

# Target Market Determination (TMD) for Brighter Super Optimiser Accumulation Account

Date from which this Target Market Determination is effective **1 February 2024**

## Disclaimer

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 the design and distribution framework for the Fund.

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. Members interested in acquiring this product should carefully read the Product Disclosure Statement (PDS) and any supplementary documentation before making a decision whether to buy this product.

This TMD applies to the Optimiser Accumulation account referred to in the Optimiser Accumulation account PDS.

- **Optimiser Accumulation account PDS – Issued 1 February 2024**
- **Optimiser Investment choice guide – Issued 1 February 2024**
- **Optimiser Insurance guide – Issued 1 February 2024**

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This document has been prepared and issued by LGIASuper Trustee (ABN 94 085 088 484 AFS Licence No. 230511) (Trustee) as trustee for LGIASuper (ABN 23 053 121 564) (Fund), trading as Brighter Super. In this document, Brighter Super may refer to the Trustee or LGIASuper as the case may be.

Brighter Super Optimiser products are issued by the Trustee on behalf of Brighter Super.



# Class of Members that fall within the target market

The information below summarises the overall class of members that fall within the target market based on the product key attributes and the objectives, financial situation and needs that it has been designed to meet. Key eligibility requirements and attributes for both the investment options and insurance options are aligned to the target market.

## Product description

The Brighter Super Optimiser Accumulation account has been designed for members whose likely objectives, financial situation and needs (as listed below) are aligned with the product (including the key attributes).

The Brighter Super Optimiser Accumulation account is for members with a need for capital growth with the objective of accumulating savings for retirement, and those who want a choice of investment options. This product is not a self-managed superannuation fund.

## Objectives, financial situation and needs of member in the target market

The below table outlines the likely objectives, financial situation and needs of members who are part of the target market for the Optimiser Accumulation Account product:

Type of Members	Individual members
Financial Situation of the Member	Members of all ages and life stages with the objective of growing savings for retirement.
Members Desired Investments	<ul style="list-style-type: none"> <li>• The need to choose how superannuation is invested across a range of investment options, with administration by the fund.</li> <li>• The ability to switch between investment options at any time.</li> <li>• Ready-made multi-sector options.</li> <li>• Single asset class options.</li> </ul>
Members Desired Insurance Options	<p>Access to a range of flexible insurance options including the following types of cover:</p> <ul style="list-style-type: none"> <li>• Death and Terminal Illness cover.</li> <li>• Death and TPD cover.</li> <li>• Income Protection cover.</li> </ul> <p>As well as the ability to opt-out of automatic insurance cover, and/or choose no insurance.</p>

## Key product attributes

The Optimiser Accumulation product investment and insurance options provide members with the following key attributes:

- Members can only open a Brighter Super Optimiser account if they are employed by a participating employer.
- Members who open an Optimiser Pension account are also able to roll back into an Optimiser Accumulation account.
- This product helps members accumulate savings for retirement through superannuation.
- The product can still be used after an employee leaves their contributing employer, but different fees and insurance may apply.
- The product is for members in the accumulation phase. This means members who are building wealth for their retirement and have not met a condition of release on their superannuation balances. This phase typically runs from when a member starts work until they reach preservation age.
- The product has investment and insurance options that can be adjusted to reflect a member's changing needs based on age or risk profile.
- It also provides all members the ability to apply for additional insurance cover in the accumulation phase or opt out of cover.
- This product does not offer Transition to Retirement (TTR) or Pensions.
- An employer can choose Death and Total and Permanent Disablement cover and Income Protection insurance cover for their employees and if eligible\*, the member will automatically receive the type and amount of insurance cover selected by their employer.
- If insurance cover is not chosen by an employer, members will automatically receive Trustee Minimum Cover, if eligible\*.
- It offers online 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).

\* Eligibility is subject to legislative requirements and the terms and conditions of the insurance policy.

## Investment options alignment to target market

The Optimiser Accumulation account provides members with several investment options aiming to grow retirement savings. The investment options provide our members with a wide range of wealth generating portfolios so they can make a choice that suits their needs.

Each investment option has a specific purpose and objective. Members can select their investment options, based on their own financial objectives, goals and needs and can switch investments options at any time.

### MULTI-SECTOR INVESTMENT OPTIONS

Multi-sector options invest in/across a broad range of asset classes.

### SINGLE ASSET CLASS INVESTMENT OPTIONS

A single asset class investment option will only invest in assets within that asset class.

