

HOW TO USE THIS DOCUMENT

The purpose of this document is to provide guidance on completing a Target Market Determination (TMD) to meet the requirements of Part 7.8A of the *Corporations Act 2001*.

In using this document consider the nature of the product, including any product variations, and the distribution approach when creating TMD. Issuers and distributors will be required to take all reasonable steps that will, or are reasonably likely to, result in distribution being consistent with the TMD. It is, therefore, important that the TMD reflects the class of consumers that comprises the target market for a product and matters relevant to the product's distribution and review.

This document provides a *summarised* example of what the ASFA / Deloitte TMD Template could look like once filled out. It does not reflect any specific product or superannuation fund.

Review of the TMD

Under the Design and Distribution Obligations (DDO) regime there is also an obligation to review the TMD (s 994C of the *Corporations Act 2001*). The TMD cannot be a 'set and forget' document. Trustees should satisfy their review obligations as part of the DDO and their Member Outcomes obligations in tandem to ensure that both sets of obligations are implemented efficiently and draw insights. As part of the periodic review of the TMD, trustees should assess whether the class of consumers that hold the product is consistent with the target market.

Target Market Determination

For Accumulation Product 123

Accumulation Product 123 provides a range of investment options, including high growth and responsible investment options. It also provides insurance options that cover total and permanent disability, and death.

Trustee of Superannuation Fund	Super Fund XYZ Pty Ltd
Fund name	Super Fund XYZ
Australian Business Number (ABN)	12 356 789 101
Unique Superannuation Identifier (USI)	STA0000AU

Super Fund XYZ is a complying, resident and regulated super fund within the meaning of the *Superannuation Industry (Supervision) Act 1993* (SIS Act).

1. About this document

This target market determination (TMD) seeks to offer consumers, distributors and staff with an understanding of the class of consumers for which this product has been designed, having regard to the objectives, financial situation and needs of the target market.

This document is not to be treated as a full summary of the product's terms and conditions and is not intended to provide financial advice. Consumer must refer to the Product Disclosure Statement (PDS) and any supplementary documents when making a decision about this product.

Product Disclosure Statement to which this target market determination applies

This TMD applies to the Accumulation Product 123 referred to in the following Product Disclosure Statement:

- [Accumulation Product 123 Product Disclosure Statement](#)

Other documents to which this target market determination applies

This TMD applies to the Accumulation Product 123 referred to in the following relevant documents:

- [Fees and costs](#)
- [Insurance and superannuation](#)

2. Important dates

Date from which this target market determination is effective	5 October 2021
Date when this target market determination was last reviewed	5 October 2021
Date when this target market determination will be next reviewed	5 October 2022

3. Class of consumers that fall within this target market

The information below summarises the overall class of consumers that fall within the target market for Accumulation Product 123.

This Accumulation Product 123 is designed for consumers who:

- Are looking to invest for their retirement, within the superannuation environment;
- Want to make an active investment choice by selecting one or more investment options;
- Want to be able to review and manage their portfolio in one place;
- Are aged below 50;
- Have a long-term investment horizon;
- Have a minimum superannuation balance of \$6,000;
- Receive superannuation guarantee contributions from their employer; and,
- Have a superannuation balance above \$50,000.

This Accumulation Product 123 is **not** designed for consumers who:

- Are aged above 50.

Product description and key attributes

The key eligibility requirements and product attributes of this Accumulation Product 123 are:

- Access to extensive investment options, including multi-asset class options or single-asset class options;
- Access to sustainable insurance options, including Total and Permanent Disability and Death Cover;
- Comprehensive portfolio view in one place through the online member portal;
- Ability to transfer the superannuation account when members changes jobs;
- Ability to access personal financial advice about superannuation; and
- Member benefits program, to access discounts and lifestyle offers.

Objectives, financial situation, and needs

The table below sets out the class of customers that each investment option within Accumulation Product 123 has been designed for.

High Growth Option	<p>This option is designed for members who:</p> <ul style="list-style-type: none"> ○ Are seeking to invest for long-term growth, primarily through exposure to Australian and international shares, with some exposure to property, debt and cash. ○ Are seeking to earn an investment return equivalent to or higher than CPI +4% and are willing to accept a high risk level. ○ Are willing to invest their capital in the option for a recommended minimum timeframe of 7 to 10 years.
Balanced Option	<p>This option is designed for members who:</p> <ul style="list-style-type: none"> ○ Are seeking exposure to a range of asset classes, including Australian and international shares. ○ Are comfortable with seeing the value of their investments fluctuate. ○ Are seeking to earn an investment return equivalent to or higher than CPI +3% and are willing to accept a high risk level. ○ Are willing to invest their capital in the option for a recommended minimum timeframe of 10 years.

The table below sets out the class of customers that each insurance option within Accumulation Product 123 has been designed for.

