

TARGET MARKET DETERMINATION

PensionSelect issued by
Equity Trustees Superannuation Limited (ABN 50 055 641 757)

PensionSelect is a pension plan in Super Retirement Fund ABN 40 328 908 469, SFN 2933 419 40 (the Fund). Equity Trustees Superannuation Limited (ETSL, Trustee, we, us, or our) is the trustee of the Fund. The Fund is administered by AIA Australia Limited ABN 79 004 837 861 AFSL 230043 (AIA Australia).



June 2023

1. About this document

When to use this target market determination

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 has been designed for, having regard to the likely objectives, financial situation and needs of the target market. In addition, the TMD outlines the triggers to review the target market and certain other information. It forms part of Equity Trustees Superannuation Limited (ABN 50 055 641 757) (Trustee) design and distribution arrangements for the product.

This document is not a product disclosure statement (PDS) and is not a 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 PensionSelect before making a decision whether the product is suitable for them.

The PDS can be obtained by calling us on **13 2015** or +61 2 8365 9121 if calling from overseas, between 9 am and 5 pm (AEST/AEDT), Monday to Friday, excluding public holidays or by visiting www.aia.com.au.

PDS to which this target market determination applies

This TMD applies to the PensionSelect as referred to in the PDS Part 1 and 2.

- [PensionSelect Part 1](#)
- [PensionSelect Part 2](#)

Effective date

June 2023.

2. Class of customers that fall within this target market

The information below summarises the overall class of customers that fall within the target market for this product, and the likely objectives, financial situation and needs that each investment option has been designed to meet.

Class of customers

PensionSelect is an allocated pension plan which is only available to dependants of a deceased member (in certain circumstances) where the death benefit is over \$10,000. Dependants must be:

- of age 16 and over (10 to 16 with parental or guardian consent)
- residing in Australia at the time of application
- customers that want to convert superannuation savings into a flexible income stream, with the benefit of concessional tax treatment.

Excluded class of customers

This product is not designed for individuals that:

- are not residing in Australia at the time of application
- are not an eligible dependant as determined by the Trustee
- want to invest less than \$10,000
- want to invest more than \$1.9 million with superannuation monies
- want to invest using a currency other than Australian Dollars.

Likely needs and objectives & target markets

The product offers all eligible customers a choice of nine investment options: two multi-manager investment options and seven multi-sector investment options, based on a mix of asset classes. Customers will need to consider the time horizon of their investment, their risk tolerance and level of return as per specific investment options below.

The product has been designed for those that can afford to pay any applicable fees for the chosen option(s) and are comfortable with the investment risks. **Refer to the PDS for specific terms and limitations.**

	Likely needs and objectives	Financial situation / Investment horizon
Multi manager investment options		
Multi-Manager Australian Share Multi-Manager Global Share	These investment options have been designed for those seeking high returns and are prepared to accept volatility of returns.	These investment options have been designed for those who are comfortable to invest for the recommended minimum investment period of at least seven years .
Multi sector investment options		
High Growth	This investment option has been designed for those seeking high returns and who are prepared to accept volatility of returns.	This investment option has been designed for those who are comfortable to invest for the recommended minimum investment period of at least seven years .
Growth	This investment option has been designed for those seeking high returns and who are prepared to accept volatility of returns.	This investment option has been designed for those who are comfortable to invest for the recommended minimum investment period of at least six years .
Balanced	This investment option has been designed for those seeking long-term growth and who are prepared to accept some volatility of returns.	This investment option has been designed for those who are comfortable to invest for the recommended minimum investment period of at least five years .
Capital Stable Capital Defensive	These investment options have more emphasis on stable returns and have been designed for those seeking returns that are less volatile when compared to options with a greater bias to growth investments.	These investment options have been designed for those who are comfortable to invest for the recommended minimum investment period of at least three years .
Capital Secure* <small>*This option does not guarantee against negative returns on your investment. Past performance is not indicative of future performance.</small>	This investment option has been designed for those seeking stable returns and a high level of security with the potential for limited capital growth.	This investment option has been designed for those who are comfortable to invest for the recommended minimum investment period of at least three years .
Savings	This investment option has been designed for those who want a high degree of security.	This investment option has been designed for those who want more flexibility with their investment and do not want a minimum investment time-period.

Appropriateness explanation

Broadly, the target market comprises those wanting continued investment growth whilst receiving a regular income stream in retirement. It is therefore likely to meet the needs, or go towards meeting the needs, of those in the target market.

