorth Investment Guarantee before making a decision whether to buy this product. The PDS can be obtained from northonline.com.au/product-documents.

This document has been prepared by National Mutual Funds Management Limited (NMFML) in its capacity as the issuer of the product. You should consider, with a financial adviser, the information in this document and whether the product is suitable for your circumstances. To the extent permitted by law, no liability is accepted for any loss or damage as a result of any reliance on this document.

Product description and key attributes

Attribute	Description
Name of product	MyNorth Investment Guarantee
TMD issue date	30 August 2024
TMD version	3
Product status	Available for product distribution through MyNorth Investment.
Product description	<p>MyNorth Investment Guarantees are a put option, which is a derivative, issued to investors (when selected) in MyNorth Investment (which is an investor directed portfolio service (IDPS) product). MyNorth Investment Guarantees are designed for clients who are seeking a solution to protect their investment from falls in value while allowing for exposure to growth assets.</p> <p>MyNorth Investment Guarantees can be applied to selected investment options available to MyNorth Investment investors and can be held alongside other non-guaranteed investments in the client's MyNorth Investment account.</p>
Key product attributes	<p>MyNorth Investment Guarantees have a minimum investment requirement of \$20,000. Investment guarantees over \$2 million (across all guarantees the client holds) require pre-approval.</p> <p>The investment options which offer the guarantee feature are:</p> <ul style="list-style-type: none"> – MyNorth Essentials Index Balanced Fund with a 5-year term. – MyNorth Essentials Index Balanced Fund with a 10-year term. – MyNorth Essentials Index Growth Fund with a 10-year term. <p>The MyNorth Essentials Index funds are issued by ipac Asset Management Limited (ABN 22 003 257 225) (ipac).</p> <p>The guarantee offers protection of the client's initial investment and they can lock in any growth in the MyNorth Essentials Index funds at each guarantee anniversary date. This means each year, if the investment value is higher than the protected balance, a new and higher protected balance will be protected. The ability to 'lock-in' investment growth is optional feature for the 5-year guarantee term and a set feature for the 10-year guarantee term.</p> <p>At the end of the term, where the protected balance is higher than the investment value, the client will receive the value of the protected balance. However, where the client redeems their investment before the end of the term, they'll receive the investment value regardless any fall in value. An exception exists where the client has a 10-year term and selects the vesting feature, in which case they'll be entitled to receive a portion of the protected balance where it exceeds the investment value upon early termination.</p> <p>MyNorth Investment Guarantees are only available to individuals, joint tenants and trustees of self-managed superannuation funds who have invested through MyNorth Investment. While these clients can choose investment options offered through MyNorth Investment without a guarantee, a guarantee is only available in conjunction with MyNorth Investment, through the services of a registered financial adviser. This product is designed for clients who intend to utilise the services of a financial adviser. The MyNorth Investment Guarantee PDS, MyNorth Investment IDPS Guide and TMD and MyNorth Essentials Index funds' PDS and TMD are available free of charge by visiting northonline.com.au/product-documents.</p>
Issuer Name	National Mutual Funds Management Limited ABN 32 006 787 720
Issuer AFSL	234652

Target market

The target market refers to the class of clients to whom this product is considered to be suitable based on their objectives, personal attributes, financial situation and needs, as set out below.

This section has been prepared having regard to the requirements of s994B(5)(b) of the Act.

TMD indicator key

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

In target market	Potentially in target market	Not in target market
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Instructions

Column 1 of each of the below tables outlines the attributes to be considered in determining whether the client is in the target market for this product, including their likely objectives, financial situation and needs. The other columns indicate whether a client who meets a listed attribute in column 1 is likely to be in the target market for this product.

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

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

Financial situation and needs of client

Attributes	TMD indicator	Product description including key attributes
Client's investment objective		
Capital Growth	In target market	The investment option(s) invest in a mix of traditional listed assets using a passive management approach.
Capital Preservation	In target market	Their objective is to provide moderate to high growth in your investment over the long-term depending on your investment option with fluctuations likely over the short-term.
Income Distribution	Not in target market	<p>The MyNorth Investment Guarantees may be suitable for clients seeking to protect their investment from falls in investment markets. The growth lock-in feature allows the client to increase their protected balance by annually 'locking-in' any investment growth on the guarantee anniversary date. The growth lock-in feature is optional for 5-year terms and automatic for 10-year terms.</p> <p>The investment options which offer the guarantee feature are:</p> <ul style="list-style-type: none"> – MyNorth Essentials Index Balanced Fund with a 5-year term. – MyNorth Essentials Index Balanced Fund with a 10-year term. – MyNorth Essentials Index Growth Fund with a 10-year term. <p>A TMD for each investment option detailing the type of client the investment has been designed for, having regard to the objectives, financial situation and needs of the target market are issued by ipac. The investment option's PDS and TMD are available from northonline.com.au/product-documents and should be considered when deciding whether to acquire that product.</p>
Client's intended product use (% of Investable Assets)		
Solution/Standalone (75-100%)	In target market	The MyNorth Investment Guarantee is considered to be suitable for clients who want to protect the value of all or part of their investment portfolio.
Core Component (25-75%)	In target market	
Satellite/small allocation (<25%)	In target market	

