

## What is a Target Market Determination (TMD)?

A TMD is a document which describes:

- the persons for which the product has been designed,
- the conditions around the product's distribution,
- when this TMD will be reviewed, and
- recording keeping and reporting obligations of distributors.

Please note a TMD is not intended to provide financial advice. When making a decision about a product always make sure you refer to the Terms and Conditions and any supplementary document(s). These will outline the relevant terms and conditions being provided under that product.

## Delivering better customer outcomes

From 5 October 2021, we need to comply with a new law under the Treasury Laws Amendment (Design and Distribution Obligations and Product Intervention Powers) Act 2019. It requires us to have Target Market Determinations, as well as meet other obligations.

This framework will help us make sure we're 'getting it right for customers' – putting them at the centre of how we design and distribute our products.

## How can you access our Target Market Determinations (TMDs)?

The TMDs for our products is available at [https://www.phillipcapital.com.au/files/PCAU/PhillipCapital\\_TMD\\_Options\\_WEB.pdf](https://www.phillipcapital.com.au/files/PCAU/PhillipCapital_TMD_Options_WEB.pdf)

## Self-Certification Questions

PCL have determined that ETO's are a high risk and complex product which are not appropriate for all investors, so to ensure you will have access to the correct strategies and variant of Option products within our TMD, you must complete the following questionnaire. Once completed and lodged, PCL will assess your responses and determine which products and strategies are suitable within our TMD. Your Financial Service Provider will provide the outcome of our assessment and work with you to ensure you access the correct products and strategies.

*Please answer all the questions below.*

### 1. Please Choose the category that applies to you

(Please select the most appropriate)

- High Risk Tolerance Investors** – seeking to make profit via speculation in ETOs
- Risk Mitigation Investor** – seeking to hedge potential risk from other investments or exposures, or lock in a price to purchase or sell underlying investments
- Premium Generation Investor** – seeking to earn income by selling options covered by holdings of underlying assets.
- None of the above**

### 2. In thinking about ASX traded Options what is your:

#### 2.1 Trading Experience (Please select the most appropriate)

- Highly Experienced** – 3 plus years of experience in ETOs
- Medium Experience** – 1-3 years of experience in ETOs
- Low Experience** – 0-1 year of experience in ETOs

#### 2.2 Risk Tolerance (Please select the most appropriate)

- High Risk** - Seeking higher returns and willing to accept high risk associated with ETO trading including potential to suffer material capital loss on each strategy. You have the ability to withstand such losses, margin calls or other obligations without causing distress or material impact on living standards.
- Moderate Risk** - Seeking moderate returns and willing to accept high risk associated with ETO trading with potential to suffer limited capital loss on each strategy. You have the ability to withstand such losses, margin calls or other obligations without causing distress or material impact on living standards.
- Low Risk** - Seeking lower returns and willing to accept high risk associated with ETO trading including potential to suffer minor capital loss on each strategy. You have the ability to withstand such losses meet margin calls or other obligations without causing distress or material impact on living standards.
- No Risk Tolerance** - No Risk appetite, unwilling to take risk, Unable to bear a loss of any type.

**2.3 Product Knowledge** (Please select the most appropriate)

- Strong Knowledge** – A strong understanding of the product and its features, various strategies and their use. A strong understanding of the risks and benefits of the product including leverage, calculating profit and loss and the margin obligations associated with trading.
- Moderate Knowledge** - An understanding of the product, strategies and their use. An understanding of the risks and benefits of the product including leverage, calculating profit and loss and the margin obligations associated with trading.
- Low Knowledge** - Have heard of options before and understand there is leverage involved and the potential risks. But have little knowledge beyond basic strategies.
- No Knowledge** - Have never heard of options before, do not really understand how they work or the risks involved.

**2.4 Advisory Services** (Please tick one of the following Options)

- No Advice Online Execution** - My trading is self-directed, and all trades are executed via an online trading platform.
- General Product Research** - I receive and read research to generate my own strategy ideas which are executed online.
- Trade/Strategy Recommendations (General Advice)** - I am receiving general advice trade and strategy recommendations from a Financial Services Provider and executing trades either self-directed online or via phone with the Financial Services Provider.
- Personal Advice** - I am receiving Personal Advice from a Financial Services Provider who is executing all trades on my behalf as part of the Personal Advice strategy.
- Managed Discretionary Account Service** - I am utilising an MDA service whereby all trades are executed by the MDA provider as part of the MDA strategy I have employed.

**3. Client to Complete**

- I/we have read and understood this self-certification, and I/we understand PCL will use the above to ensure I/we have access to the correct strategies and variant of PCL’s Option products with ion TMD.
- I/we acknowledge that the information provided is a true reflection of our product knowledge, trading experience, risk tolerance and the type of advice I/we are receiving.

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| <b>Account Names</b>                     |                  | <b>Account No:</b> |
|  |                  |                    |
| <b>Individual/Director (1) Full Name</b> | <b>Signature</b> | <b>Date</b>        |
|  |                  | / /                |
| <b>Individual/Director (2) Full Name</b> | <b>Signature</b> | <b>Date</b>        |
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| <b>Office Use Only</b> | <b>Total Score</b> |  |
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