

# Target Market Determination

# APOLLO

## Apollo Aligned Alternatives Fund

APIR HOW3532AU

### Legal Disclaimer

This Target Market Determination (**TMD**) is required under section 994B of the *Corporations Act 2001* (Cth) (**the Act**). It sets out the class of consumers for whom the product, including its key attributes, would likely be consistent with their likely objectives, financial situation and needs. In addition, the TMD outlines the triggers to review the target market and certain other information. It forms part of Issuer's design and distribution arrangements for the product.

This document is **not** a product disclosure statement and is **not** a summary of the product features or terms of the product. The information in the TMD is intended to be general information only and is not financial product advice. This document does not take into account any person's individual objectives, financial situation or needs. Persons interested in acquiring this product should carefully read this TMD and the Product Disclosure Statement (**PDS**) for the product before making a decision whether to buy or continue to hold this product. They should assess whether they are in the target market for this product and obtain financial product advice that considers their individual objectives, financial situation and needs.

Important terms used in this TMD are defined in the TMD Definitions which supplement this document. Capitalised terms have the meaning given to them in the product's PDS, unless otherwise defined. The PDS can be obtained by contacting us on 13 51 53.

### Target Market Summary

The Fund provides access to a flexible private market strategy intended to access a broad set of private market opportunities across equities, real assets and credit. It is likely appropriate for a consumer seeking capital growth for a small component of their portfolio where the consumer has a long investment timeframe, with a high risk/return profile and does not need access to capital on a regular basis.

### Fund and Issuer Identifiers

<b>Issuer</b>	Fidante Partners Limited	<b>ISIN Code</b>	AU60HOW35326
<b>Issuer ABN</b>	94002835592	<b>Market Identifier Code</b>	N/A
<b>Issuer AFSL</b>	234668	<b>Product Exchange Code</b>	N/A
<b>Fund</b>	Apollo Aligned Alternatives Fund	<b>Date TMD Approved</b>	23/08/2023
<b>ARSN</b>	667 548 825	<b>TMD Version</b>	1
<b>APIR Code</b>	HOW3532AU	<b>TMD Status</b>	Current

## Description of Target Market

This part is required under section 994B(5)(b) of the Act.

### 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

### 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
<b>Consumer's investment objective</b>		
Capital Growth	In target market	The Fund aims to provide capital growth over the long term by being exposed to a diversified portfolio of private market opportunities across equities, real assets and credit through investing in certain alternative investment underlying vehicles managed by Apollo Global Management Inc.  The Fund invests directly into Class I5 of the Apollo Aligned Alternatives (E-1), a sub-compartment of the Apollo Private Markets SICAV (a Luxembourg domiciled fund) (Underlying Fund). The Underlying Fund invests in private market opportunities across the alternatives platform of Apollo including certain Apollo-managed co-mingled funds, private direct investments, co-investments alongside Apollo and co-mingled funds managed by persons not being an affiliate of Apollo. Apollo believes this strategy offers a turnkey solution for those seeking broadly diversified access to alternatives across sectors and vintages.  Given the nature of the assets the Fund is exposed to, the Fund is only suitable to investors seeking capital growth and have a high risk/return appetite. It is not suitable for investors seeking income and/or capital guarantees.
Capital Preservation	Not considered in target market	
Capital Guaranteed	Not considered in target market	
Income Distribution	Not considered in target market	
<b>Consumer's intended product use (% of Investable Assets)</b>		
Solution/Standalone (75-100%)	Not considered in target market	The Fund invests in a diversified portfolio of private market assets across a range of sectors and asset classes. Given the risk/return profile of the alternative investments the Fund is exposed to, the Fund should only be used as a small portion of a diversified portfolio.
Core Component (25-75%)	Not considered in target market	
Satellite/small allocation (<25%)	In target market	

Consumer's investment timeframe		
Short (≤ 2 years)		The suggested minimum investment timeframe for the Fund is <b>at least</b> 5 years. The Fund is only suitable for investors who have a long investment timeframe, with a high risk/return profile and do not need access to capital on a regular basis.
Medium (> 2 years)		
Long (> 8 years)		
Consumer's Risk (ability to bear loss) and Return profile		
Low		The Standard Risk Measure for the Fund is Risk Band 5. A high risk band generally means the Fund may offer the potential for favourable levels of return over the long term but may also exhibit high levels of volatility with the potential for some capital loss over the life of the investment.
Medium		
High		
Very High		
Consumer's need to withdraw money		
Daily		Withdrawal requests are generally processed quarterly on the last business day of each calendar quarter <b>(Withdrawal Period)</b> subject to a withdrawal gate of up to 5% of the Underlying Fund's lowest monthly net asset value for the previous quarter.
Weekly		
Monthly		
Quarterly		For each Withdrawal Period, the Responsible Entity may determine the aggregate amount of withdrawal proceeds that are available subject to this gate. This will limit the ability of investors to withdraw from the Fund.  Withdrawal requests must be received at least five business days prior to the start of a calendar quarter for the withdrawal to be processed on the last business day of that calendar quarter. Due to the delay in the calculation of the unit price, there is a delay in settlement of usually around 55 business days post the redemption request being processed.  The Fund is not suitable for investors who need regular access to their capital.
Annually or longer		

## Appropriateness

Note: This section is required under RG 274.64–66.

