



Mutual Limited

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Target Market Determination – MIF

This Target Market Determination (TMD) sets out the type of consumers for whom our product would likely be consistent with their investment objectives and financial situation. It forms part of Mutual Limited's design and distribution arrangements for the product.

We note that anyone interested in investing in this product should firstly refer to the Product Disclosure Document for the MIF. The Target Market Determination does not take into account any individuals objectives, financial situation or needs; rather it is a document which outlines details of the investments characteristics and attributes to investors.

Target Market Summary

Mutual Income Fund (MIF) is appropriate for consumers seeking access to Australian Authorised Deposit-taking Institutions (ADIs) exclusively. A fund that provides capital stability, regular income distributions, low interest rate risk and access to a strategy designed to receive returns in both rising and falling markets. The fund is suitable for a portfolio when the consumer has a medium term investment timeframe, low to medium risk/return profile and values access to capital within 5 days.

Fund	MIF
Issuer	Mutual Limited
ARSN	162 978 181
APIR Code	PRM0015AU
ISIN Code	AU60PRM00152
Date TMD approved	25 February 2025
TMD Version	1.4
TMD next review date	Planned for February 2027

Description of Target Market

	Investment Characteristic	TMD Indicator for product	Product description including key attributes
Investor's Investment Objective	Ability for Regular Income	In target market	Mutual Income Fund (MIF) is designed to provide access to fixed interest assets issued by Australian Authorised Deposit-taking Institutions (ADIs) exclusively. It offers diversification through exposure to quality Australian bank senior and subordinated bonds. Our target investor seeks to invest in a product designed to ensure capital stability but wishes to generate the majority of the return through income. They prefer exposure to defensive assets but seek an investment return above the current bank bill and term deposit rates.
	Capital Preservation	In target market	
	Capital Growth	In target market	
	Capital Guaranteed	Not in target market	
Investor's Intended Product Use	Solution/Standalone (75-100%)	Not in target market	Mutual Income Fund (MIF) invests in debt instruments issued by Australian Authorised Deposit-taking Institutions (ADIs), with a minimum of 60% allocated to Australia's big 4 banks – ANZ, CBA, NAB and WBC. At least 90% of the portfolio is invested in senior and subordinated debt. Our investment universe is wide at typically 35 to 45 issuers. These issuers are all rigorously tested, and focusing on Australian senior and subordinated debt instruments, all thoroughly analysed to ensure optimal risk-adjusted returns. Exposure and risk to smaller issuers is carefully controlled, with a maximum allocation of 10% to any individual Australian ADI outside Australia's big 4 banks. The Fund's primary objective is capital preservation, emphasising the reduction of credit risk and maintaining a short interest rate duration. A maximum 10% of the Fund is allocated to cash/highly liquid assets, ensuring flexibility and stability. The Fund provides regular interest distributions to investors. With a portfolio typically comprising 45 to 70 securities, the Fund ensures a well-diversified structure, balancing risk and return.
	Core Component (25-75%)	In target market	
	Satellite/small allocation (<25%)	In target market	
Investor's Time Frame	Short (\leq 2 years)	In target market	Mutual Income Fund (MIF) target investor will ideally have a medium term investment horizon over 6 months, however noting the fund can process redemptions in normal conditions within 5 days.
	Medium (\leq 6 years)	In target market	
	Long (> 6 years)	In target market	

Investor's Risk Profile	Very high	Not in target market	Mutual Income Fund (MIF) target investor will be comfortable in holding defensive assets within their portfolio and will understand and accept that the likelihood of the Fund encountering a monthly negative return is very low. They will be seeking a defensive asset portfolio, and will be comfortable investing at a low interest rate duration.
	High	Not in target market	
	Medium	In target market	
	Low	In target market	
Investor's access and liquidity	Daily	In target market	<p>Our investors have:</p> <ul style="list-style-type: none"> the ability to redeem their units on a daily basis, redemptions are processed immediately and paid within 5 days.
	Weekly	In target market	
	Monthly	In target market	
	Quarterly	In target market	

Distribution conditions/restrictions

Distribution Channel	Permitted	Distribution Conditions
Direct retail, issued direct to customer	Yes	Must apply via a current application form attached to a product disclosure statement.
Suitable for distribution through all distributors	Yes	No distribution conditions.
Suitable for distribution to consumers who have not received personal advice	Yes	Must apply via a current application form attached to a product disclosure statement or if applying via IDPS investor must have received a copy and understood the PDS.

Review triggers
Material change to key investment market, attributes, fund investment objective and/or fees.
Material deviation from benchmark / objective over three quarters.
Key attributes have not performed as disclosed by a material degree and for a material period.
Material or unexpectedly high number of complaints (as defined in section 994A(1) of the Act) about the product or distribution of the product.
The use of Product Intervention Powers, regulator orders or directions that affects the product.

Mandatory review periods	
Review period	Maximum period for review
Initial review	1 year, 3 months
Subsequent review	3 years, 3 months

Distribution reporting requirements

Reporting requirement	Reporting period	Which distributors this requirement applies to
Timeframe for report on each acquisition that is outside of target market	To the extent the distributor is aware, within 10 business days following end of calendar quarter	All distributors
Timeframe for complaints relating to the product design, product availability and distribution.	Within 10 business days following end of calendar quarter	All distributors
Timeframe for significant dealing outside of target market	As soon as practicable, but no later than 10 business days after distributor becomes aware of the significant dealing.	All distributors

Distributors must report to Mutual Limited using the email mutual@mutualltd.com.au.