

Target market determination

EMPLOYEE PLAN SUPER | PERSONAL PLAN SUPER

Purpose

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

This TMD is a publicly available document required under section 994B of the *Corporations Act 2001* (Cth). It sets out the target market for the product, distribution conditions, reporting obligations and triggers to review the target market. It forms part of CareSuper's design and distribution framework 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 **Member Guide PDS**, available at caresuper.com.au/pds and consider obtaining financial advice before making a decision whether to acquire this product.

Target market

This product has been designed for a broad target market and includes investment and insurance options, enabling members to tailor the product to match their objectives, financial situation and needs. Distributors should take note of the separately identified sub-markets for the various investment and insurance options.

The **target market** (and sub-markets) for *CareSuper Employee Plan and Personal Plan Super* is outlined below.

Individuals who wish to save for retirement or insure against death or disablement. They will be working, or have the capacity to contribute, or will have a superannuation balance from previous savings or employment.

The **eligibility criteria** for *CareSuper Employee Plan and Personal Plan Super* includes that members must be:

- An individual, and
- Eligible to contribute to super, or have an existing super benefit that they wish to transfer, and
- Currently residing in Australia.

For individuals looking to apply for insurance cover, they must meet the age, employment and residency requirements outlined in the **Member Guide PDS** and **Insurance Guide**.

There are no members for whom *CareSuper Employee Plan and Personal Plan Super* is not suited (**negative target market**) and to whom distribution should be avoided.

INVESTMENT OPTIONS

The below table defines the sub-market for each investment option within the *CareSuper Employee Plan and Personal Plan Super* product.

Investment option	Members the option is designed for	Product key attributes	
		Investment horizon	Risk tolerance
Direct Investment option			
Term deposits and cash hub	Members who are comfortable taking an active role in the investment of their super via direct investments and have sufficient funds to do so.	1 year or less	Very low, Level 1 (Negative returns expected in 0 out of every 20 years)
Securities that form part of the S&P/ASX 300 Index		7 to 10 years	High, Level 6 (Negative returns expected in 5.7 out of every 20 years)
ETFs and LICs		7 to 10 years	High, Level 6 (Negative returns expected in 5.7 out of every 20 years)
Managed options			
Balanced	Members seeking returns above the rate of inflation over the long term, with an investment time horizon of 5+ years.	5+ years	Medium to high, Level 5 (Negative returns expected in 3.8 out of every 20 years)
Growth	Members whose financial situation allows for a higher level of risk, with an investment time horizon of 7+ plus years.	7-10 years	High, Level 6 (Negative returns expected in 4.5 out of every 20 years)
Alternative Growth	Members whose financial situation allows for a higher level of risk and are seeking to invest in growth assets such as shares, property, and alternative investments, with an investment time horizon of 7+ years.	7-10 years	Medium to high, Level 5 (Negative returns expected in 3.7 out of every 20 years)
Sustainable Balanced	Members seeking returns above the rate of inflation over the long term and who prefer environmentally and socially friendly industries and companies, with an investment time horizon of 5+ years.	5+ years	Medium to high, Level 5 (Negative returns expected in 3.8 out of every 20 years)
Conservative Balanced	Members seeking returns above the rate of inflation over the long term with less volatility than the Balanced option, with an investment time horizon of 3 to 5 years.	3-5 years	Medium to high, Level 5 (Negative returns expected in 3.3 out of every 20 years)
Capital Stable	Members seeking long-term capital security, with an investment time horizon of 3+ years.	3+ years	Medium, Level 4 (Negative returns expected in 2.3 out of every 20 years)
Capital Guaranteed	Members seeking to maintain capital value, with an investment time horizon of 1 to 2 years.	1-2 years	Very low, Level 1 (Negative returns expected in 0 out of every 20 years)
Asset class options			
Overseas Shares	Members seeking potentially higher long-term returns from a portfolio of global shares who are willing to accept higher levels of volatility in returns and the possibility of negative returns over the short term, with an investment time horizon of 7+ years.	7-10 years	High, Level 6 (Negative returns expected in 5.5 out of every 20 years)
Australian Shares	Members seeking potentially higher long-term returns from a portfolio of Australian shares who are willing to accept higher levels of volatility in returns and the possibility of negative returns over the short term, with an investment time horizon of 7+ years.	7-10 years	Very high, Level 7 (Negative returns expected in 6.0 out of every 20 years)
Direct Property	Members seeking to generate returns by investing in property and are comfortable with a higher level of risk, with an investment time horizon of 5+ years.	5+ years	Medium to high, Level 5 (Negative returns expected in 4.0 out of every 20 years)
Fixed Interest	Members seeking long-term capital security, with an investment time horizon of 3+ years.	3+ years	Medium, Level 4 (Negative returns expected in 2.2 out of every 20 years)
Cash	Members seeking to maintain capital value, with an investment time horizon of 1 to 2 years.	1 year or less	Very low, Level 1 (Negative returns expected in 0 out of every 20 years)

Note that more detailed information on product attributes such as fees and investment objectives can be found in the **Member Guide PDS** and **Investment Guide**.

INSURANCE

CareSuper Employee Plan and Personal Plan Super offers a variety of insurance options which are key attributes of the product. Members can increase, decrease or cancel their cover. The below table outlines the class of members for whom each type of insurance has been designed.