Total and Permanent Disability Insurance (TPD)	<p>This option is designed for members who:</p> <ul style="list-style-type: none"> ○ Are below the age of 70. ○ Have a superannuation account balance of at least \$6,000. ○ Receive superannuation guarantee contributions from their employer. <p>This option is not designed for members who:</p> <ul style="list-style-type: none"> ○ Are in a high risk occupation.
Death cover	<p>This option is designed for members who:</p> <ul style="list-style-type: none"> ○ Are below the age of 70. ○ Have a superannuation account balance of at least \$6,000. ○ Have nominated beneficiaries and/or dependents. ○ Receive superannuation guarantee contributions from their employer. <p>This option is not designed for members who:</p> <ul style="list-style-type: none"> ○ Are in a high risk occupation.

Consistency between target market and the product

This product is likely to be consistent with the likely objectives, financial situation and needs of the class of customers in the target market. This is based on an analysis of the key terms, features and attributes of the product(s) and a finding that these are consistent with the identified class of customers.

The Accumulation Product 123:

- Fulfils a need for consumers in the target market;

- Includes features/attributes that are consistent with the objectives, financial situation and needs of the target market;
- Benefits the consumers in the target market;
- Delivers on what was promised; and
- Has previously benefited target market consumers in the past.

Accumulation Product 123 will be next reviewed on 5 October 2022, unless a review trigger occurs before that time (see section 5 below for an outline of review triggers). During the review Super Fund XYZ will carefully consider whether Accumulation product 123 continues to be suitable for consumers in the target market.

4. How this product is to be distributed

Distribution channels

This product is designed to be distributed through the following means:

- Directly through online or physical application form;
- Selected third party financial advisors;
- Employers; and,
- Authorised representatives of the superannuation fund.

Distribution conditions

This product should only be distributed under the following circumstances:

- Where the prospective member is resident in Australia and is eligible to contribute to or consolidate their superannuation account; and
- Where a member is applying for insurance cover, they must:
 - Meet the age, employment and residency requirements outlined in the PDS; and
 - Be in an eligible work status category for the type of cover being applied for.
- Through a distributor that has been authorised by Super Fund XYZ; and,
- To consumers that fall within the target market.

Adequacy of distribution conditions and restrictions

We have determined that the distribution conditions and restrictions will make it likely that customers who purchase the product(s) are in the class of customers for which it has been designed. We consider that the distribution conditions and restrictions are appropriate and will assist distribution in being directed towards the target market for whom the product has been designed.

5. Reviewing this target market determination

We will review this target market determination in accordance with the below:

Initial review	5 October 2021
Next periodic review	5 October 2022
Review triggers or events	<p>Any event or circumstances arise that would suggest the TMD is no longer appropriate. This may include (but is not limited to):</p> <ul style="list-style-type: none"> • a material change to the design or distribution of the product; • occurrence of a significant dealing; • distribution conditions found to be inadequate, such as distribution to consumers that do not meet insurance cover eligibility requirements; • identification of significant detriment to consumers if TMD was not reviewed; • external events such as adverse media coverage or regulatory attention;

- significant changes in metrics, including, but not limited to, complaints, sales volumes and number of contact points with Super Fund XYZ in relation to Accumulation Product 123;
- significant increase in investment option switching;
- significant increase in members exiting the product;
- significant proportion of insurance cancellation rates;
- significant proportion of insurance claims being denied or withdrawn;
- persistent member complaints about investment options, product or insurance;
- suspicious adverse results from market or different returns from those expected from the market;
- significant change in exposure in products, such as developments in international markets where the product may be overweight;
- sale or acquisition of an asset that was/is an important part of the investment holdings of a particular investment option; and,
- a change has occurred that effects the objectives of the target market.

Where a review trigger has occurred and Super Fund XYZ Pty Ltd becomes aware that a review trigger has occurred, or an event/circumstance has occurred that would reasonably suggest that the TMD is no longer appropriate, this target market determination will be reviewed within 10 business days.

6. Reporting and monitoring this target market determination

We will collect the following information from our distributors in relation to this TMD.

<p>Complaints</p>	<p>Distributors will report the number of complaints in relation to the product(s) covered by this TMD on a monthly basis. Reporting is still required if the number of complaints is zero.</p> <p>This will include the substance of complaints and general feedback relating to the product and its performance.</p>
<p>Significant dealings</p>	<p>Distributors will report if they become aware of a significant dealing in relation to this TMD within 10 business days.</p> <p>A significant dealing includes circumstances where:</p> <ul style="list-style-type: none"> • Five per cent of consumers who have acquired the product are not in the target market over a six-month period; • Five per cent of consumers who have acquired the product have characteristics that are specifically excluded from the target market; • Distribution conditions have regularly not been met; • There is a consistent feature that identifies when or how a consumer outside the target market acquire the product (e.g. at a particular time period; consistently from a particular advisor).