#### Key attribute (investment options) alignment with the target market:

Investment Option	Member Need	Return Target	Member Risk Tolerance	Minimum Suggested Investment Timeframe
<b>MySuper (Default) also available as an option</b>	Return-seeking investors who are willing to take moderate risks but would still like the advantages of a proportion of cash and fixed interest in their investment. Prepared to accept likely significant fluctuations in returns over shorter periods.	Return target of 3% per year above inflation over rolling 10-year periods after fees and taxes.	High Risk – Negative returns expected 4.1 years over any 20-year period.	Ten or more years.
<b>Multi-sector investments options</b>				
<b>Multi-Manager Conservative Fund</b>	Those seeking moderate returns and prepared to accept likely modest fluctuations in returns over shorter periods.	Return target of 1.5% per year above inflation over rolling 10-year periods after fees and taxes.	Medium	10 years +
<b>Multi-Manager Balanced Fund</b>	Those seeking moderate returns and prepared to accept likely significant fluctuations over shorter periods.	Return target of 2.5% per year above inflation over rolling 10-year periods after fees and taxes.	Medium to high	10 years +
<b>Multi-Manager Growth Fund</b>	Those seeking high returns and prepared to accept likely significant fluctuations over shorter periods.	Return target of 3.0% per year above inflation over rolling 10-year periods after fees and taxes.	High	10 years +
<b>Multi-Manager High Growth Fund</b>	Those seeking high returns and prepared to accept likely significant fluctuations over shorter periods.	Return target of 3.5% per year above inflation over rolling 10-year periods after fees and taxes.	High	10 years +
<b>Single-sector investment options</b>				
<b>Cash Fund</b>	Those seeking consistent returns on their money in the short term with minimal to low fluctuations in returns over shorter	Aims to outperform the Bloomberg AusBond Bank Bill Index, after fees and taxes.	Very low	1 year +

	periods, even if that return is low and doesn't keep pace with inflation.			
<b>Australian Fixed Interest Fund</b>	Those seeking modest returns from fixed interest only, or those wanting to build their own investment strategy when combined with other single asset class options. Prepared to accept likely modest fluctuations over shorter periods.	Aims to match the return and risk profile of the Bloomberg AusBond Composite 0+ Yr Index, after fees and taxes.	Medium	3 years
<b>Vanguard Australian Fixed Interest Index Fund</b>	Those seeking modest returns from fixed interest only, or those wanting to build their own investment strategy when combined with other single asset class options. Prepared to accept likely low fluctuations over shorter periods.	Aims to track the return of the Bloomberg AusBond Composite 0+ Yr Index, before taking into account fees, expenses and tax.	Low	3 years
<b>Vanguard International Fixed Interest Index Fund (Hedged)</b>	Those seeking modest returns from fixed interest only, or those wanting to build their own investment strategy when combined with other single asset class options. Prepared to accept likely low fluctuations over shorter periods.	Aims to track the return of the Bloomberg Global Treasury Scaled Index hedged into Australian dollars before taking into account fees, expenses and tax.	Low	3 years
<b>First Sentier Wholesale Global Credit Income Fund</b>	Those seeking modest returns from credit only, or those wanting to build their own investment strategy when combined with other single asset class options. Prepared to accept likely modest fluctuations over shorter periods.	Aims to provide income-based returns and to outperform the Bloomberg AusBond Bank Bill Index over rolling 3-year periods before fees and taxes by investing in a diversified portfolio of relatively higher yielding Australian and international fixed interest investments.	Medium	3 years
<b>Ironbark Paladin Property Securities Fund</b>	Those seeking high returns from a diversified property portfolio only, or those wanting to build their own investment strategy when combined with other single asset class options. Prepared to accept likely significant fluctuations in returns over shorter periods.	Aims to outperform its benchmark, the S&P/ASX 300 Australian Real Estate Investment Trust (A-REIT) Accumulation Index, after fees, over rolling 3-year periods.	Very high	5 - 7 years

