

# Target Market Determination for Suncorp Everyday Super

A Target Market Determination (TMD) is required under section 994B of the *Corporations Act 2001* (Cth). It sets out the target market for the product, triggers to review the target market and certain other information. It forms part of SPSL Limited's design and distribution framework for the product.

In this TMD, distribution includes the following conduct in relation to retail clients:

- dealing by acquiring, issuing or arranging for the product to be issued to a customer;
- giving a PDS or other regulated disclosure document; or
- providing financial product advice in relation to the product.

This document is **not** a product disclosure statement 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 Product Disclosure Document for Everyday Super before deciding whether to buy this product.

Name of product	Suncorp Everyday Super (EDS)
Issuer	SPSL Limited (SPSL) ABN 61 063 427 958 AFSL 237905 SPIN – RSA0682AU (super) and RSA0681AU (pension)
USI code	98 350 952 022 123
Date of TMD	5 October 2021
Expiry Date	5 October 2022
Key Product Attributes	<p>This is a product for members to accumulate savings for retirement through superannuation and then access those savings during retirement.</p> <p>It is a simple online super account with investment and insurance options that can automatically adjust to reflect a member's changing needs.</p> <p>The Product contains three phases:</p> <ol style="list-style-type: none"><li>1. Accumulation Phase: Members who are building wealth for their retirement and have not met a condition of release on their superannuation balances. This phase runs until a member reaches preservation age.</li><li>2. Transition to Retirement (TTR) phase: Members who have reached preservation age and can access their superannuation funds. This phase runs from preservation age to meeting another condition of release.</li><li>3. Pension Phase: Members who have stopped accumulating and are now only withdrawing from their superannuation funds. This phase begins when a member has met a condition of release.</li></ol>

<b>Key Product Attributes (continued)</b>	<p>This product is not a self-managed super fund.</p> <p>This product has the following key features:</p> <ul style="list-style-type: none"> <li>– A member can set up and maintain an account online without assistance from a Financial Adviser. A Financial Adviser can be engaged if Personal Advice is needed.</li> <li>– Amounts saved into superannuation cannot be withdrawn until retirement except in certain scenarios permitted by law.</li> <li>– The accumulation phase is available for employers to contribute to an employer plan for their employees. We will open an account when an employer has notified us of the member's details.</li> <li>– Members have the ability to convert their retirement benefits into a pension in the TTR or Pension phase, and receive a regular income stream.</li> <li>– A default investment option that automatically adjusts to suit a member's age and the ability to select from a small range of investment options.</li> <li>– If eligible*, Life and Total and Permanent Disablement insurance is available for members in the accumulation phase that do not join via an employer, without the need to apply through underwriting.</li> <li>– If eligible*, members that join via an employer automatically receive Life and Total and Permanent Disablement insurance.</li> <li>– The level of insurance cover is dependent on the member's age (and changes with age).</li> <li>– Members that do not automatically receive insurance can opt into Life and Total and Permanent Disablement insurance,</li> <li>– Insurance cover can be tailored to the member's needs.</li> <li>– A transparent fee structure.</li> <li>– Online and mobile access, with the ability to transact and make changes to investments or insurance, check account balance and access statements (paper correspondence is available on request).</li> </ul> <p>* Eligibility is subject to legislative requirements and the terms and conditions of the insurance policy.</p>
<b>Version</b>	1

## Target market / Class of customer

### Consistency key

#### *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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### Needs and objectives of customer

Customer's intended level of decision making	Consistency with target market
Investments chosen by member from limited investment menu, with administration provided by the fund	In target market
Default investment strategy applied where no investments selection is made. Administration is provided by the fund	In target market
Fully self-managed, including fund administration (SMSF)	Not considered in target market
Investments chosen by member from extensive investment menu, with administration provided by the fund (not offered)	Potentially in target market

Customer's intended type of products on investment menu	Consistency with target market
Sector specific options	In target market
Sub-sector specific options	Potentially in target market
Alternative investment options (not offered)	Potentially in target market
Active investment option	
— No manager choice	In target market
— Some manager choice	Potentially in target market
— Wide manager choice (not offered)	Potentially in target market
Passive investment options, such as passive Exchange traded funds (ETFs)	Potentially in target market
Ready-made diversified portfolio options	In target market
Term deposit options (not offered)	Potentially in target market
Direct share options (not offered)	Potentially in target market
Separately managed accounts (not offered)	Potentially in target market
Cash management account (not offered)	Potentially in target market
Longevity product options (not offered)	Potentially in target market
Capital guarantee options (not offered)	Potentially in target market

Customer's intended access to multiple investment options/strategies	Consistency with target market
Low – no more than 5 investment options	In target market
Medium – between 6 and 15 investment options	In target market
High – more than 15 investments (not offered)	Potentially in target market

Customer's intended insurance options available	Consistency with target market
Life cover available separately	In target market
TPD cover available separately (not offered)	Potentially in target market
Life and TPD cover available together	In target market
Income Protection cover available (not offered)	Potentially in target market
Insurance not required	In target market
Group insurance cover	In target market
Default insurance cover	In target market

**Note: Insurance is only available in accumulation phase, some occupations and pre-existing conditions are excluded. There are rules around when a member will not be offered cover and age limits.**

Type of member	Consistency with target market
Individual	In target market
All other entities	Not considered in target market

## Financial situation of customer

This product is suitable for customers of all ages and for all investment amounts.

