

Target Market Determination – ICAM Duxton Port Infrastructure Retail Fund

This Target Market Determination (**TMD**) is required under section 994B of the *Corporations Act 2001* (Cth) (**The Act**). It sets out a class of consumers for whom the product, including its key attributes, would likely be consistent with their likely objectives, financial situation and needs. The TMD additionally outlines distribution conditions and information related to review and monitoring as well as certain other information. It forms part of the Issuer’s design and distribution arrangements for ICAM Duxton Port Infrastructure Retail Fund (**Product**).

This document is **not** a product disclosure statement and **not** a summary of the product features or terms of the product. This document provides general information only and does not take into account any person’s individual objectives, financial situation or needs. Persons interested should carefully read the Product Disclosure Statement (PDS) for the Product before making a decision whether to buy this Product.

Target Market Summary	<p>This Product is a registered managed investment scheme where the target market is dependent on the Unit Class held. The Unit Classes currently available are Ordinary Units and Throughput Units.</p> <p>Ordinary Units and Throughput Units are likely to be appropriate for consumers seeking Capital Growth from an investment that is to be used as a Satellite/Small allocation within a portfolio where the consumer has a long-term investment timeframe, very high risk/return profile and does not need access to their capital prior to November 2026 or longer.</p> <p>In addition, Throughput Units are only available to (and therefore appropriate) for consumers who are Eligible Retail Growers as defined in the PDS.</p>
-----------------------	---

Fund	ICAM Duxton Port Infrastructure Retail Fund	Issuer	Vasco Responsible Entity Services Limited
ARSN	ARSN 635 727 507	Issuer ABN	ACN 160 969 120
APIR Code	N/A	Issuer AFSL	AFSL 434533
Date TMD approved	8 March 2023	TMD Status	<i>Current</i>
TMD Version	2.0		

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

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.

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

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

Definitions of terms are in the attachment or otherwise in the PDS.

Investment Products and Diversification

A consumer (or class of consumer) 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 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 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 consumer's objectives for that allocation notwithstanding that the risk/return profile of the consumer as a whole is Low or 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	In target market	The Fund provides an opportunity to invest in an unlisted wholesale trust (the Underlying Trust) that provides exposure to the development and operation of a port infrastructure asset in Lucky Bay, South Australia. The Fund, through its investment in the Underlying Trust, seeks to generate
Capital Preservation	Not considered in target market	
Capital Guaranteed	Not considered in target market	

Income Distribution	Potentially in target market	income and capital returns for investors. In addition to the potential for investors to receive a capital gain on exit of the investment, the Underlying Trust is targeting annual distributions to its investors including the Fund. Distributions are subject to, amongst other factors, actual grain volume throughput, senior lender approval and cashflows permitting. It is anticipated that the Fund will generate the majority of its income from distributions from the Underlying Trust and Fund aims to pay distributions in line with the Underlying Trust's distribution frequency. Investors should note the Issuer does not guarantee any particular level of distributions and there may be periods in which distributions will not be paid.
Consumer's intended product use (% of investable assets)		
Whole portfolio (up to 100%)	Not considered in target market	The Fund will hold units in an Underlying Trust and may invest in cash (or cash equivalents). The initial investment strategy of the Underlying Trust will focus on the development and operation of the Lucky Bay Port for the bulk storage, handling and export of grain from the Eyre Peninsula. The Underlying Trust will assess additional opportunities for use of the Port infrastructure including the importation of fertiliser to the Port to provide a further service to growers and diversify the Underlying Trust's revenue. The Fund therefore has a low level of portfolio diversification and is more suitable as a satellite/small allocation product.
Major allocation (up to 75%)	Not considered in target market	
Core Component (up to 50%)	Not considered in target market	
Minor allocation (up to 25%)	Not considered in target market	
Satellite/small allocation (up to 10%)	In target market	
Consumer's investment timeframe		
Short (≤ 2 years)	Not considered in target market	The initial term of the Fund, in line with the expected investment period of the Underlying Trust, is 5 to 7 years from November 2019. A withdrawal opportunity may be available between November 2024 and November 2026 if the Issuer believes that to do so will be in the best interest of Investors. There are no withdrawal rights from the Fund. An investment in the Fund is illiquid and should be viewed as a long-term investment. It is important that Investors understand that if they invest in the Fund, they have no right to withdraw, redeem or otherwise exit from their investment in the Fund. It is the intention of the Underlying Trust (subject to future market conditions) to hold the investment for a period of 5 to 7 years from November 2019, however the investment period may be shorter or longer than this period. Investors are not in the target market if a long investment term, the illiquidity of the Fund or the absence of exit rights prior to November 2019 or beyond is not suitable for them.
Medium (> 2 years and ≤ 5 years)	Potentially in target market	
Long (> 5 years)	In target market	