<b>Australian Listed Property Index Fund</b>	Those seeking high returns from a diversified property portfolio only, or those wanting to build their own investment strategy when combined with other single asset class options. Prepared to accept likely significant fluctuations in returns over shorter periods.	Aims to match the return and risk profile of the S&P/ASX 300 A-REIT Accumulation Index, after fees and taxes.	Very high	5 years +
<b>Global Property Fund</b>	Those seeking high returns from a diversified property portfolio only, or those wanting to build their own investment strategy when combined with other single asset class options. Prepared to accept likely significant fluctuations in returns over shorter periods.	Aims to deliver a similar or superior risk-return profile to the composite benchmark comprising 85% of the FSTE EPRA/NAREIT Developed Rental Index (\$A hedged) and 15% S&P/ASX 300 A-REIT Index by investing largely in listed Real Estate Investment Trusts (REITs) after fees and taxes.	Very high	5 years +
<b>Hyperion Australian Growth Companies Fund</b>	Those seeking high returns from Australian shares only, or those wanting to build their own investment strategy when combined with other single asset class options. Prepared to accept likely significant fluctuations in returns over shorter periods.	Aims to achieve long-term returns above the S&P/ASX 300 Accumulation Index, and minimise the risk of permanent capital loss.	High	5 years +
<b>Australian Shares Fund</b>	Those seeking high returns from Australian shares only, or those wanting to build their own investment strategy when combined with other single asset class options. Prepared to accept likely significant fluctuations in returns over shorter periods.	Aims to broadly match the return and risk profile of the S&P/ASX 300 Accumulation Index, after fees and taxes.	High	5 years +
<b>Australian Shares Multi-Manager Fund</b>	Those seeking high returns from Australian shares only, or those wanting to build their own investment strategy when combined with other single asset class options. Prepared to accept likely significant fluctuations in returns over shorter periods.	Aims to outperform the S&P/ASX 300 Accumulation Index over rolling 3-year periods after fees and taxes.	High	5 - 7 years
<b>Australian Shares Value Fund</b>	Those seeking high returns from Australian shares only, or those wanting to build their own investment strategy when combined with other single asset	Aims to achieve a return in excess of S&P/ASX 300 Accumulation Index over rolling 5-year periods after fees and taxes.	High	5 years +

	class options. Prepared to accept likely significant fluctuations in returns over shorter periods.			
<b>International Shares Fund</b>	Those seeking high returns from international shares only, or those wanting to build their own investment strategy when combined with other single asset class options. Prepared to accept likely significant fluctuations in returns over shorter periods.	Aims to achieve capital growth over the long term by investing predominantly in listed international shares.	High	5 years
<b>International Shares Multi-Manager Fund</b>	Those seeking high returns from international shares only, or those wanting to build their own investment strategy when combined with other single asset class options. Prepared to accept likely significant fluctuations in returns over shorter periods.	Aims to outperform the MSCI All Countries World ex-Australia Index (with net dividends reinvested) in Australian dollars (unhedged) over rolling 3-year periods after fees and taxes.	High	5 years +
<b>Walter Scott Global Equity Fund</b>	Those seeking high returns from international shares only, or those wanting to build their own investment strategy when combined with other single asset class options. Prepared to accept likely significant fluctuations in returns over shorter periods.	Aims to achieve a long-term total return (before fees and expenses) that exceeds the MSCI World ex Australia Index, in \$A unhedged with net dividends reinvested.	Very high	7 years

## Insurance features alignment to target market

The Brighter Super Optimiser Accumulation account provides insurance options that supports the financial stability of our members when an unexpected event occurs. A member's insurance needs are driven by their lifestyle and financial commitments and may change over time. The Optimiser Accumulation product offers members the ability to adjust their cover to suit their needs.

### Insurance attribute (insurance options) alignment with the target market:

Insurance Option	Option purpose aligned to member need	Product eligibility criteria for target market
Death and Total and Permanent Disablement (TPD)	<ul style="list-style-type: none"> <li>Any insurance cover upon your death, diagnosis of a terminal illness or if you are totally and permanently disabled due to sickness or injury.</li> <li>Varied costs and cover tailored to member needs within submarkets across different ages, gender and occupational risk ratings.</li> </ul>	<p>For automatic cover: 25 years or more under the age of 70 balance of \$6,000 or more</p> <p>For opt-in cover: 15 years or more under the age of 70</p>
Death and Terminal Illness	Any insurance cover upon your death or diagnosis of a terminal illness.	<p>For automatic cover: 25 years or more under the age of 70 balance of \$6,000 or more</p> <p>For opt-in cover: 15 years or more under the age of 70</p>
Income Protection	<p>A benefit calculated as a percentage of your monthly income paid to you for up to two years to replace part of your income if you become totally or partially disabled due to sickness or injury.</p> <p>Benefits payable monthly in arrears after a waiting period.</p>	<p>For automatic cover: 25 years or more under the age of 70 balance of \$6,000 or more required to work a minimum of 15 hours per week</p> <p>For opt-in cover: 15 years or more under the age of 70 required to work a minimum of 15 hours per week</p>

**Note: Members cannot have TPD without Death cover, or Income Protection cover without Death cover, unless agreed in writing by the Trustee.**



## Target market consistency

The product and its key attributes have been designed to deliver members superannuation that accumulates wealth with transparent fees and providing investment and insurance options.

