

Target Market Determination

For Strata Guardian ABN 20 646 722 518

1. About this document

Strata Guardian is Australia's first, purpose-built investment service, developed specifically to seek better investment returns for strata and owners/ body corporate funds in the face of prolonged and unsatisfactory cash and term deposit rates.

This target market determination (TMD) seeks to offer consumers, distributors and staff with an understanding of the class of consumers for which this product has been designed, having regard to the objectives, financial situation and needs of the target market.

This document is not to be treated as a full summary of the product's terms and conditions and is not intended to provide financial advice. Consumer must refer to the Product Disclosure Statement (PDS) and any supplementary documents which outline the relevant terms and conditions under the product when making a decision about this product.

Product Disclosure Statement] to which this target market determination applies

This TMD applies to the models managed by the Strata Guardian investment service which uses the Praemium SMA portfolio service as the administrative platform. For more information, please refer to the following Product Disclosure Statements and other relevant information booklets:

- Praemium Partner PDS - 25 November 2020
- Praemium Investment Menu – 1 December 2021

Date from which this target market determination is effective

5 October 2021




2. Class of consumers that fall within this target market







The information below summarises the overall class of consumers that fall within the target market for the Strata Guardian investment service based on the product key attributes and the objectives, financial situation and needs that it has been designed to meet.







The Strata Guardian investment service has been designed for consumers whose likely objectives, financial situation and needs (as listed below) are aligned with the product (including the key attributes). The Strata Guardian investment service is for those who:






- Australian Owners and Body Corporates with accumulated Strata and Sinking Funds seeking a diversified and lower risk portfolio management service, with medium to long term (2+ years) investment horizon.







Product description and key attributes

| Colour Guide | Relevance to Client Investment |
|---|---|
|  | Deemed appropriate |
|  | May not be fully applicable, but can be appropriate in some circumstances |
|  | Deemed not appropriate |

| Portfolio Name | Minimum Investment Timeframe | | |
|-----------------|---|---|---|
| | Short (<2 years) | Medium (>2 years) | Long (>5 years) |
| Strata Guardian |  |  |  |
| Strata Grow |  |  |  |

| Portfolio Name | Investment Objectives | | |
|-----------------|---|---|---|
| | Capital Growth | Capital Preservation | Income Distribution |
| Strata Guardian |  |  |  |
| Strata Grow |  |  |  |

| Portfolio Name | Risk Tolerance | | |
|-----------------|---|---|---|
| | Low | Medium | High |
| Strata Guardian |  |  |  |
| Strata Grow |  |  |  |

| Portfolio Name | Intended Use | | |
|-----------------|---|---|---|
| | Solution (75%-100%) | Core (25%-75%) | Satellite (<25%) |
| Strata Guardian |  |  |  |
| Strata Grow |  |  |  |

The key eligibility requirements and product attributes of the Strata Guardian investment service are:

- For the **Strata Guardian** portfolio:
 - The ideal investment timeframe for the investment is a minimum of 2 years, with drawdown available at any time
 - The Strata Guardian portfolio is comprised of ASX listed exchange traded funds, which have liquidity and size minimums to ensure reliability. This portfolio has a maximum growth (equity) exposure of 30% at any time.
 - The investment management fee is 0.40% p.a charged by Strata Guardian for the maintenance of the portfolio, asset allocation and stock (exchange traded fund) selection. This fee also covers day to day account administration and point of contact costs. There is also a platform administration fee which varies depending on the amount invested. A Letter of Engagement is provided for each account with further fee disclosures.

- For the **Strata Grow** portfolio:
 - The ideal investment timeframe for the investment is a minimum of 5 years, with drawdown available at any time
 - The Strata Grow portfolio is comprised of ASX listed exchange traded funds, which have liquidity and size minimums to ensure reliability. This portfolio has a maximum growth (equity) exposure of 52% at any time.
 - The investment management fee is 0.50% p.a charged by Strata Guardian for the maintenance of the portfolio, asset allocation and stock (exchange traded fund) selection. This fee also covers day to day account administration and point of contact costs. There is also a platform administration fee which varies depending on the amount invested. A Letter of Engagement is provided for each account with further fee disclosures.

Objectives, financial situation, and needs

This product has been designed for investors who are:

- Australian Owners and Body Corporates with accumulated Strata and Sinking Funds seeking a diversified and lower risk portfolio management service, with medium to long term (2+ years) investment horizon.
- Both portfolios (Strata Guardian and Strata Grow) are comprised of on market (ASX) holdings that can be liquidated on market anytime.
- Additional investment is allowable, by simply adding more funds through the accounts' BPAY or bank transfer service.

Excluded class of consumers

This product has not been designed for individuals who:

- Are not part of an Australian Owners and Body Corporate, with relevant strata / sinking funds to invest.
- Personal investment including SMSF and superannuation funds
- All other funds for investment

Consistency between target market and the product

We recognise that Strata or Capital Works Fund is like the superannuation for a building and needs to be managed carefully. The fund comprises many years of levies from members of the building, to help protect against large costs incurred needing to be funded by additional contributions.

As bank interest rates have fallen over the years, the common cash account for the building is failing to provide a reasonable rate of return and in the long term may jeopardise its ability to cover your buildings costs or mean constant increases in your buildings annual levies. Strata Guardian invests for the long term in diversified and liquid investments, to grow the buildings capital in a meaningful way and ensure that it is available when required.

3. How this product is to be distributed

Distribution channels

This product is designed to be distributed through the following means:

- The primary method to making an account with Strata Guardian is through our online onboarding portal, available at strataguardian.com

Adequacy of distribution conditions and restrictions

All new accounts are reviewed to ensure that the information provided is true and correct, and that the applicant is seeking the Strata Guardian investment service in accordance with section 2 of this document.

4. Reviewing this target market determination

We will review this target market determination in accordance with the below:

| | |
|----------------------------------|--|
| Initial review | Within the 1 year of the effective date. |
| Periodic reviews | At least every 1 year from the initial review. |
| Review triggers or events | Any event or circumstances arise that would suggest the TMD is no longer appropriate. This may include (but not limited): <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; • external events such as adverse media coverage or regulatory attention; and • significant changes in metrics, including, but not limited to, complaints or as directed by our legal and compliance advice. |

Where a review trigger has occurred, this target market determination will be reviewed within 10 business days.

5. Reporting and monitoring this target market determination

We may collect the following information from our distributors in relation to this TMD.

| | |
|-----------------------------|--|
| Complaints | Distributors will report all complaints in relation to the product(s) covered by this TMD on a quarterly basis. This will include written details of the complaints. |
| Significant dealings | Distributors will report if they become aware of a significant dealing in relation to this TMD within 10 business days. |

The information in this document contains general information and does not take into account your personal objectives, financial situation or needs. Past performance is not an indication of future performance. Strata Guardian Pty. Ltd. (ABN 20 646 722 518) is a Corporate Authorised Representative of Strata Advice Pty Ltd - AFSL 528306.

View our [Financial Services Guide](#).