

# Target Market Determination

## TelstraSuper RetireAccess

### TTR income stream

## 01

### About this document

This target market determination (TMD) sets out the target market or class of consumers for the TelstraSuper RetireAccess TTR income stream<sup>1</sup> product. TTR means transition to retirement.

Please refer to the TelstraSuper RetireAccess Retirement income stream TMD.

This TMD also summarises some (but not all) of the key features of this product.

This document is not a full summary of the product's terms and conditions, nor is it intended to be a substitute for obtaining your own financial advice.

If you wish to acquire this product, you must first read the **TelstraSuper RetireAccess Product Disclosure Statement (PDS)** and any supplementary documents available at [telstrasuper.com.au/pds](https://telstrasuper.com.au/pds) or by calling **1300 033 166**. Consumers may also wish to obtain financial advice before applying for this product.

- Members must have a minimum account balance of \$10,000
- Members can choose from a range of diversified and single asset investment options, with varying investment objectives, risk levels and timeframes which best align to their financial goals, personal circumstances and attitude to investment risk
- Members have access to Death insurance to provide financial assistance to beneficiaries
- with a sustainable premium structure and cover levels considering the impact premiums have on consumer retirement balances.

## 02

### Consistency between the target market and this product

The key terms, features and attributes of TelstraSuper RetireAccess TTR income stream are likely to be consistent with the likely objectives, financial situation and needs of the class of consumer identified in the target market for the following reasons:

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### Important dates

Date from which this TMD is <b>effective</b>	2 October 2023
Date when this TMD was <b>last reviewed</b>	1 July 2023
Date when this TMD will be <b>next reviewed</b>	No later than 2 October 2026

<sup>1</sup> Eligible to open a superannuation account is in accordance with the relevant laws and the Trust Deed.



# 04

## Class of consumers that fall within the target market

TelstraSuper RetireAccess TTR income stream is targeted to all eligible TelstraSuper members who want or need:

- to have the option to access their superannuation savings and receive regular income payments, at a flexible frequency while still working the ability to grow investment earnings to help fund their retirement
- the ability to change how their superannuation balance is invested
- access to Death insurance cover for eligible members with the ability to tailor the cover for their personal situation and life stage (noting that eligibility is dependent on a range of factors including, but not limited to a person's age, residency and health status) to help enable them to better protect their financial wellbeing and their family in the event of death (or diagnosis of a terminal illness)

In addition, to acquire the product a person must:

- have reached their preservation age
- be less than 65 years of age
- have never met a condition of release
- have a minimum balance of \$10,000.

### 4.1 Key attributes

This product is a transition to retirement pension product for members to invest their retirement savings and receive income payments to help fund their transition to retirement and offers:

- a limit on the amount of annual income payment that can be received
- regular income payment options. (twice-monthly, monthly, quarterly, half-yearly and annually)
- a broad range of investment options, covering all major asset classes to suit the conservative through to the aggressive investor
- default Death insurance cover and flexible insurance options up to age 75 providing security for you and your family to suit your personal situation and life stage.

### 4.2 Investment options

The table below sets out the target member for each investment option within TelstraSuper RetireAccess TTR income stream.

Members transferring from TelstraSuper Corporate Plus and Personal Plus products, will have the option to retain their existing investment options or make their own choices from a range of investment options which include growth and defensive investment options<sup>2</sup>.

<sup>2</sup> Each investment option has a target for growth or defensive asset classes. Some classes assets have characteristics of both growth and defensive assets. We call these 'mixed assets'.

