

# Target Market Determination (TMD)

## MCCA Income Fund (Fund)

*TMD Effective 5 October 2022 Version 2*

*MCCA Asset Management Ltd*

*ABN 40 145 378 383*

*AFSL 291356*

*Fund ARSN 149 257 401*




This document is known as a Target Market Determination (TMD) for the MCCA Income Fund and is presented to inform investors as to the target market for this investment product. This document has been prepared in accordance with the Treasury Laws Amendment (Design and Distribution Obligations and Product Intervention Powers) Act 2019 and Regulatory Guide 274 – Product design and distribution obligations. This document is not a Product Disclosure Statement (PDS). This TMD does not summarise product features and terms. You are required to obtain a copy of the PDS prior to investing. Neither this TMD nor the Fund PDS consider investor personal financial objectives. It is recommended you consult your financial planner or advisor for personal financial advice.









### Investing in the Fund

The Fund is a retail pooled managed investment scheme. Investor monies are pooled and invested in Shariah compliant mortgage secured investments. The Fund aims to provide investors a regular monthly return. Unless hardship provisions apply, it is required that capital withdrawal requests are not made within six (6) months of each investment in the Fund.

### Target Customer

The table below outlines some attributes of the average investor and a colour-based indicator of whether that attribute meets the profile of our target customer. Should an Applicant identify with one or more red indicators, it would suggest they are unlikely to be a target customer for this Fund. The focus of the Fund is also to promote Shariah compliant investing

Indicator Key	
	Attribute of a Target Customer
	Potentially a Suitable Customer
	Not considered a Target Customer

Customer Attributes	Indicator	Key Attributes
<b>Customer Type</b>		
Retail Investor		Individuals, companies, partnerships, self-managed superannuation funds or trusts that can be described as “retail investors”. The Fund is structured to cater for the Shariah investment and finance needs of Muslim Australians. Although, the Fund is also suitable for non-Muslim investors seeking an ethical investment.
Holds Tax File Number		
Holds Australian Bank Account		
Has \$500 or more to invest		
<b>Investment Objectives</b>		
Capital Growth		An Investor in the Fund would ideally like to receive monthly income. Typically, the investment return is credited on a monthly basis to the investor’s balance. Suits those investors requiring security for their investment even if the Fund return is more conservative than property or development based investments.
Capital Preservation		
Capital Guaranteed		
Regular Income		

Customer Attributes	Indicator	Key Attributes
<b>Intended Portfolio Holding</b>		
Solution/Standalone (75-100%)		This Fund would be attractive to an investor seeking regular investment income and who would like to invest in largely pooled residential mortgages where the Fund is part of the investor's diversified investment portfolio.
Core Component (25-75%)		
Satellite (<25%)		
<b>Investment Time Frame</b>		
Short (< 1 years)		It is required unless hardship provisions apply that Fund investors hold their investment for a minimum of 6 months from inception of each investment. The Fund provides investors a longer investment time frame if they are happy to invest for extended periods.
Medium (> 1 years to < 3 years)		
Long (> 3 years)		
<b>Customer Risk &amp; Return Profile</b>		
Very High		The Fund risk profile is affected by the state of the Australian property market and general economic conditions. The Risk & Return Profile is considered to be medium. This may alter if the Fund holds more secured property development assets within the investment pool. The Risk and Return profile is reviewed on a regular basis.
High		
Medium		
Low		
<b>Customer Need for Access to Capital</b>		
Daily		This Fund is not suitable for applicants who believe they would need to realize their investment at any time and especially within a daily or weekly timeframe. The ability of the Fund to repay investor withdrawal requests is conditional generally to the liquidity of the Fund. Accordingly, this investment may not be suitable to those investors seeking a guaranteed access to capital within the short term.
Weekly		
Monthly		
Quarterly		
Six Monthly or Longer		

### Current Investors

All current Investors meet the attributes of this TMD. MCCA Asset Management Limited believes all current Investors meet the objectives and the risk profile of our target customer. This view is based on the lack of on-going complaints, current and new investors meeting our TMD criteria and generally the growth and take up by the Australian Muslim community since inception of the Fund in 2009.

### Distribution Conditions

The Fund's PDS is made available on our website for current Investors and potential applicants to download. Potential applicants will only otherwise be issued a PDS by an employee of MCCA Asset Management Limited. The Fund's PDS is not available through other channels or distribution sources.

### Distribution Monitoring and Review

This TMD will be reviewed every 12 months, prior to the PDS being updated, to ensure it remains appropriate and any material changes may be reflected in the PDS. It will also be reviewed should a Trigger Event occur.

### Date of Next Review – October 5, 2023

### Trigger Events

1. The Fund changes investment structure and profile;
2. The Fund changes investment strategy;
3. A complaint is made by an investor in the Fund;
4. Our distribution process changes;
5. The Fund ceases paying distributions;
6. The target distribution or benchmark rate where relevant is reviewed;
7. There is a run on the Fund investments by investors;
8. A number of transactions that put the Fund asset(s) in danger or may cause a loss to investors;
9. A Fatwa or other pronouncement by a Fund Shariah advisor that the Fund is no longer Shariah compliant; and
10. An event or change in circumstances that would reasonably suggest that the TMD is no longer appropriate.