Insurance type	Overall class of members designed for	Objective / financial need of member	Eligibility criteria	Employment status	Members to be excluded
Death cover	Eligible members requiring financial protection against risk of death or terminal illness.	To protect the members' financial needs in the case of death or terminal illness.	<ul style="list-style-type: none"> • Opt-in if under 25 and/or balance <\$6,000 or personal member • For a Personal Plan member, must have a minimum account balance of \$1,500 	Any, noting that different definitions will apply depending on employment status at date of claim.	<ol style="list-style-type: none"> 1. Members under the age of 15; 2. Members over the age of 69; or 3. Any member ineligible to claim under the policy (see claim exclusions in the CareSuper Insurance Guide).
Total and permanent disablement (TPD)	Eligible members requiring financial protection against risk of permanent disablement.	To protect the members' financial needs in the case of TPD.	<ul style="list-style-type: none"> • No cover if previously diagnosed with a terminal illness (life expectancy under 24 months) or paid a terminal illness benefit. 		<ol style="list-style-type: none"> 1. Members under the age of 15; 2. Members over the age of 64; or 3. Any member ineligible to claim under the policy (see claim exclusions).
Income protection	Eligible members requiring financial protection against risk of temporary illness or injury.	To protect the members' financial needs in the case of temporary illness or injury.	<p>People who:</p> <ul style="list-style-type: none"> • are working full-time or part-time, self-employed or a casual worker or contractor, and either • earning at least \$16,000 p.a. through ongoing work, or • working at least 15 hours each week. <p>Additionally, no cover if previously diagnosed with a terminal illness (life expectancy under 24 months) or paid a TPD or terminal illness benefit.</p>	<p>A full-time or part-time, self-employed or casual worker or contractor, and either:</p> <ul style="list-style-type: none"> • earning at least \$16,000 p.a. through ongoing work, or • working at least 15 hours each week. 	<ol style="list-style-type: none"> 1. Members over the age of 64; 2. Members earning less than \$16,000 p.a. through ongoing work and working less than 15 hours per week; or 3. Any member ineligible to claim under the policy (see claim exclusions).

Note that more detailed information on product attributes such as fees and definitions can be found in the **Member Guide PDS** and **Insurance Guide**.

The above tables outline how the key product attributes align with the class of consumers identified to be in the sub-markets and therefore that the product is likely to be consistent with the likely objectives, financial situation and needs of the members in the target market.

Distribution

The below table outlines CareSuper's permitted distribution channels and associated distribution conditions or restrictions for *CareSuper Employee Plan and Personal Plan Super*.

Distribution channel	Permitted channel	Distribution conditions/restrictions
Direct channels through CareSuper	Yes	Direct Investment option members:
Through personal advice	Yes	<ul style="list-style-type: none"> • Must have a minimum balance of \$10,000 • Can only invest up to a maximum of 95% of their total balance
Through authorised representatives by general/intra-fund advice	Yes	<ul style="list-style-type: none"> • Must keep a minimum balance of \$3000 remaining in CareSuper's other investment options
Default – enrolled via employers	Yes	<ul style="list-style-type: none"> • Must retain a minimum of \$500 in their cash hub
Third-party referrals	Yes – subject to any conditions laid out in the relevant distribution agreements	<ul style="list-style-type: none"> • Can only invest a maximum of 75% of total balance in listed securities
Corporate superannuation tender consultants and successor fund transfers	Yes	<ul style="list-style-type: none"> • Can only invest a maximum of 20% of their total balance in a single listed security.

The distribution conditions outlined above will be reviewed if distribution channels change.

Review process

This TMD will be reviewed every 3 years from the effective date. There are several events or circumstances which will trigger an out of cycle review to determine if this TMD is no longer appropriate.

These review triggers are as follows:

1. Material or unexpectedly high number of complaints (as defined in s944A(1) of the Act) in relation to the product design, features, availability or distribution of the product received in a year
2. Material change to the key attributes of the product design, features or availability
3. Any material changes made under the annual investment strategy review
4. Failure of any of the investment options to meet its objectives over the stated investment horizon with the minimum of one year period
5. Failure to meet the annual insurance member outcomes assessment objectives
6. A formal insurance rate review initiated by CareSuper
7. Use of ASIC's Product Intervention Powers (PIP) requiring CareSuper to cease distribution and/or regulator intervention; and
8. Occurrence of a significant dealing not otherwise captured by review triggers above.

Note that when setting review periods, we may consider any further guidance issued by ASIC.

Distributor requirements

CareSuper regularly monitors the consistency of the distribution of its *CareSuper Employee Plan and Personal Plan Super* with the target market on a 3-year basis.

To assist CareSuper with the identification of potential issues with the distribution of *CareSuper Employee Plan and Personal Plan Super*, distributors are required to report the information to CareSuper as outlined below to DDO@caresuper.com.au.

Reporting	Format	Frequency
Complaints	Whether any complaints were received by distributors about <i>CareSuper Employee Plan and Personal Plan Super</i> where the complaint relates to product design, insurance, and product distribution conditions. The distributor should provide all of the complaint details where appropriate.	Annually
Sales of product outside of TMD	Distributors should report all sales outside of the target market. This should include an indicator as to why the distribution is outside of the target market and if it was under the provision of personal advice.	Annually
Significant dealings	Distributors should advise of any significant dealings outside of the target market.	As soon as possible. No later than 10 business days after the distributor becomes aware of the significant dealing.

 1300 360 149

 caresuper.com.au

 DDO@caresuper.com.au

Disclaimer: The information provided in this document is general advice only and has been prepared without taking into account your particular financial needs, circumstances or objectives. You should consider your own investment objectives, financial situation and needs and read the appropriate product disclosure statement before making an investment decision. You may also wish to consult a licensed financial adviser. Past performance is not a reliable indicator of future performance and you should consider other factors before choosing a fund or changing your investments.