3. Product design description

PensionSelect is a flexible allocated pension plan, which pays you an income stream. It offers a range of professionally managed investment options to suit a wide variety of investment goals.

Key product attributes

- Payment of a retirement income stream
- Choose the amount of income you receive (subject to minimum requirements)
- Select your payment frequency and alter your income payments.
- Access to your account balance as a lump sum payment at any time
- Switch between a range of investment options to cater for various strategies

4. How this product is to be distributed

Distribution channels

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

- **Distribution directly by AIA** – through completion of an application form.
- **Distribution under a personal advice model** – Australian Financial Services Licence (AFSL) holders authorised by AIA to distribute the product and provide consumers with personal advice in relation to the product.

Distribution conditions

This product must only be distributed under the following circumstances.

Distribution directly by AIA:

- Customers who meet the age, residency, identity and other eligibility requirements and
- Customers that have been provided with the PDS and completed the application form in full, and
- The customer is a dependant of a deceased member (in certain circumstances) where the death benefit is over \$10,000.

Customers are more likely to be in the target market if they have completed the items outlined in the application checklist and as part of the application process, the Issuer has checked that they are not an excluded class of customer.

Distribution under Personal Advice:

Distributors must ensure:

- the product is distributed under an appropriate AFSL and authorised by AIA to distribute the product per the terms of a Distribution Agreement
- to provide the customer with personal financial advice in relation to the product
- to provide the customer with a copy of the current PDS prior to making a decision to purchase the product
- the customer is a dependant of a deceased member (in certain circumstances) where the death benefit is over \$10,000
- the customer meets the product's age, residency and eligibility requirements.

Customers that obtain personal advice are more likely to be in the target market for this product because advisers have a duty to act in their best interest when providing personal advice.

5. Reviewing this target market determination

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

Initial review	12 months after the effective date
Periodic reviews	June 2024 and then at least every three years thereafter.

Review triggers or events	<p>Review trigger 1: The commencement of a significant change in law that materially affects the product design and/or distribution of the product or class of products that includes this product</p> <p>Review trigger 2: Product performance is materially inconsistent with the product issuer's expectations of the appropriateness of the product to consumers having regard to:</p> <ol style="list-style-type: none"> The number of policies sold Policy lapse or cancellation rates Percentage of applications not accepted. <p>Review trigger 3: The use of Product Intervention Powers in relation to the distribution or design of this product where the product issuer considers this reasonably suggests that this TMD is no longer appropriate.</p> <p>Review trigger 4: Significant or unexpectedly high number of complaints regarding product design, product availability, guarantee claims, and distribution conditions that would reasonably suggest that the TMD is no longer appropriate.</p> <p>Review trigger 5: The product issuer determines that a significant dealing in the product outside the target market (except for an excluded dealing) has occurred.</p>
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Information needed for review triggers or events	<p>Issuer:</p> <p>Review trigger 1: Relevant regulation, legislation and/or ASIC instruments relating to the change in law.</p> <p>Review trigger 2: During the review period, the expected and actual number of:</p> <ol style="list-style-type: none"> policies sold policy lapse or cancellation rates percentage of applications not accepted. <p>Review trigger 3: Relevant Product Intervention order.</p> <p>Review trigger 4: Complaint data and the nature of the complaints regarding product design, product availability, claims and distribution conditions.</p> <p>Review trigger 5: The product governance/incident management process determines that a significant dealing has occurred.</p> <p>All Distributors</p> <p>Review trigger 6: Reports of complaints and the nature of complaints regarding product design, product availability, claims and distribution conditions.</p> <p>Review trigger 7: Reports of significant dealings to the Issuer.</p> <p>Where a review trigger has occurred, this target market determination will be reviewed within 10 business days.</p>
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6. Reporting and monitoring this target market determination

We may collect the following information:

Complaints	<p>We will receive reports from the distributors on all complaints in relation to this financial product half-yearly (within 10 business days of the end of March and September). If any such complaints have been received by distributors in the reporting period, we require the number of complaints received.</p> <p>In addition, where complaints are received during the reporting period that relate to product design, product availability, claims or distribution conditions, we require for each complaint:</p> <ul style="list-style-type: none"> the date complaint was received a description of the complaint. <p>AIA may request additional information from the distributor to further understand the underlying complaint issue.</p>
Significant dealings	<p>We will receive reports if our distributors become aware of a significant dealing in the product that is inconsistent with the TMD within 10 business days.</p>