Investment option	Designed for members who:	Standard Risk Measure	Suggested minimum timeframe*
<b>High Growth option</b>	<ul style="list-style-type: none"> <li>are looking to include this option as a part of a broader investment strategy</li> <li>are looking for a longer investment timeframe with exposure to higher growth generating assets and options with significant weight in unlisted growth assets</li> <li>are seeking to earn an investment return equivalent to CPI +4.0% and are willing to accept a high level of risk.</li> </ul>	High	10 years or more
<b>Growth option</b>	<ul style="list-style-type: none"> <li>are looking to include this option as a part of a broader investment strategy</li> <li>are seeking growth and are comfortable with high levels of volatility in returns, particularly over the short-term, through an investment option which has a strong bias towards growth assets, such as Australian and International Shares, with a smaller allocation towards defensive assets such as Cash</li> <li>are seeking to earn an investment return equivalent to or higher than CPI + 3.5% p.a. and are willing to accept a higher level of risk</li> </ul>	High	7 to 10 years
<b>Balanced option</b>	<ul style="list-style-type: none"> <li>are looking to include this option as a part of a broader investment strategy</li> <li>are seeking growth and are comfortable with volatility of returns, particularly over the short-term, through an investment option which has a moderate bias towards growth assets, such as Australian and International Shares, with a smaller allocation towards defensive assets such as Cash</li> <li>are seeking to earn an investment return equivalent to or higher than CPI + 3% p.a. and are willing to accept a moderate level of risk</li> </ul>	High	5 to 10 years
<b>Moderate option</b>	<ul style="list-style-type: none"> <li>are looking to include this option as a part of a broader investment strategy</li> <li>are looking for moderate investment growth but with greater security than the Balanced or Growth options and might be looking to access their super in the short to medium-term while continuing to participate in capital growth</li> <li>are seeking to earn an investment return equivalent to or higher than CPI + 2% p.a. and are willing to accept a moderate level of risk</li> </ul>	Medium to High	4 to 10 years
<b>Conservative option</b>	<ul style="list-style-type: none"> <li>are looking to include this option as a part of a broader investment strategy</li> <li>are looking to maintain some growth, with a lower risk of capital loss than the Balanced or Growth options, through an investment option which has a bias towards defensive assets, in particular a high weighting towards Cash, to minimise short-term fluctuations (risk) but has some exposure to growth assets for long-term growth (return)</li> <li>are seeking to earn an investment return equivalent to or higher than CPI + 1% p.a. and are willing to accept a low to moderate level of risk</li> </ul>	Low to Medium	3 to 10 years

\* The timeframes displayed provide an indication of the typical length of time over which investments in each option should be expected to be held.

Investment option	Designed for members who:	Standard Risk Measure	Suggested minimum timeframe*
<b>International Shares option</b>	<ul style="list-style-type: none"> <li>are looking to include this option as a part of a broader investment strategy</li> <li>are looking to achieve potentially high returns in the long-term through exposure to International Shares, while being willing to accept a high level of volatility in returns, through an investment option which has 100% exposure to International Shares</li> <li>are seeking to earn an investment return equivalent to or higher than CPI + 3.5% p.a. and are willing to accept a very high level of risk</li> </ul>	Very High	8 to 10 years
<b>Australian Shares option</b>	<ul style="list-style-type: none"> <li>are looking to include this option as a part of a broader investment strategy</li> <li>are looking to achieve potentially high returns in the long-term through exposure to Australian Shares, while being willing to accept a high level of volatility in returns, through an investment option which has 100% exposure to Australian Shares</li> <li>are seeking to earn an investment return equivalent to or higher than CPI + 3.5% p.a. and are willing to accept a very high level of risk</li> </ul>	Very High	8 to 10 years
<b>Property option</b>	<ul style="list-style-type: none"> <li>are looking to include this option as a part of a broader investment strategy</li> <li>are looking to generate investment returns through investing in property and accept that this option involves a moderate level of risk, through an investment option which invests exclusively in property-based assets, including both Listed Property Trusts and Unlisted Property. For diversification reasons, this may include investment in international property and mortgages or loans secured by property assets</li> <li>are seeking to earn an investment return equivalent to or higher than CPI + 3% p.a. and are willing to accept a high level of risk</li> </ul>	High	5 to 7 years
<b>Diversified Bonds and Credit option</b>	<ul style="list-style-type: none"> <li>are looking to include this option as a part of a broader investment strategy</li> <li>are seeking an investment option where returns are determined by a combination of income payments and changes in capital values caused by changes in interest rates. This option generally provides lower risk and returns than Shares, but can still deliver negative returns, through an investment option which invests primarily in Australian and International Fixed Interest Securities, including fixed, variable and floating interest rate securities issued by government bodies and companies, as well as asset and mortgage-backed securities and mortgages or loans secured by property assets. It may also have exposure to Cash, up to a maximum of 50%</li> <li>are seeking to earn an investment return equivalent to the Bloomberg AusBond Bank Bill Index, adjusted for tax, +0.5% p.a. and are willing to accept a low to medium level of risk</li> </ul>	Low to Medium	4 to 8 years
<b>Cash option</b>	<ul style="list-style-type: none"> <li>are looking to include this option as a part of a broader investment strategy</li> <li>have low risk tolerance to their capital amounts and are prepared to accept generally lower potential returns in comparison to other investment options.</li> <li>may require access to their funds in the short to medium term</li> <li>require access to cash in the short-term or who are seeking a secure, very low risk investment. Over long-term periods, Cash is expected to be the lowest returning asset class, through an investment option which invests 100% in cash and short-term money market securities</li> <li>are seeking to earn an investment return equivalent to the Bloomberg AusBond Bank Bill Index, adjusted for tax and are willing to accept a very low level of risk</li> </ul>	Very Low	0 to 2 years