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 conditions / restrictions

This part is required under section 994B(5)(c) of the Act.

Distribution Condition	Distribution Condition Rationale
Distribution under personal advice only, unless investment is a reinvestment, auto-rebalancing, or otherwise as a result of standing instructions.	Due to the nature of the product, we consider this product should only be available to those receiving personal advice unless the investment is a reinvestment, auto-rebalancing, or otherwise as a result of standing instructions.

## Review Triggers

---

This part is required under section 994B(5)(d) of the Act.

- Material change to key attributes, fund investment objective and/or fees.
- Material deviation from benchmark / objective over sustained period.
- Key attributes have not performed as disclosed by a material degree and for a material period.
- Determination by the issuer of an ASIC reportable Significant Dealing that would reasonably suggest the TMD is no longer appropriate.
- 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

---

This part is required under section 994B(5)(e) and (f) of the Act.

Review Period	Maximum Period of Review
Initial review	1 Year and 3 Months
Subsequent review	3 Years and 3 Months

## Distributor Reporting Requirements

---

This part is required under section 994B(5) (g) and (h) of the Act.

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 the 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 including reason why acquisition is outside of target market, and whether acquisition occurred under personal advice.	Within 10 business days following the end of calendar quarter.	All distributors

If practicable, distributors should adopt the FSC data standards for reports to the Issuer. Distributors must report to the Issuer using the agreed methodology. Contact details relating to this TMD for the Issuer are:

### Fidante Product Team

c/- Roy Sider

Product Manager, Fidante Partners

E: [fidanteproduct@fidante.com.au](mailto:fidanteproduct@fidante.com.au)

PH: (02) 9994 7117

*The Issuer is a member of the Challenger Limited group of companies (Challenger Group). The Issuer is not an authorised deposit-taking institution (ADI) for the purpose of the Banking Act 1959 (Cth), and its obligations do not represent deposits or liabilities of an ADI in the Challenger Group (Challenger ADI) and no Challenger ADI provides a guarantee or otherwise provides assurance in respect of the obligations of the Issuer. Investments in the Fund are subject to investment risk including possible delays in repayment and loss of income or principal invested. Accordingly, the performance, the repayment of capital or any particular rate of return on your investments are not guaranteed by any member of the Challenger Group.*

## Definitions

---

Term	Definition
<b>Consumer's investment objective</b>	
Capital Growth	The consumer seeks to invest in a product designed to generate capital return. The consumer prefers exposure to growth assets (such as shares or property) 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 (% of Investable Assets)

---

Solution/Standalone (75-100%)	The consumer intends to hold the investment as either a part or the majority (up to 100%) of their total <i>investable assets</i> (see definition below). The consumer typically prefers exposure to a product with at least High <i>portfolio diversification</i> (see definitions below).
Core Component (25-75%)	The consumer intends to hold the investment as a major component, up to 75%, of their total <i>investable assets</i> (see definition below). The consumer typically prefers exposure to a product with at least Medium <i>portfolio diversification</i> (see definitions below).
Satellite (<25%)	The consumer intends to hold the investment as a smaller part of their total portfolio, as an indication it would be suitable for up to 25% of the total <i>investable assets</i> (see definition below). The consumer is likely to be comfortable with exposure to a product with Low <i>portfolio diversification</i> (see definitions below).
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	Single asset class, single country, low or moderate holdings of securities - e.g. high conviction Aussie equities
Medium	1-2 asset classes, single country, broad exposure within asset class, e.g. Aussie Equities All Ords.
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 Intended Investment Timeframe

---

Short ( $\leq 2$ years)	The consumer has a short investment timeframe and may wish to redeem within two years.
Medium ( $> 2$ years)	The consumer has a medium investment timeframe and is unlikely to redeem within two years.
Long ( $> 8$ years)	The consumer has a long investment timeframe and is unlikely to redeem within eight years.

### Consumer's Risk (ability to bear loss) and Return profile

---

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.
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.
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.
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.

### Consumer's need to withdraw money

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	<p>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.</p> <p>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.</p> <p>Dealings outside this TMD may be significant because:</p> <ul style="list-style-type: none"> <li>• they represent a material proportion of the overall distribution conduct carried out by the distributor in relation to the product, or</li> <li>• 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).</li> </ul> <p>In each case, the distributor should have regard to:</p> <ul style="list-style-type: none"> <li>• the nature and risk profile of the product (which may be indicated by the product's risk rating or withdrawal timeframes),</li> <li>• 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</li> <li>• 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).</li> </ul> <p>Objectively, a distributor may consider a dealing (or group of dealings) outside the TMD to be significant if:</p> <ul style="list-style-type: none"> <li>• it constitutes more than half of the distributor's total retail product distribution conduct in relation to the product over the reporting period,</li> <li>• the consumer's intended product use is <i>Solution / Standalone</i>, or</li> <li>• the consumer's intended product use is <i>Core component</i> and the consumer's risk (ability to bear loss) and return profile is <i>Low</i>.</li> </ul>
----------------------	--