Life stage of customer	Consistency with target market
Child (under 18)	In target market
Student	In target market
Accumulation (under 65)	In target market
Pre-retirement (40 to 65)	In target market
Retired (over 65)	In target market

Intended investment amount	Consistency with target market
\$0 to \$150,000	In target market
\$150,000.01 to \$500,000	In target market
Over \$500,000	In target market

### **Explanation of consistency of key attributes with TMD**

This target market has been defined such that it would be reasonable to conclude that if the product were to be issued to a retail client in the target market, the product would be consistent with the likely objectives, financial situation and needs of the retail client. This is because:

- SPSL has researched its target market and determined that the products key attributes are likely to be suitable for the class of members in its target market; and
- The product meets the needs of those who seek an online, simple superannuation product with a transparent fee structure and insurance choices (in accumulation), that allows them to accumulate savings for retirement and then access those savings during retirement.

## Distribution Conditions

The product may be distributed by a person to retail clients:

- only through the distribution channels set out in the table below; and
- only in accordance with the conditions set out in the table below.

Distribution channels	Distribution conditions and restrictions
Direct by Digital (App/Web) (Self service)	<ul style="list-style-type: none"> <li>– Appropriate controls are in place to ensure that the website directs the distribution towards the intended target market and minimises exposure to those not within the target market.</li> <li>– No Advice provided</li> </ul>
Through authorised representatives by General Advice (Call Centre)	<ul style="list-style-type: none"> <li>– Staff providing advice are RG146 compliant</li> <li>– QA of call monitoring to ensure members are likely to be in target market</li> <li>– TMD training provided to staff</li> </ul>
Through licenced advisers	<ul style="list-style-type: none"> <li>– The member is within the target market</li> <li>– The licensee must agree to provide data for review triggers</li> <li>– The licensee must comply with the agreed terms and conditions outlined in the terms of trade issued by SPSL</li> </ul>
Default: enrolled via employers (Self service)	<ul style="list-style-type: none"> <li>– Sample of Data is reviewed at least quarterly to confirm new accounts are within TMD</li> <li>– No Advice provided</li> </ul>



*Note: If a distributor does not abide by the above conditions and restrictions SPSL may consider removing them as a distributor.*

### Explanation of consistency of key attributes with TMD

If distribution occurs in line with the distribution conditions above, it is reasonable to conclude that the product would be issued to retail clients within the target market, because:

- The terms of trade issued by SPSL articulate a requirement to comply with DDO, improving awareness of and adherence to distribution obligations
- The product features that are available to meet or potentially meet our target market are clearly set out for distributors
- The distribution conditions minimise exposure of the product to those not within the target market

### Review triggers

#### Section 994B(5)(d)

Material change to key product features, investment menu, insurance, and/or fees where the product issuer considers this reasonably suggests that this TMD is no longer appropriate.

Significant dealing outside TMD reasonably suggests that this TMD is no longer appropriate.

Significant or unexpectedly high number of complaints (as defined in section 994A(1) of the Act) regarding product design, product availability or any distribution condition where the product issuer considers this reasonably suggests that this TMD is no longer appropriate.

The commencement of a change in law, regulation, or regulatory guidance that materially affects the product design or distribution of the product or class of products that includes this product where the product issuer considers this reasonably suggests that this TMD is no longer appropriate.

The use of Product Intervention Powers, regulatory orders or directions that affect the product and reasonably suggest that this TMD is no longer appropriate.

A remediation event relating to this product where the product issuer considers this would reasonably suggest that:

- (i) this product is unsuitable for a particular cohort of customers; and
- (ii) the TMD may no longer be appropriate.

The trustee of this product makes a determination for purposes of section 52(9) of Superannuation Industry (Supervision) Act 1993 that the financial interests of a particular cohort of customers who hold this product are not being promoted.

*Note: Review triggers suggest that the target market may no longer be appropriate and such reviews can occur outside of the regular review timeframes.*

Review periods	Maximum period for review	Next review due
Initial review	1 year	5 October 2022
Subsequent reviews	2 years	5 October 2024

The review periods and triggers specified have been determined as reasonable having regard to:

- the need to promptly identify a review trigger or other event or circumstance that would reasonably suggest that the TMD is no longer appropriate; and
- the likelihood, nature and extent of detriment to retail clients as a result of the above.

## Distributor Information Reporting Requirements

Regulated person(s)	Requirement	Reporting deadline
All distributors	Report on each acquisition that is outside of target market, including reason why acquisition is outside of target market, and whether acquisition occurred under personal advice.	Quarterly. Due 10 business days after the end of the March, June, September and December quarters.
All distributors	Complaints (as defined in section 994A(1) of the Act). The distributor should provide all the content of the complaint, having regard to privacy.	Quarterly. Due 10 business days after the end of the March, June, September and December quarters.
All distributors	Significant dealing outside of target market under s994F(6) of the Act including: <ul style="list-style-type: none"> <li>– the number or frequency of similar previous significant dealings;</li> <li>– the impact on the distributor's ability to supply the financial services covered by its licence;</li> <li>– the proportion of purchases in a class of consumer that is not in or is excluded from the target market;</li> <li>– the actual/potential harm, including loss, resulting from these purchases;</li> <li>– the time period in which these purchases occurred;</li> <li>– the nature and extent of the inconsistency of distribution with the TMD.</li> </ul>	As soon as practicable but no later than 10 business days after distributor becomes aware of the significant dealing.