\* The timeframes displayed provide an indication of the typical length of time over which investments in each option should be expected to be held.

### 4.3 Insurance

The table below sets out the target member for the insurance option within TelstraSuper RetireAccess TTR income stream. Default cover conditions and eligibility requirements are subject to those set out in the PDS.

Members transferring from the TelstraSuper Corporate Plus or TelstraSuper Personal Plus product, are able to retain their existing Death insurance cover. Any voluntary Death insurance cover that is transferred from TelstraSuper Corporate Plus is subject to new premium rates.

<b>Death cover</b>	<ul style="list-style-type: none"> <li>• Members transferring from TelstraSuper Corporate Plus or TelstraSuper Personal Plus who wish to retain their Death cover within the TTR income stream product.</li> <li>• New members who are under 75 years old and who have completed the relevant questions on the application for membership for default Death insurance cover.</li> <li>• Members who are looking for the security of a death benefit payment to provide financial assistance to their dependants when they die (can also be paid if the member has a Terminal Illness), or to afford settlement of their estate via their legal personal representative.</li> <li>• Members under 75 years old who are seeking default Death cover (that do not already have Death cover in another TelstraSuper account) and/or want additional voluntary Death cover.</li> </ul>
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### Exclusions or limitations

While the table above sets out the default cover arrangements for Death insurance cover, certain members do not automatically receive default cover and must complete relevant questions in an insurance declaration and/or complete an application for insurance.

Default cover is based on a member's age next birthday. A member may be eligible to apply to increase their cover, but this may be subject to a health assessment by our insurer or time periods.

If at any time the account balance is below the amount required to pay the insurance premiums, the insurance cover may be cancelled. If this happens, members will need to reapply for Death cover (voluntary cover only) subject to an assessment by our insurer.

Default cover conditions and eligibility requirements are subject to those set out in the PDS.

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### How this product is to be distributed

#### 5.1 Distribution channels

This product will be distributed through the following means:

- TelstraSuper's website
- TelstraSuper's Member Services Team
- TelstraSuper's Business Development/Client Partnership Team
- Telstra Group and participating employers, and/or
- Australian financial advisers, including advisers from Telstra Super Financial Planning Pty Ltd.

#### 5.2 Distribution conditions

This product should only be distributed under the following circumstances.

