

# UBS Cash Fund

## Target Market Determination (TMD)

Issue No. 4

TMD Version: 2

ARSN: 090431039

APIR: SBC0811AU, UBS9025AU and UBS9654AU

Issued by UBS Asset Management (Australia) Ltd

ABN 31 003 146 290

AFSL No. 222605

This Target Market Determination (**TMD**) is required under section 994B of the Corporations Act 2001 (Cth) (the Act). This TMD describes the class of consumers that comprises the target market for the financial product and matters relevant to the product's distribution and review (specifically, distribution conditions, review triggers and periods, and reporting requirements). The most up to date version of all TMD's in relation to product of which UBS Asset Management (Australia) Ltd is the issuer can be found on our [website](#). Distributors must take reasonable steps that will, or are reasonably likely to, result in distribution of the product being consistent with the most recent TMD (unless the distribution is excluded conduct).

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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.

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# 1. Target Market Summary

This product is intended for use as a **Minor Allocation** for a consumer who is seeking **Capital Preservation and Income Distribution** and has a **Low risk and return** profile for that portion of their investment portfolio. It is likely to be consistent with the financial situation and needs of a consumer with **at least a 12 month investment timeframe** and who is unlikely to need to withdraw their money on **less than one week's** notice.

Fund and Issuer identifiers	
Issuer	UBS Asset Management (Australia) Ltd
Issuer ABN	31003146290
Issuer AFSL	222605
Fund Manager	UBS Asset Management (Australia) Ltd
TMD Contact Details	clientservices-ubsam@ubs.com
Fund	<b>UBS Cash Fund</b>
ARSN	090431039
APIR Code	SBC0811AU, UBS9025AU and UBS9654AU
ISIN Code	AU60SBC08113, AU60UBS90253 and AU60UBS96540
Market Identifier Code	NA
Product Exchange code	NA
TMD Issue Date	29 April 2024
TMD Issue Number	4
TMD Version	2
Distribution Status of TMD	Available

## 2. 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
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### 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 would be considered to be in the target market for this product.

### Investment products and diversification

A consumer (or class of consumer) may intend to hold a product as part of a diversified portfolio (for example, with an intended product use of *minor allocation*). 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 balanced or moderate diversified portfolio with a minor allocation to growth assets. In this case, a product with a *High risk/return* profile may be consistent with the consumer's objectives for that *minor allocation* notwithstanding that the risk/return profile of the consumer as a whole is *Medium*. In making this assessment, distributors should consider all features of a product (including its key attributes).

The FSC has provided more detailed guidance on how to take this portfolio view for diversification, available on the [FSC website](#).

Consumer Attributes	TMD Indicator	Product description including key attributes
<b>Consumer's investment objective</b>		
Capital Growth	Out	<p><b>Fund Overview</b></p> <p>The Fund is an actively managed portfolio predominantly comprising Australian cash and cash equivalent investments. The Fund may also invest in investment grade corporate bonds and asset backed securities, and longer term Australian Federal and State government bonds.</p> <p>The Fund's investment strategy is to invest in a portfolio predominantly comprising Australian cash and cash equivalent investments.</p> <p><b>Capital Growth</b></p> <p>The Fund is listed as '<b>Out of Target Market</b>' for Capital Growth as the Fund's investment process and methodology is not designed or expected to deliver capital growth as a primary investment objective. For an investor seeking Capital Growth as an objective, the Fund would not be suitable.</p>
Capital Preservation	In	<p><b>Capital Preservation</b></p> <p>The Fund is listed as '<b>In Target Market</b>' for Capital Preservation as the Fund is designed to focus on capital preservation as a key investment objective. In addition the nature of the underlying investments of the Fund are defensive in nature and expected to preserve the capital of the Fund. It is important to note that the Fund does not offer a capital guarantee.</p>
Income Distribution	In	<p><b>Income Distribution</b></p> <p>The Fund is listed as '<b>In Target Market</b>' for Income Distribution as the underlying investments of the Fund are designed or expected to distribute regular income. The Fund intends to pay distributions on a <b>Monthly</b> basis in order to distribute both the income and realised capital gains (if applicable) realised as a result of its investment activities which is required under Australian taxation law (at year end). While the Fund intends to pay such distributions, the investor may choose to reinvest such income into the Fund or the Fund may not pay such a distribution, under a number of circumstances.</p>
<b>Consumer's intended product use (% of Investable Assets)</b>		
Solution/Standalone (up to 100%)	Out	<p><b>Investment Guidelines</b></p> <p>The Fund invests predominantly in Australian cash and cash equivalent investments. The Responsible Entity considers "cash equivalent" investments to include short term (less than 3 months) highly liquid investments (including deposits, bank bills, money market instruments and Australian Commonwealth and State government bonds) that are readily convertible to known amounts of cash. The Fund may also invest in investment grade corporate bonds and asset backed securities, and longer term Australian Federal and State government bonds. An "investment grade" security means a security rated as investment grade (BBB-/Baa3 or higher) by a licensed credit rating agency selected by the Responsible Entity.</p> <p><b>Fund Diversification</b></p> <p>The Issuer classifies the Fund as a <b>Low</b> Diversification (see Definitions) on the basis that it:</p> <ul style="list-style-type: none"> <li>- Mainly invests in a single asset class (Fixed Income)</li> <li>- Holds a moderate number of securities</li> <li>- Invests in a single geographic region</li> </ul> <p>Given the assessment of diversification and the underlying investment of the Fund, it would be suitable for up to a <b>Minor Allocation</b> within a diversified portfolio.</p>
Major Allocation (up to 75%)	Out	
Core Component (up to 50%)	Out	
Minor Allocation (up to 25%)	In	
Satellite/small allocation (up to 10%)	In	