Attributes	TMD indicator	Product description including key attributes
Client's investment timeframe		
Short (≤ 2 years)	Not in target market	The minimum suggested timeframe is 5 years for the 5-year guarantee term and 10 years for the 10-year guarantee term.
Medium (> 2 years)	Potentially in target market	
Long (> 8 years)	In target market	
Client's Risk (ability to bear loss) and Return profile		
Low	In target market	MyNorth Investment Guarantees are designed for clients who wish to prevent the loss of their initial investment sum, irrespective of how the market performs, when held to the full guarantee term.
Medium	Potentially in target market	
High	Not in target market	A client may also be in the target market if they want to invest in a portfolio with exposure to assets that have a risk profile which exceeds the client's level of risk tolerance.
Very High	Not in target market	
Client's need to withdraw money		
Daily	Not in target market	The full value of the MyNorth Investment Guarantee is only available at the end of the client's nominated term. Clients can terminate prior to the end of the term and will be entitled to: <ul style="list-style-type: none"> – In the case of the 5-year guarantee and the 10-year guarantee without the vesting feature, the investment value. The client's investment value is subject to ordinary market risk and does not include any guarantee benefit. – In the case of a 10-year guarantee with vesting, the client's available value. The available value is made up of the client's investment value and a portion of their guarantee benefit which varies depending on how far they are into their term. For full details, refer to the MyNorth Investment Guarantee PDS.
Weekly	Not in target market	
Monthly	Not in target market	
Quarterly	Not in target market	
Annually	Not in target market	
5 years (for 5-year term) or 10 years (for 10-year term)	In target market	
Ability to access capital without penalty before the end of the investment term	In target market	If the client chooses to redeem their investment before the end of the term of the guarantee, they'll receive the investment value, except where the client has the vesting feature, in which case they will receive a portion of their protected balance where it is higher than their investment value.

Other elements of the TMD

Consistency between the target market and the product

MyNorth Investment Guarantees

MyNorth Investment Guarantees are likely to be consistent with the likely objectives, financial situation and needs for a broad range of client types including individuals, joint tenants and trustees of self-managed superannuation funds who have chosen to invest through the MyNorth Investment IDPS.

MyNorth Investment Guarantees are designed to prevent the client from incurring losses to their investment amount, as long as the product is held to its full term. For clients who wish to have the potential for some investment growth, the guarantees are designed to lock in investment gains in the relevant MyNorth Essentials Index Fund at every anniversary (optional feature for 5-year guarantee).

MyNorth Investment Guarantees are suitable for clients who have engaged a financial adviser to provide personal advice that requires collection and analysis of information relating to the client's individual objectives, financial situation and need.

Please refer to the MyNorth Investment Guarantee PDS for impacts if the client no longer has a financial adviser.

Distribution conditions/restrictions

Note: This section relates to the requirements of s994B(5)(c) of the Act.

Distribution channel	Permitted channel?	Distribution conditions/restrictions
All channels	No	
Direct retail	No	
Through personal advice	Yes	The acquisition of the product is to facilitate the implementation of personal advice. The distributor must be a financial adviser holding an Australian Financial Services (AFS) License or acting as an authorised representative of an AFS licensee who has an Advice Licensee Agreement with AMP. This product may only be accessed through the MyNorth Investment IDPS platform.
Through intrafund advice	No	
Through authorised representatives by general advice	No	
Robo advised	No	

Review triggers

Note: This section relates to the requirements of s994B(5)(d) of the Act.

Where the issuer of the TMD has determined that any of the following has occurred:

1. ASIC reportable significant dealing outside of TMD.
2. Significant or unexpectedly high number of complaints (using the definition of 'complaint' as defined in section 994A(1) of the Act) regarding product design, product availability or any distribution condition where the product issuer considers this reasonably suggests that this TMD is no longer appropriate.
3. Material change to key product attributes, terms and/or conditions or laws or regulations applying to the product where a review of the TMD has not already been completed in anticipation of the change and the product issuer considers this reasonably suggests that this TMD is no longer appropriate.
4. 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.
5. 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 clients, and
 - ii. the TMD may no longer be appropriate.

Maximum period for reviews

Note: This section relates to the requirements of s994B(5)(e) and (f) of the Act.

This TMD is to be reviewed within 15 months subsequent to the start date of this TMD or any subsequent comprehensive review of the TMD. This allows for the compilation and contemplation of the reporting and monitoring outcomes for a full 12-month period, and time for the incorporation and product issuer approval of any consequent changes.

Distributor reporting requirement

Note: This section relates to the requirements of s994B(5)(g) and (h) of the Act.

Regulated person(s)	Description	Reporting deadline
All distributors, including financial advisers	When a distributor is aware of dealings outside the target market, they should be reported to the issuer, including the reason why the acquisition is outside of target market, and whether the acquisition occurred under the provision of personal advice.	At point of sale as part of application process. Where this is not practicable, then reporting must be provided in the next quarterly reporting cycle ⁽ⁱ⁾ .
	Complaints (as defined in section 994A(1) of the Act) relating to the platform and products offered on the platform, where the nature of the complaints relate to product design, insurance claims, product availability and distribution conditions. The distributor should provide all the content of the complaint, having regard to privacy.	Each quarter ⁽ⁱ⁾
	Any 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.

(i) Quarterly reporting is due 10 business days after the end of the March, June, September and December quarters.

Distributors must report to NMFM using the method specified in the FSC Data Standards, please find these under the **Data Standards** heading at the following link: fsc.org.au/resources/target-market-determination-templates.

Significant dealings guidance

Distributor reporting for 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
- constitute an individual transaction which has resulted in, or will, or is likely to result in, significant detriment to the client (or class of client).

In each case, the distributor should have regard to the:

- actual or potential harm to a client (which may be indicated by the value of the client's investment, their intended product use or their ability to bear loss), and
- nature and extent of the inconsistency of distribution with the TMD (which may be indicated by red or amber ratings attributed to the client).

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 reporting period.