

# Target Market Determination

## TelstraSuper RetireAccess Lifetime Pension

### 01

#### About this document

This target market determination (TMD) sets out the target market or class of consumers for the TelstraSuper RetireAccess Lifetime Pension product (referred to as RetireAccess Lifetime Pension throughout this TMD)<sup>1</sup>.

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, before making a decision to do so, you should first carefully consider the **TelstraSuper RetireAccess Lifetime Pension 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.

- provides the option of a reversionary income to a spouse
- provides a 100% death benefit within the specified period
- provides a withdrawal benefit within the specified period
- can be used to complement existing income sources such as an account-based pension and Government Age Pension (if eligible)
- may assist members to maximise their entitlement to the Government Age Pension
- can provide protection against market volatility (if immediate or deferred payments are selected) or, alternatively, provide some exposure to market volatility if preferred (if market-linked payments are selected).

### 02

#### Consistency between the target market and this product

The key terms, features and attributes of RetireAccess Lifetime Pension 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. The RetireAccess Lifetime Pension:

- provides longevity protection, capital protection and a guaranteed income for life

### 03

#### Important dates

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

<sup>1</sup> This product is available to consumers who are eligible to open a superannuation account in accordance with relevant laws and the TelstraSuper Trust Deed.



# 04

## Class of consumers that fall within the target market

TelstraSuper RetireAccess Lifetime Pension is targeted to all eligible existing and prospective TelstraSuper members who have a minimum of \$10,000 to apply, and want or need:

- regular tax-free income payments to complement their existing account-based pension and Government Age Pension, for the duration of their life, with the option of a reversionary life insured pension, and/or
- the option to defer the commencement of income payments up to age 100, and/or
- the option to accelerate or enhance the income payments to receive a higher amount at commencement, and/or
- the option of indexing these regular income payments to the Customer Price Index (CPI) or the Reserve Bank of Australia (RBA) cash rate, and/or
- the option of linking regular payments to the performance of investment markets (via specific market indexes) and are therefore comfortable with regular payments being less predictable year to year, and/or
- a strategy to maximise their entitlement to the Government Age Pension.

In addition, to acquire the product a person must:

- be aged 60 or over and have unrestricted access to their superannuation balance, and
- are either retired, semi-retired or intending to retire, and
- have in place at the time of applying either a:
  - TelstraSuper RetireAccess Retirement income stream with a balance of at least \$10,000 (excluding funds invested in the Direct Access option), or
  - TelstraSuper Corporate Plus account or TelstraSuper Personal Plus account with a balance of at least \$10,000 (excluding funds invested in the Direct Access option), or
  - TelstraSuper Defined Benefit with a balance of at least \$10,000 in a Voluntary Accumulation Account (excluding funds invested in the Direct Access option).

### 4.1 Key attributes

This product is a lifetime pension product that offers a secure, regular source of tax-free income to last a member's lifetime, and to supplement a member's existing retirement income. It is designed for members to invest their superannuation savings and offers:

- regular monthly tax-free income payment options
- an optional reversionary life insured nomination
- the option of annual indexed adjustments in pension payments to align with movements in CPI or the RBA cash rate
- the option of lifetime pension payment amounts being linked to the performance of investment markets and the ability to choose a higher starting payment in return for a reduction in future indexation
- a withdrawal period (linked to a member's life expectancy) where a balance is available to withdraw
- a death benefit available during the withdrawal period, with a 100% death benefit payable for the first half of the withdrawal period
- an Enhanced Income option that provides the option to forgo a withdrawal period and a death benefit in exchange for higher-income payments.

### 4.2 Excluded consumers

The RetireAccess Lifetime Pension is not suitable for individuals who:

- are under 60 years old
- are seeking solely an account-based pension with a choice of multi-asset and single asset investment options
- need to retain unlimited access to the capital investment that would be invested in the RetireAccess Lifetime Pension
- are in ill health or have a terminal illness that would likely lead to a materially shorter life expectancy
- are seeking insurance cover through a RetireAccess Lifetime Pension
- are currently living in residential aged care or have an Aged Care Assessment Team/Services (ACAT/ACAS) approval that specifies they are eligible to move into an aged care facility.

# 05

## How this product is to be distributed

### 5.1 Distribution channels

This product will be distributed through the following channels:

- general advice and factual information offered through the TelstraSuper Guidance Specialist Team
- personal advice provided by an Australian Financial Service License (ASFL) holder including the advisers from Telstra Super Financial Planning Pty Ltd (TSFP).

Through either of these channels, the consumer will be provided with a quotation for the product, illustrating the variable product features the consumer chooses.

Consumers wishing to acquire the product will be provided with the PDS, along with a payment quotation.

### 5.2 Distribution conditions

This product will be promoted on a landing page of the TelstraSuper website. TelstraSuper will provide education about income layering using a lifetime pension, including by way of an interactive superannuation calculator, and videos. The landing page will be accessible to the general public as well as TelstraSuper members.

Interested consumers can seek assistance, factual information and general advice from the TelstraSuper Guidance Specialist Team. Alternatively, consumers can seek personal advice, including about this product, from advisers of TelstraSuper Financial Planning, who are appointed by TelstraSuper to provide general and personal advice to members and prospective members.

Interested consumers can obtain a PDS and payment quotation for this product, but only TelstraSuper members may purchase this product.

The consumer:

1. must be a member of TelstraSuper RetireAccess Retirement income stream and/or TelstraSuper Corporate Plus and/or TelstraSuper Personal Plus, and/or be a TelstraSuper defined benefit member with a Voluntary Accumulation Account (VAA), and
2. must have considered the **TelstraSuper RetireAccess Lifetime PDS**, and
3. must have completed **RetireAccess Lifetime Pension application** and be in receipt of a valid payment quotation, or
4. must have consented to the completion of the **RetireAccess Lifetime Pension application** by the licensed TSFP financial adviser under a personal financial advice arrangement.

### 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 RetireAccess Lifetime Pension has been designed for.

# 06

## Reviewing this TMD

We will review this TMD in accordance with the below:

<b>Initial review</b>	1 November 2023
<b>Last review</b>	1 November 2023
<b>Periodic reviews</b>	1 November 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. a significant increase in the number of members withdrawing early from this product both within the cooling-off period and within the withdrawal period after the cooling-off period (excluding as a result of death) (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, especially in relation to tax and/or Centrelink treatment of this product, and including any applicable regulatory standards and requirements</li><li>• material change that suggests that the product is no longer consistent with the likely goals and need of the target market</li><li>• where APRA intervenes as a result of Challenger Life not being able to meet its statutory capital requirements.</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>Periodic reviews</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)

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