Consumer's Risk (ability to bear loss) and Return profile		
Very high	In target market	<p>The Fund has a Very High-risk band.</p> <p>The Fund will invest primarily in the Underlying Trust which focuses on the development and operation of the Lucky Bay Port. It may also invest in cash (or cash equivalents). The risks of the Fund correspond with the risks of the Underlying Trust including liquidity, borrowing and interest rate risk. Other relevant risks are highlighted in the Fund PDS and include the following:</p> <ul style="list-style-type: none"> • The value of an investment may fall if the value of the Fund's assets falls. • The Fund may not make regular distributions, or at all, as the income available for distribution is dependent upon a variety of risks associated with an investment including liquidity and gearing risk. <p>This Fund is only targeted at Investors who have a Very High risk profile. Investors with a lower level of risk tolerance are not suitable for this Fund and not within the target market.</p>
High	Not considered in target market	
Medium	Not considered in target market	
Low	Not considered in target market	
Consumer's need to withdraw money		
Daily	Not considered in target market	<p>There are no withdrawal rights from the Fund. Underlying assets will be expected to be realised over a 5-to-7-year period from November 2019. A withdrawal opportunity may be available between November 2024 and November 2026 if the Issuer believes that to do so will be in the best interest of Investors. Therefore, investors who may require access to their capital prior to November 2026 are not within the target market.</p>
Weekly	Not considered in target market	
Monthly	Not considered in target market	
Quarterly	Not considered in target market	
Before the withdrawal opportunity expected between November 2024 and November 2026	Not considered in target market	
After the withdrawal opportunity expected between November 2024 and November 2026 or longer	In target market	

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

DISTRIBUTION AND REVIEW

This product can only be offered and/or issued in accordance with the relevant product terms and conditions outlined in the Product Disclosure Statement (as amended from time to time).

Distribution Conditions/restrictions	
Distribution channel	Distribution condition and rationale
Ordinary Units—Direct	<p>Direct investors who are wholesale or sophisticated investors can invest in this product.</p> <p>Retail investors are asked to complete a hard copy application form, including filtering questions designed to assist the Issuer to understand whether the investor is likely to be within the target market. The Issuer will review the information provided in response to the questions, assess those answers against the Fund's key attributes (set out above), and assess whether it is likely the investor is in the target market and an investment in the Fund would likely be consistent with the likely objectives, financial situation and needs of the investor. 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.</p>
Ordinary Units—Adviser	<p>Investor is to confirm through a hard copy application form if they are financially advised.</p> <p>Financial advisers to provide details of their AFS licence, including their adviser number from the Moneysmart website, and confirm that they have reviewed and considered the TMD in providing personal advice to the investor.</p>
Throughput Units	<p>Only consumers who qualify as Eligible Retail Growers (as defined in the PDS) can invest in Throughput Units and must also complete the process required for Ordinary Units set out above.</p>

Review triggers

- 1) Any material change to key attributes, fund investment objective and/or fees which may reasonably suggest the TMD is no longer appropriate.
- 2) Any event(s) or circumstance which is likely to cause a material deviation from target performance.
- 3) The key attributes have not performed as disclosed by a material degree and for a material period.
- 4) Any significant increase in fund outflow or losses suffered by unit holders which reasonably suggests the product is not going to achieve its investment objective over a certain time.
- 5) The liquidity of the product has changed, reasonably suggesting that this TMD is no longer appropriate.
- 6) Determination by the Issuer of a Significant Dealing to be reported to ASIC which reasonably suggests that TMD is no longer appropriate.
- 7) The receipt of a Material or unexpectedly high number of complaints (as defined in section 994A(1) of the Act) from consumers who have acquired this product, regarding the product design, features, availability and distribution condition that would reasonably suggest the TMD is no longer appropriate.
- 8) The receipt of a Product Intervention Power order from ASIC
- 9) The receipt of regulatory orders or directions about or relating to the product's features, target market or distribution strategy.

