



Target Market Determination —Verve Money Fund

Issued

19 July 2024

Introduction

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). 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).

This document is **not** a product disclosure statement (PDS) and is **not** a complete summary of the product features or terms of the product. 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 the PDS for the product before making a decision whether to buy this product.

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 from www.vervemoney.com.au.

Target Market Summary

This product is intended for use as a managed investment fund for a consumer who is seeking an investment product through a direct online channel and has a moderate 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 a medium to long-term investment timeframe, and who is unlikely to need to withdraw their money on less than 21 days' notice in standard circumstances.

Fund and Issuer Identifiers

Issuer	Melbourne Securities Corporation Limited
Issuer ABN	57 160 326 545
Issuer AFSL	428289
Fund Manager	Verve Money Pty Ltd
TMD Contact Details	hello@vervemoney.com.au
Fund Name	Verve Money Fund
ARSN	662 622 89
TMD Issue Date	19 July 2024
TMD Version	Version 3.0
Distribution Status of Fund	Available

Description of Target Market

Summary

The information below summarises the overall class of consumers that fall within the target market for the Verve Money Fund.

The Fund is designed for consumers who:

- Are investors between the ages of 20–50
- Are seeking to invest ethically
- Are seeking a choice of investment options and asset allocations
- Are seeking an investment product through a direct online channel
- May be interested in establishing a recurring investment
- May be starting out on their investment journey, or be an experienced investor
- May not have access to personal financial advice
- Are looking to focus their saving through goal-oriented investing

The Fund is not designed for consumers who:

- Are looking to invest in individual listed assets
- Are seeking personal and tailored investment advice
- Do not want their funds invested ethically

To be eligible to invest in the Fund, a consumer must be:

- A resident of Australia who is at least 18 years old at the time of application;
- The representative of a Self-Managed Superannuation Fund (SMSF); or
- The representative of a proprietary company incorporated in Australia.

TMD Indicator Key

The Consumer Attributes for which the product is likely to be appropriate have been assessed using a red and green rating methodology with appropriate colour coding:

In target market	Not 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 is likely to be in the target market for this product.

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 the features of this product in Column 3 of the table below are likely to be suitable for consumers with the attributes identified with a green TMD Indicator in Column 2.

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](#).

Verve Money Fund – Fixed Income option

Consumer Attributes <i>[A description of the likely objectives, financial situation and needs of the class of consumers in the target market]</i>	TMD Indicator	Product Description including Key Attributes
Consumer's investment objective		
Capital Growth		The consumer's objective will be to preserve capital whilst generating returns via defensive, ethically screened fixed income assets such as liquid, fixed or floating rate bonds, cash and cash equivalents.
Capital Preservation		
Income Distribution		
Consumer's intended product use (% of Investable Assets)		
Solution/Standalone (up to 100%)		This option aims to invest in a mix of assets with the majority of the option invested in defensive assets.
Major allocation (up to 75%)		
Core component (up to 50%)		The option's exposure to these asset classes will be obtained by holding assets directly, and indirectly through Exchange Traded Funds.
Minor allocation (up to 25%)		
Satellite allocation (up to 10%)		
Consumer's investment timeframe		
Minimum investment timeframe	2 years	May be suitable for investors seeking to build wealth with an investment timeframe of 2+ years.
Consumer's risk (ability to bear loss) and return profile		
Low		Low to Medium (SRM band 3; one to less than two estimated negative annual returns over any 20-year period). This option may be suited to investors with a low to medium risk profile and risk tolerance.
Medium		
High		The SRM is based on industry guidance to allow investors to compare funds that are expected to deliver a similar number of negative annual returns over any 20-year period. For more information, see the Investment Guide available at www.vervemoney.com.au .
Very high		
Extremely high		
Consumer's need to access capital		
Within one week of request		An investor can generally decrease the size of their investment by making a withdrawal request via the Verve Money App. The minimum withdrawal amount is \$1.
Within one month of request		
Within three months of request		If we receive a redemption request, completed to our satisfaction, before the Redemption Cut-off, we will accept the request and the investor will generally receive the redemption price calculated for that Business Day. Unless we agree otherwise, if we receive a redemption request completed to our satisfaction, on a non-Business Day, we will generally treat the request as having been received and accepted before the Redemption Cut-off on the next Business Day.
Within one year of request		
Within 5 years of request		
Within 10 years of request		Redemption proceeds will generally be paid within five to seven Business Days after we accept the redemption request. If an investor makes a withdrawal request for 95 percent or more of their investment balance, then the redemption request may be treated as relating to the investor's entire holding, in which case the investment may be redeemed in full.
10 years or more		
In some circumstances, such as where there is a suspension of redemptions, investors may not be able to redeem their investment within the usual timeframe. The Constitution allows us 21 days following acceptance of a redemption request to pay redemption proceeds. In limited circumstances, this timeframe may be extended. For more information, please see the PDS available at www.vervemoney.com.au .		

