

# Target Market Determination

For TWUSUPER (Accumulation Division) ABN 77 343 563 307

## 1. About this document

This target market determination (TMD) serves as an overview of TWUSUPER's Accumulation division's product offering.

This document is to assist distributors to determine if the product may suit the consumer's financial objectives, with consideration of an individual's needs, requirements, and situations.

This document is to only provide distributors with a fundamental understanding of the product offering's design to enable assessment of suitability for consumers. The consumer should refer to and consider all the information contained in the Product Disclosure Statement (PDS) and any supplementary documents when making a decision about this product.

This TMD applies to the *Accumulation division* referred to in the following *Product Disclosure Statement* issued 1 August 2022:

[Product Disclosure Statement - Super](#)

**Date from which this target market determination is effective:**

1 August 2022

## 2. 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 the *Accumulation division*, based on the product key attributes and the objectives, financial situation and needs that it has been designed to meet.

This *Accumulation division* has been designed for consumers whose likely objectives, financial situation and needs (as listed below) are aligned with the product (including the key attributes). The *Accumulation division* is for those who:

- > are in the accumulation phase and are seeking a simple product offering, with default insurance cover and a simple investment menu.
- > are looking to grow their retirement savings through superannuation.
- > wish to have some investment choice and additional insurance options.

### Product description and key attributes

The key eligibility requirements and product attributes of this *Accumulation division* are:

- > open to the public.
- > default Death & Total & Permanent Disablement (TPD) cover.
- > access to five investment options.
- > access to additional insurance cover.

TWUSUPER offers eligible members default Death & TPD cover as well as allowing members the option to opt in to voluntary, additional Death, TPD and Income Protection (IP) insurance cover. TWUSUPER also provides corporate insurance offerings for Employees and Officials of the Transport Workers Union (SA/NT branch) and employees of Alpha Flight Services/Dnata catering.

### Objectives, financial situation, and needs

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

Investment option	Designed for	Objective
<b>Cash Plus</b>	May suit members who have a short (less than 3 years) investment timeframe or want a very low level of risk and fluctuations in returns.	Annual rate of return (before tax) greater than the Bloomberg AusBond Bank Bill Index.
<b>Conservative</b>	May suit members who want to invest for over 3 years or more and accept a low to medium level of risk and fluctuations in returns.	Annual return 1.5% higher than the Consumer Price Index over rolling 5 year periods.
<b>Moderate</b>	May suit members who want to invest for over 5 years or more and accept a medium level of risk and fluctuations in returns.	Annual return 2.25% higher than the Consumer Price Index over rolling 7 year periods.
<b>Balanced (MySuper)</b>	May suit members who want to invest for over 5 years or more and accept a medium level of risk and fluctuations in returns.	Annual return 3% higher than the Consumer Price Index over rolling 10 year periods.
<b>High Growth</b>	May suit members who want to invest for more than 7 years and accept a high level of risk and fluctuations in returns.	Annual return 4% higher than the Consumer Price Index over rolling 10 year periods.

Distributors and consumers should note eligibility for cover (as outlined in table below) can vary from fund to fund and the PDS and Insurance Guide should be carefully considered.

Death & TPD form the default insurance offering. Basic cover acts like a safety net, and consists of two units of Death cover up to age 70, and two units of TPD cover up to age 65.

TWUSUPER has received a dangerous occupation exemption on the basis that the majority of jobs in the transport sector are deemed hazardous.

When basic cover is automatically switched on depends on the insurance group consumers are eligible for, as follows:

- > **Insurance Group 1 – Default:** The later of: you are aged 18; and your account receives a mandatory employer contribution; and your account balance is at least \$500.

(Members are defaulted if the Fund does not know their occupation or it is considered “dangerous”).

- > **Insurance Group 1 – Manual:** The later of: you are aged 25; and your account receives a mandatory employer contribution; and your account balance at least \$6,000.
- > **Insurance Group 2 – Non-manual:** The later of: you are aged 25; and your account receives a mandatory employer contribution; and your account balance at least \$6,000.
- > **Insurance Group 3 – Professional:** The later of: you are aged 25; and your account receives a mandatory employer contribution; and your account balance at least \$6,000.

IP is opt-in for those members who are seeking income replacement cover.

The Fund also has two corporate offerings as noted below.