Mandatory review periods

Review period	Maximum period for review
Initial Review	1 Year from the date of this TMD.
Subsequent review	At least once every year since the date of the last review of this TMD (for whatever reason).

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 design, product availability and distribution. The distributor should provide all the content of the complaint, having regard to privacy.	Within 10 business days following end of calendar quarter	All distributors

Significant dealing outside of target market, under s994F(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
To the extent a distributor is aware of dealings outside the target market these should be reported to the issuer, including reason why acquisition is outside of target market, and whether acquisition occurred under personal advice.	Within 10 business days following end of calendar quarter	All distributors

This document provides general information only and does not take into account a person's individual objectives, financial situation or needs. Before making an investment decision a person should critically assess whether this product is appropriate and obtain financial advice tailored to the person having regard to personal objectives and circumstances. This document is not a financial product recommendation or an offer or solicitation with respect to the purchase or sale of any financial product in any jurisdiction.

DEFINITIONS

Term	Definition
Consumer's investment objective	
Capital Growth	The consumer seeks to invest in a product designed to generate capital return. The consumer prefers exposure to growth assets or otherwise seeks an investment return above the current inflation rate.
Capital Preservation	The consumer seeks to invest in a product to reduce volatility and minimise loss in a market down-turn. The consumer prefers exposure to defensive assets (such as cash or fixed income securities) that are generally lower in risk and less volatile than growth investments.
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 to distribute regular and/or tax-effective income. The consumer prefers exposure to income-generating assets (typically, high dividend-yielding equities, fixed income securities and money market instruments).
Consumer's intended product use	
Whole portfolio (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 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 medium to 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 low to medium portfolio diversification.
Satellite / small 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 low portfolio diversification.
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)	
Low	Low Single asset class, single country, low or moderate holdings of securities – e.g. high conviction Aussie equities.
Medium	Medium 1-2 asset classes, single country, broad exposure within asset class, e.g. Aussie equities “All Ords”.

High	High Highly diversified across either asset classes, countries or investment managers, e.g. Australian multi-manager balanced fund or global multi-asset product (or global equities).
Consumer's investment timeframe	
Short (≤ 2 years)	Short (≤ 2 years) The consumer has a short investment timeframe and may wish to redeem within two years.
Medium (> 2 years and ≤ 5 years)	Medium (> 2 years and ≤ 5 years) The consumer has a medium investment timeframe and is likely to redeem within five years.
Long (> 5 years)	Long (> 5 years) The consumer has a long investment timeframe and is unlikely to redeem within five years.
Consumer's Risk (ability to bear loss) and Return profile	
Very high	The consumer has a more aggressive or very high risk appetite, seeks to maximise returns and can accept higher potential losses (e.g. has the ability to bear 6 or more negative returns over a 20 year period (SRM 7) and possibly other risk factors, such as leverage). Consumer typically prefers growth assets such as shares, property and alternative assets.
High	The consumer is higher risk in nature and can accept higher potential losses (e.g. has the ability to bear up to 6 negative returns over a 20 year period (SRM 6)) in order to target a higher target return profile. Consumer typically prefers predominantly growth assets such as shares, property and alternative assets with only a smaller or moderate holding in defensive assets such as cash and fixed income.
Medium	The consumer is moderate or medium risk in nature, seeking to minimise potential losses (e.g. has the ability to bear up to 4 negative returns over a 20 year period (SRM 3 to 5)) and comfortable with a moderate target return profile. Consumer typically prefers a balance of growth assets such as shares, property and alternative assets and defensive assets such as cash and fixed income.
Low	The consumer is conservative or low risk in nature, seeks to minimise 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. Consumer typically prefers defensive assets such as cash and fixed income.
Consumer's need to withdraw money	
Issuers should consider in the first instance the redemption request frequency under ordinary circumstances. However, the redemption request frequency is not the only consideration when determining the ability to meet the investor's requirement to access capital. To the extent that the liquidity of the underlying investments or possible liquidity constraints (e.g. ability to stagger or delay redemptions) could impact this, this is to be taken into consideration in completing this section.	
Daily/Weekly/Monthly /Quarterly/Annually or longer	The consumer seeks to invest in a product which permits redemption requests at this frequency under ordinary circumstances and the issuer is typically able to meet that request within a reasonable period.

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 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 reporting period,
- the consumer's intended product use is *Whole portfolio*, or
- the consumer's intended product use is *Core component* and the consumer's risk (ability to bear loss) and return profile is *Low*.