Consumer's investment timeframe		
Minimum investment timeframe	12 Months	The suggested minimum investment timeframe for the Fund is <b>at least 12 months</b> . The Fund may be held as part of a diversified portfolio where the consumer's portfolio investment timeframe is different to that of the Fund.
Consumer's Risk (ability to bear loss) and Return profile		
Low	In	<p>The Fund is likely to be suitable for an investor with <b>Low Risk and Return Profile</b> (refer to Definitions), as:</p> <ul style="list-style-type: none"> <li>- The Fund invests predominantly in Australian cash and cash equivalent investments which are more defensive in nature when compared to growth asset classes.</li> <li>- The Fund may experience periods of negative returns (over the longer term), however it is not anticipated to be more than 1 period of negative return in every 20 years.</li> </ul> <p>This TMD outlines the risk and return profile in relation to an investment in this Fund only. It is important that potential investors consider the consumer's risk and return profile specially in relation to the proposed investment in the Fund rather than their broader portfolio as these may differ.</p> <p>The Fund's stated investment return objective is to provide investors with a total return (before management fees and costs) equivalent to the Bloomberg AusBond Bank Bill Index over rolling 12 month periods.</p>
Medium	Out	
High	Out	
Very High	Out	
Extremely High	Out	
Consumer's need to access capital		
Within one week of request	In	<p>Investors can generally apply for a redemption of all or part of their investment on a <b>Daily</b> basis. Investors will receive the value of their investment on that day, subject to cut off times. Following the processing of any redemption requests, proceeds from an investors redemption request will generally be paid to them within <b>6 Business Days</b>. If an investor is invested through an IDPS provider, please contact them for more information.</p> <p>The cut-off time for <b>withdrawals</b> is normally 2pm Sydney time on a Business Day.</p> <p>If an Investor's withdrawal is received by the cut-off time, the withdrawal price will be based on the Net Asset Value of the Fund or, if applicable, the relevant class, when next calculated (usually at the close of business that day). If received after this time, or on a non-Business Day, the investor will generally receive the withdrawal price calculated at close of business on the next Business Day. For more information on the redemption procedures and the instances in which the Issuer may temporarily delay or suspend redemptions, refer to the PDS and Additional Information Booklet of the Fund.</p>
Within one month of request	In	
Within three months of request	In	
Within one year of request	In	

### 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 in section 2 of this TMD, 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.

## 3. How the product is to be distributed

### Distribution conditions/restrictions

The Fund is available through distribution to retail investors, only via the methods outlined in this section:

Distribution Conditions	Distribution Condition Rationale	Distributors this applies to
<b>Via the UBS Asset Management (Australia) Ltd. Website:</b>		
<p>The Fund is available for sale directly via the website of the Issuer.</p> <p>For a consumer to access the Fund, they must complete the application form available on the website and read and accept the Fund's PDS.</p> <p>The Issuer reserves the right to refuse any application into the Fund.</p>	<p>The Distribution Condition is likely to result in distribution in line with the Fund's likely target market because the TMD and PDS of the Fund are made available to investors on the website. The Issuer has not classified the Fund as likely to pose a significant risk of harm to potential investors having regard to the Funds' key attributes and intended target market and the reasonable steps undertaken in relation to the distribution.</p>	<p>This Distribution Condition applies to all distributors who invest in the Fund directly via the UBS Asset Management (Australia) Ltd Website.</p>
<b>Via an Investment Service or Superannuation Funds, either:</b>		
<p>The Fund is available for sale indirectly via an Investor Directed Portfolio Service (IDPS), IDPS-like scheme or a nominee or custody service, a managed account or any other service or platform approved by the Issuer (collectively referred to as an 'Investment Service') or through a superannuation fund. UBS Asset Management (Australia) Ltd. will only accept applications only where it considers the Investment Service to be likely to comply with their legal and regulatory obligation.</p> <p>The Investment Service or superannuation fund must ensure the investor has read and accepted the Fund's PDS.</p>	<p>The Distribution Condition is likely to result in distribution in line with the Fund's likely target market because, Investment Service as distributors must take reasonable steps to ensure that their distribution activities will or are likely to result in retail product distribution conduct that is consistent with the Fund's TMD.</p>	<p>This Distribution Condition applies to all distributors who distribute the Fund.</p>
<p>This Fund is available for investors with a registered financial advisor either directly or via an investment service where the advisor and/or dealer group has satisfied themselves that the Fund, or a portfolio that the Fund would form part of, is suitable for the consumer.</p>	<p>The Distribution Condition is likely to result in distribution in line with the Fund's likely target market because, financial advisors must consider the consumer's individual circumstances and comply with the best interests' duty and related obligations under Pt 7.7A of the Corporations Act.</p>	<p>This Distribution Condition applies to all distributors who distribute the Fund.</p>