**Insurance cover summary table:**

<b>Death cover (Default) (including terminal illness cover)</b>	Provides consumers and/or their beneficiaries with a lump sum payout in the event of death or an illness, or have incurred an injury, that is likely to result in death within 24 months.
<b>Total and Permanent Disablement (TPD) cover (Default)</b>	Provides consumers with a lump sum payment if they become totally and permanently disabled.
<b>Income protection cover</b>	Provides consumers with monthly income payments for up to two years if they are unable to work due to illness or injury. Not available to members over the age 65. May not be suitable for casual workers.
<b>Transport Workers Union (SA/NT branch)</b>	Separate IP policy for employees of the TWU in SA and NT. Cover starts on 1 July following completion of the 6-month probationary period provided the employee is working 15 hours per week.
<b>Alpha Flight Services/Dnata Catering</b>	In addition to default basic Death & TPD cover, employees of Dnata Catering, who are also members of TWUSUPER, are eligible to apply for tailored IP cover.

**Excluded class of consumers**

This product has not been designed for individuals who have ceased work/retired. They should consider the Retirement Super (TransPension) product.

**Consistency between target market and the product**

The accumulation product is consistent with the expected ongoing demographics of the Fund. Its suitability will continue to be monitored and enhancements to the product and service features will be made to ensure ongoing alignment.

**3. How this product is to be distributed**

**Distribution channels**

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

- > online through the TWUSUPER website
- > education and general advice team
- > field staff team
- > financial advice team (general advice and personal advice relating to TWUSUPER products/offering)\*
- > external advisors
- > various ratings agencies.

All these channels will be monitored by the Issuer and relevant staff/persons have been trained in the distribution of financial products covered by this TMD and the application process.

\*The Trustee has engaged Industry Fund Services Limited (IFS) ABN 54 007 016 195, AFSL No 232514 to facilitate the provision of financial advice to members of TWUSUPER. Advice is provided by one of our financial advisers who are Representatives of IFS. Fees may apply. Further information about the advice services that can be provided is set out in the relevant Financial Services Guide, a copy of which is available for download by calling 1800 222 071. IFS is responsible for any advice given to you by its Representatives.

### Distribution conditions

This product should only be distributed under the following circumstances:

- › under approval from the Trustee, through the channels noted above.

### Adequacy of distribution conditions and restrictions

The resources working in the distribution channels noted receive regular training about the product features and enhancements when made. Engagement is focused on the target market and potential members with similar demographics.

## 4. Reviewing this target market determination

We will review this TMD in accordance with the below:

<b>Initial review</b>	Within 12 months of the effective date to ensure it remains appropriate.
<b>Periodic reviews</b>	At least every 2 years from the initial review.
<b>Review triggers or events</b>	<p>We will also review this TMD if any event or circumstances (called 'review triggers') occur that would reasonably suggest that the determination is no longer appropriate, or the product is no longer consistent with the likely objectives, financial situation and needs of consumers in the target market, such as:</p> <ul style="list-style-type: none"> <li>› a material change happens to the design or distribution of the product including any relevant or material deficiency in the product disclosure and related documentation is found;</li> <li>› occurrence of a significant dealing;</li> <li>› distribution conditions found to be inadequate;</li> <li>› external events such as adverse media coverage or regulatory attention;</li> <li>› complaints or systemic issues which may indicate that the product is no longer suitable for the described target market;</li> <li>› significant changes in metrics, including, but not limited to member feedback and satisfaction, financial performance, benefits to members and product value;</li> <li>› the trustee makes a determination for purposes of s52(9) of Superannuation Industry (Supervision) Act 1993 (Member Outcomes Assessment) that the financial interests of the customers who hold this product are not being met;</li> <li>› failure to meet the performance test benchmarks stipulated under the Your Future Your Super legislation;</li> <li>› material changes in the claim loss ratio/s, claim decline rates and/or claim decline reasons.</li> </ul>

Where a review trigger has occurred, this TMD will be reviewed within 10 business days.

## 5. Reporting and monitoring this target market determination

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

<b>Complaints</b>	TWUSUPER and all its distributors will report all complaints in relation to the product(s) covered by this TMD on a quarterly basis. This will include written details of the complaints.
<b>Significant dealings</b>	Distributors are also required to report to TWUSUPER if they become aware of a significant dealing in relation to this TMD within 10 business days.

TWUSUPER will maintain records of the reasonable steps taken to ensure that the financial products are issued in a manner consistent with the TMD. We will also maintain complete and accurate records of our decisions and the reasons for the decisions related to all TMDs, identifying and tracking review triggers, setting review periods and other matters relevant or documented in this TMD.

Send reports to [ddo@twusuper.com.au](mailto:ddo@twusuper.com.au)

TWU Nominees Pty Ltd (ABN 67 002 835 412), Australian Financial Services Licence No. 239163, is the trustee of TWUSUPER (ABN 77 343 563 307) and the issuer of interests in it.



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