Verve Money Fund – Balanced option

Consumer Attributes <i>[A description of the likely objectives, financial situation and needs of the class of consumers in the target market]</i>	TMD Indicator	Product Description including Key Attributes
Consumer's investment objective		
Capital Growth		The consumer will be seeking capital growth via a balanced portfolio of ethically screened growth assets such as shares, and defensive assets such as cash and fixed income.
Capital Preservation		
Income Distribution		
Consumer's intended product use (% of Investable Assets)		
Solution/Standalone (up to 100%)		This option aims to invest in a diverse mix of assets with a balance between investments in growth assets such as shares, and defensive assets such as cash and fixed income.
Major allocation (up to 75%)		
Core component (up to 50%)		The option's exposure to these asset classes will be obtained by holding assets directly, and indirectly through Exchange Traded Funds. Specific allocations may vary, but the option will seek to maintain a broad 60/40 split between growth and defensive assets and a bias towards Australian assets.
Minor allocation (up to 25%)		
Satellite allocation (up to 10%)		
Consumer's investment timeframe		
Minimum investment timeframe	5 years	May be suitable for investors seeking to build long term wealth with an investment timeframe of 5+ years.
Consumer's risk (ability to bear loss) and return profile		
Low		Medium to High (SRM band 5; three to less than four estimated negative annual returns over any 20-year period). This option may be suited to investors with a moderate risk profile and risk tolerance.
Medium		
High		The SRM is based on industry guidance to allow investors to compare funds that are expected to deliver a similar number of negative annual returns over any 20-year period. For more information, see the Investment Guide available at www.vervemoney.com.au .
Very high		
Extremely high		
Consumer's need to access capital		
Within one week of request		An investor can generally decrease the size of their investment by making a withdrawal request via the Verve Money App. The minimum withdrawal amount is \$1.
Within one month of request		
Within three months of request		If we receive a redemption request, completed to our satisfaction, before the Redemption Cut-off, we will accept the request and the investors will generally receive the redemption price calculated for that Business Day. Unless we agree otherwise, if we receive a redemption request completed to our satisfaction, on a non-Business Day, we will generally treat the request as having been received and accepted before the Redemption Cut-off on the next Business Day.
Within one year of request		
Within 5 years of request		
Within 10 years of request		Redemption proceeds will generally be paid within five to seven Business Days after we accept the redemption request. If an investor makes a withdrawal request for 95 percent or more of their investment balance, then the redemption request may be treated as relating to the investor's entire holding, in which case the investment may be redeemed in full.
10 years or more		
In some circumstances, such as where there is a suspension of redemptions, investors may not be able to redeem their investment within the usual timeframe. The Constitution allows us 21 days following acceptance of a redemption request to pay redemption proceeds. In limited circumstances, this timeframe may be extended. For more information, please see the PDS available at www.vervemoney.com.au .		

Verve Money Fund – High Growth option

Consumer Attributes <i>[A description of the likely objectives, financial situation and needs of the class of consumers in the target market]</i>	TMD Indicator	Product Description including Key Attributes
Consumer's investment objective		
Capital Growth		The consumer intends to generate capital growth via a high growth portfolio of ethically screened growth assets such as shares, with a minor investment in defensive assets such as cash and fixed income.
Capital Preservation		
Income Distribution		
Consumer's intended product use (% of Investable Assets)		
Solution/Standalone (up to 100%)		This option aims to invest in a diverse mix of assets with the majority of the option invested in growth assets such as shares, and a modest investment in defensive assets such as cash and fixed income.
Major allocation (up to 75%)		
Core component (up to 50%)		The option's exposure to these asset classes will be obtained by holding assets directly, and indirectly through Exchange Traded Funds. Specific allocations may vary but the option will seek to maintain a broad 90/10 split between growth and defensive assets and a bias towards Australian assets.
Minor allocation (up to 25%)		
Satellite allocation (up to 10%)		
Consumer's investment timeframe		
Minimum investment timeframe	7 years	May be suitable for investors seeking to build long term wealth with an investment timeframe of 7+ years.
Consumer's risk (ability to bear loss) and return profile		
Low		High (SRM band 6; four to less than six estimated negative annual returns over any 20-year period). This option may be suited to investors with a high risk profile and risk tolerance.
Medium		
High		The SRM is based on industry guidance to allow investors to compare funds that are expected to deliver a similar number of negative annual returns over any 20-year period. For more information, see the Investment Guide available at www.vervemoney.com.au .
Very high		
Extremely high		
Consumer's need to access capital		
Within one week of request		An investor can generally decrease the size of their investment by making a withdrawal request via the Verve Money App. The minimum withdrawal amount is \$1.
Within one month of request		
Within three months of request		If we receive a redemption request, completed to our satisfaction, before the Redemption Cut-off, we will accept the request and the investors will generally receive the redemption price calculated for that Business Day. Unless we agree otherwise, if we receive a redemption request completed to our satisfaction, on a non-Business Day, we will generally treat the request as having been received and accepted before the Redemption Cut-off on the next Business Day.
Within one year of request		
Within 5 years of request		
Within 10 years of request		Redemption proceeds will generally be paid within five to seven Business Days after we accept the redemption request. If an investor makes a withdrawal request for 95 percent or more of their investment balance, then the redemption request may be treated as relating to the investor's entire holding, in which case the investment may be redeemed in full.
10 years or more		
In some circumstances, such as where there is a suspension of redemptions, investors may not be able to redeem their investment within the usual timeframe. The Constitution allows us 21 days following acceptance of a redemption request to pay redemption proceeds. In limited circumstances, this timeframe may be extended. For more information, please see the PDS available at www.vervemoney.com.au .		