## 4. Reviewing this TMD

<b>Review triggers</b>
The following events and circumstances would reasonably suggest that this TMD is no longer appropriate:
Material change to key attributes, fund investment objective and/or fees.
Material deviation from benchmark / objective over the investment timeframe.
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.
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.

<b>Mandatory TMD review periods</b>	
<b>Review period</b>	<b>Maximum period for review</b>
Initial review	Within 1 year and three months from the TMD Issue Date
Subsequent review	Within every period of 2 years and three months from the previous review

## 5. Reporting and monitoring

<b>Distributor reporting requirements</b>		
<b>Reporting requirement</b>	<b>Reporting period</b>	<b>Which distributors this requirement applies to</b>
Complaints (as defined in section 994A(1) of the Act) relating to the product. The distributor should provide all the content of each complaint, having regard to privacy.	As soon as practicable, but no later than 10 business days, following the end of each 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

If practicable, distributors should adopt the FSC data standards for reports to the issuer. Distributors must report to UBS Asset Management (Australia) Ltd at [clientservices-ubsam@ubs.com](mailto:clientservices-ubsam@ubs.com). Visit the UBS Asset Management Australia website for more information in relation to the Design and Distribution Obligations.

## 6. Definitions

In some instance, examples have been provided below. These examples are indicative only and are not exhaustive.

Term	Definition
<b>Consumer's investment objective</b>	
Capital Growth	The consumer seeks to invest in a product designed or expected to generate capital return over the investment timeframe. 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 designed or expected to have low volatility and minimise capital loss. The consumer prefers exposure to defensive assets that are generally lower in risk and less volatile than growth investments (this may include cash or fixed income securities).
Income Distribution	The consumer seeks to invest in a product designed or expected to distribute regular and / or tax-effective income. The consumer prefers exposure to income-generating assets (this may include high dividend-yielding equities, fixed income securities and money market instruments).
<b>Consumer's intended product use (% of Investable Assets)</b>	
Solution/Standalone (up to 100%)	The consumer may hold the investment as up to 100% of their total <i>investable assets</i> . The consumer is likely to seek a product with <i>very high</i> portfolio diversification.
Major allocation (up to 75%)	The consumer may hold the investment as up to 75% of their total <i>investable assets</i> . The consumer is likely to seek a product with at least <i>high</i> 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 <i>medium</i> portfolio diversification.
Minor allocation (up to 25%)	The consumer may hold the investment as up to 25% of the total <i>investable assets</i> . The consumer is likely to seek a product with at least <i>low</i> portfolio diversification.
Satellite allocation (up to 10%)	The consumer may hold the investment as up to 10% of their total <i>investable assets</i> . The consumer may seek a product with <i>very low</i> portfolio diversification. Products classified as <i>extremely high</i> risk are likely to meet this category only.
<i>Investable Assets</i>	Those assets that the investor has available for investment, excluding the residential home.
<b>Portfolio diversification (for completing the key product attribute section of consumer's intended product use)</b>	
Note: exposures to cash and cash-like instruments may sit outside the diversification framework below.	
Very Low	The product provides exposure to a single asset (for example, a commercial property) or a niche asset class (for example, minor commodities, crypto-assets or collectibles).
Low	The product provides exposure to a small number of holdings (for example, fewer than 25 securities) or a narrow asset class, sector or geographic market (for example, a single major commodity (e.g. gold) or equities from a single emerging market economy).
Medium	The product provides exposure to a moderate number of holdings (for example, up to 50 securities) in at least one broad asset class, sector or geographic market (for example, Australian fixed income securities or global natural resources).
High	The product provides exposure to a large number of holdings (for example, over 50 securities) in multiple broad asset classes, sectors or geographic markets (for example, global equities).
Very High	The product provides exposure to a large number of holdings across a broad range of asset classes, sectors and geographic markets with limited correlation to each other.
<b>Consumer's intended investment timeframe</b>	
Minimum	The minimum suggested timeframe for holding the product. Typically, this is the rolling period over which the investment objective of the product is likely to be achieved.
<b>Consumer's Risk (ability to bear loss) and Return profile</b>	
<p>This TMD uses the Standard Risk Measure (<b>SRM</b>) to estimate the likely number of negative annual returns for this product over a 20 year period, using the guidance and methodology outlined in the <b>Standard Risk Measure Guidance Paper For Trustees</b> (note the bands in the SRM guidance differ from the bands used in this TMD). However, SRM is not a complete assessment of risk and potential loss.</p> <p>For example, it does not detail important issues such as the potential size of a negative return (including under conditions of market stress) or that a positive return could still be less than a consumer requires to meet their investment objectives/needs. The</p>	