1. the consumer must be an eligible member of TelstraSuper Corporate Plus and/or TelstraSuper Personal Plus, and
2. the consumer must be eligible to commence a TTR income stream,
3. where a consumer is applying for insurance cover, they must meet the eligibility criteria outlined in the RetireAccess PDS.

This product should not be distributed to a consumer who is not in the target market, unless under personal financial

advice where the consumer's personal objectives, financial situation and needs have been taken into account.

#### 5.3 Adequacy of Distribution conditions and restrictions

TelstraSuper has determined that based on the assessment of the distribution conditions and restrictions outlined above, the distribution of this product will make it likely that consumers who purchase this product are within the target market for which TelstraSuper RetireAccess TTR Income stream has been designed for.

# 06

## Reviewing this TMD

We will review this TMD in accordance with the below:

<b>Initial review</b>	8 November 2021
<b>Last review</b>	1 July 2023
<b>Periodic reviews</b>	2 October 2026 (every three years)
<b>Review triggers or events</b>	<p>Any event or circumstances arising that would suggest the TMD is no longer appropriate. This may include, but is not limited to:</p> <ul style="list-style-type: none"><li>• any ruling or notification by a Regulator or Court requiring the TMD to be reviewed</li><li>• a material change to the design or distribution of this product, including key attributes, terms and/or conditions, related documents that would reasonably suggest that this TMD is no longer appropriate for its target market</li><li>• a material or unexpected increase in metrics, including, but not limited to:<ol style="list-style-type: none"><li>1. the number or substance of complaints in relation to the product design, features, availability or distribution of the product measured in a consecutive 6-month period</li><li>2. the number, nature and magnitude of paid, denied and withdrawn claims, measured in a consecutive 12-month period.</li><li>3. changes to insurance claim outcomes, as defined in the relevant insurance policy</li><li>4. the level and cost of insurance premiums, as defined by the Trustee's Insurance Strategy</li><li>5. a significant increase in the number of members exiting this product (greater than 20% increase year on year)</li></ol></li><li>• the occurrence of a significant dealing (see section 6 'Reporting and monitoring this TMD')</li><li>• change in the distribution of the product where a new distribution channel is introduced</li><li>• material changes to the relevant superannuation laws including any applicable regulatory standards and requirements</li><li>• material changes to insurance policies, the Funds' membership demographics including the number of insured members and other terms and conditions captured in the policy.</li></ul>

# 07

## Reporting and monitoring this TMD

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

<b>Complaints</b>	Distributors must report all complaints (including the occurrence of the number of complaints) in relation to this product within 10 business days of the end of each quarter or as soon as reasonably practicable.  Complaint information should include reasonable details of each complaint including the resolution and the number of member complaints received.
<b>Significant dealings</b>	Distributors must report any significant dealings as soon as practical but no later than 10 business days of becoming aware of a significant dealing  A significant dealing includes: <ul style="list-style-type: none"><li>• the proportion of consumers within a reporting period who have acquired this product but are not in the target market, including specifically excluded from the target market, exceed 20% of the new members for a specific distributor or distribution channel</li><li>• the proportion of the product being distributed to consumers outside the target market within a reporting period exceeds 20% of the total distribution, and</li><li>• there are 10 or more complaints raised about the product's target market within a reporting period.</li></ul>

This information is general advice only and does not take into account your individual objectives, financial situation or needs. Before acting on any advice you should assess whether it is appropriate for you and consider talking to a financial adviser. Before making any decision or acquiring any product you should obtain and review its product disclosure statement by calling 1300 033 166 or visiting our website at [telstrasuper.com.au](http://telstrasuper.com.au)

Telstra Super Pty Ltd, ABN: 86 007 422 522, AFSL 236709, the trustee of the Telstra Superannuation Scheme ABN 85 502 108 833 (TelstraSuper). Telephone 1300 033 166 Website [telstrasuper.com.au](http://telstrasuper.com.au)

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