Distribution Conditions/Restrictions

Distribution Conditions	Distribution Condition Rationale	Distributors this Condition Applies To
<p>Only suitable for distribution through dealing through the Fund Manager's distribution channels:</p> <ul style="list-style-type: none"> The Verve Money App The Verve Money website <p>The Verve Money Fund should only be distributed under the following circumstances:</p> <ul style="list-style-type: none"> The consumer meets the eligibility requirements; and The consumer, through the Verve Money website or App, has created an account in their own name or on behalf of an SMSF or proprietary company incorporated in Australia. 	<p>The Trustee and Fund Manager believe that the distribution conditions and restrictions make it likely that consumers who purchase the product are in the class of consumers (target market) for whom it has been designed.</p> <p>The Fund is marketed to consumers who are purpose aligned. The Fund Manager is transparent in its marketing of the purpose of the Fund, targeted consumers and how consumers' money is invested.</p> <p>The Fund has a distinct investment offering and discloses its investment universe on the Verve Money website.</p> <p>Given the distinctiveness of Verve Money's branding, website content, and marketing content, it is unlikely that consumers would not be aware of the Fund's purpose, target market, and/or ethical investment strategy when acquiring the product.</p>	Verve Money Pty Ltd

Review Triggers

Any one of the following actions or events will trigger a targeted review to address the issue raised by the review trigger.

Material change to the Fund's key attributes, 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.
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 TMD Review Periods

Review Period	Maximum Period for Review
Initial review	NA – initial review has already occurred.
Subsequent review	Every 12 months from the date of issue.

Distributor Reporting Requirements

Reporting Requirement	Reporting Period	Which Distributors this Requirement Applies To
Complaints (as defined in section 994A(1) of the Act) relating to the product. The distributor should provide all the content of the complaint, having regard to privacy.	As soon as practicable but no later than 10 business days following the end of the calendar quarter.	All distributors
Significant dealing outside of the target market, under section 994F(6) of the Act. See Definitions for further detail.	As soon as practicable but no later than 10 business days after the 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 Melbourne Securities Corporation Limited via the compliance reporting tool or by email to trustee@msc.group. MSC can also be contacted in relation to this TMD on 1300 798 790.

Disclaimer

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The Issuer of the Verve Money Fund (ARSN 662 622 899) is Melbourne Securities Corporation Limited (ACN 160 326 545, AFS Licence No. 428289). The Fund Manager is Verve Money Pty Ltd (ACN 653 669 366, Authorised Representative No. 001294184). Verve Money Pty Ltd is a Corporate Authorised Representative of True Oak Investments Ltd (AFS Licence No. 238184).

The TMD is modelled from the TMD Template (version 2) released by the Financial Services Council Limited (ABN 82 080 744 163) on 23 May 2023.

Definitions

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

Term	Definition
Consumer's investment objective	
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).
Consumer's intended product use (% of Investable Assets)	
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 <i>investable assets</i> . 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 their 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 the 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.
Portfolio diversification (for completing the key product attribute section of consumer's intended product use)	
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.

Term	Definition
Consumer's intended investment timeframe	
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.
Consumer's Risk (ability to bear loss) and Return profile	
<p>This TMD uses the Standard Risk Measure (SRM) 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 Standard Risk Measure Guidance Paper For Trustees (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. 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 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>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"> • has a conservative or low risk appetite, • 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 • is comfortable with a low target return profile. <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"> • has a moderate or medium risk appetite, • 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 • is comfortable with a moderate target return profile. <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"> • has a high risk appetite, • 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 • seeks high returns (typically over a medium or long timeframe). <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"> • has a very high risk appetite, • 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 • seeks to maximise returns (typically over a medium or long timeframe). <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"> • has an extremely high risk appetite, • can accept significant volatility and losses, and • seeks to obtain accelerated returns (potentially in a short timeframe). <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>
Consumer's need to access capital	
<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>	

Term	Definition
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"> • 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). <p>In each case, the distributor should have regard to:</p> <ul style="list-style-type: none"> • 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). <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"> • 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 <i>solution/standalone</i>, • the consumer's intended product use is <i>core component</i> or higher and the consumer's risk/return profile is low, or • the relevant product has a green rating for consumers seeking <i>extremely high</i> risk/return.

Money. Power. Freedom.

Verve Money is the investing app supporting you to be financially powerful ... and fierce. By investing with Verve, you become part of a community using the power of money to invest in a more sustainable and ethical future.

To learn more about Verve Money, the App or what we invest in, visit our website or get in touch with our friendly team today.

vervemoney.com.au