Term	Definition
	<p>SRM methodology may be supplemented by other risk factors. For example, some products may use leverage, derivatives or short selling; may have liquidity or withdrawal limitations; may have underlying investments with valuation risks or risks of capital loss; or otherwise may have a complex structure or increased investment risks, which should be documented together with the SRM to substantiate the product risk rating.</p> <p>Although the Issuer discloses the SRM for each Fund in its PDS, the Issuer adopts a risk assessment model designed to provide investors with a more complete assessment of potential risk than SRM alone. Both SRM and UBS's assessment of risk have been assessed in categorising the Fund for the purposes of the Consumer's Risk and Return profile as part of this TMD.</p> <p>A consumer's desired product return profile would generally take into account the impact of fees, costs and taxes.</p>
Low	<p>For the relevant part of the consumer's portfolio, the consumer:</p> <ul style="list-style-type: none"> <li>• has a conservative or low risk appetite,</li> <li>• seeks to minimise volatility and potential losses (e.g. has the ability to bear up to 1 negative return over a 20 year period (SRM 1 to 2)), and</li> <li>• is comfortable with a low target return profile.</li> </ul> <p>The consumer typically prefers stable, defensive assets (such as cash).</p>
Medium	<p>For the relevant part of the consumer's portfolio, the consumer:</p> <ul style="list-style-type: none"> <li>• has a moderate or medium risk appetite,</li> <li>• seeks low volatility and potential losses (e.g. has the ability to bear up to 4 negative returns over a 20 year period (SRM 3 to 5)), and</li> <li>• is comfortable with a moderate target return profile.</li> </ul> <p>The consumer typically prefers defensive assets (for example, fixed income).</p>
High	<p>For the relevant part of the consumer's portfolio, the consumer:</p> <ul style="list-style-type: none"> <li>• has a high risk appetite,</li> <li>• can accept high volatility and potential losses (e.g. has the ability to bear up to 6 negative returns over a 20 year period (SRM 5 or 6)), and</li> <li>• seeks high returns (typically over a medium or long timeframe).</li> </ul> <p>The consumer typically prefers growth assets (for example, shares and property).</p>
Very high	<p>For the relevant part of the consumer's portfolio, the consumer:</p> <ul style="list-style-type: none"> <li>• has a very high risk appetite,</li> <li>• can accept very high volatility and potential losses (e.g. has the ability to bear 6 to 7 negative returns over a 20 year period (SRM 6 or 7)), and</li> <li>• seeks to maximise returns (typically over a medium or long timeframe).</li> </ul> <p>The consumer typically prefers high growth assets (such as high conviction portfolios, hedge funds, and alternative investments).</p>
Extremely high	<p>For the relevant part of the consumer's portfolio, the consumer:</p> <ul style="list-style-type: none"> <li>• has an extremely high risk appetite,</li> <li>• can accept significant volatility and losses, and</li> <li>• seeks to obtain accelerated returns (potentially in a short timeframe).</li> </ul> <p>The consumer seeks extremely high risk, speculative or complex products which may have features such as significant use of derivatives, leverage or short positions or may be in emerging or niche asset classes (for example, crypto-assets or collectibles).</p>
<b>Consumer's need to access capital</b>	
<p>This consumer attribute addresses the likely period of time between the making of a request for redemption/withdrawal (or access to investment proceeds more generally) and the receipt of proceeds from this request under ordinary circumstances. Issuers should consider both the frequency for accepting the request and the length of time to accept, process and distribute the proceeds of such a request. 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 aligning the product to the consumer's need to access capital. Where a product is held on investment platforms, distributors also need to factor in the length of time platforms take to process requests for redemption for underlying investments. Where access to investment proceeds from the product is likely to occur through a secondary market, the liquidity of the market for the product should be considered.</p>	



## 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 and/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 quarter,
- the consumer's intended product use is *Solution / Standalone*,
- the consumer's intended product use is *Core component or higher* and the consumer's risk / return profile is *Low*, or
- the relevant product has a green rating for consumers seeking *extremely high* risk/return.