### Investment and insurance option consistency with the objectives, financial situation and needs of members within the target market:

Product Attribute	Target Market Needs, Objective and Financial Situation	Product Consistency and Adequacy for Target Market
Investment Options	<ul style="list-style-type: none"> <li>Typically, at different life stages members may have different risk tolerances, however this is still a personal choice.</li> <li>More risk averse or members closer to retirement may choose investments with more stable returns over shorter investment timeframes. While younger members, those less risk averse or with the ability to invest longer term may choose more aggressive investment portfolios.</li> <li>Member investment experience may range from little or basic knowledge to the more informed or experienced investor.</li> </ul>	<ul style="list-style-type: none"> <li>Depending on risk appetite at any time in life there is a wide range of investment options.</li> <li>The freely available opt-in opt-out choice for each investment type, means the product allows members to tailor their investment choice to suit their individual needs at any stage in life.</li> <li>Investment option choices include diversified asset combinations (including the default fund) as well as single class asset options (e.g., shares). Catering to the diverse range of potential investment experience our members can allocate the portion of funds invested across any combination of investment options.</li> </ul>
Insurance	<ul style="list-style-type: none"> <li>The insurance requirements of a member change throughout their lifetime.</li> <li>A member's debt levels and loss of income due to death, injury, or illness e.g., mortgage and the future liabilities in relation to any dependents are the primary drivers of insurance needs.</li> <li>Member professional status may also create a need for different requirements for cover.</li> <li>Some members will place a high value on ensuring that they take out adequate insurance cover due to their risk appetite and personal circumstances. Other members place a low value on insurance as being important to them. These members can self-insure, or they may have a higher appetite for risk.</li> </ul>	<ul style="list-style-type: none"> <li>The insurance opt-in opt-out options for members and ability to change the level of cover over a lifetime provide consistency with the target market needs.</li> <li>Cover alignment to professional risk status tailors the product fit to member needs (e.g., professional, blue collar and white collar).</li> </ul>



# How this product is to be distributed

## Distribution channel and conditions

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.

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
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>
Through licenced advisers	<ul style="list-style-type: none"><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 Brighter Super.</li></ul>

**Note: If a distributor does not abide by the above conditions and restrictions Brighter Super 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 Brighter Super 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.

# Reviewing this Target Market Determination

The Fund will review this TMD in accordance with the below:

Review Type	Review Details
Last Review	<b>1 February 2024</b>
Periodic Reviews	This TMD will be reviewed at least every 12 months. This TMD will also be reviewed where a review trigger occurs or when the Trustee otherwise decides to undertake a review.
Review Triggers or Events	<p>Any event or circumstances arise that would suggest the TMD is no longer appropriate. This may include (but not limited to):</p> <ul style="list-style-type: none"> <li>• A material change to the design or distribution of the product, including documentation.</li> <li>• Occurrence of a significant dealing outside the TMD.</li> <li>• Distribution conditions found to be inadequate, with indications that the distribution conditions do not make it likely that the members who acquire the product are in the target market.</li> <li>• The nature, number and outcomes of product related complaints.</li> <li>• A significant increase in fund outflows and /or members exiting the product.</li> <li>• A significant increase in investment option switching.</li> <li>• Material changes in investment performance: <ul style="list-style-type: none"> <li>• Results of member outcomes monitoring/reviews.</li> <li>• The performance of the product relative to its investment objective, appropriate benchmarks (if any) and similar products (e.g., a change in expected performance in light of significant changes in market conditions such as an economic downturn).</li> </ul> </li> <li>• Significant losses suffered by members and whether the product is still likely to achieve its investment objective over time.</li> <li>• Whether the liquidity of the product has changed and whether the product is able to continue to offer regular withdrawals.</li> <li>• The fees of the product compared to similar types of products.</li> <li>• The taxation implications of the product compared to similar products.</li> <li>• Whether the product remains on approved product lists and menus for key distributors.</li> <li>• External events such as adverse media coverage, regulatory attention or change in legislation.</li> <li>• Material changes in insurance product performance: <ul style="list-style-type: none"> <li>• Insurance cancellation rates.</li> <li>• Rates of paid, denied and withdrawn insurance claims.</li> </ul> </li> </ul>

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

Where a review trigger has occurred, this Target Market Determination will be reviewed within **10 business days**. If a significant dealing that is not consistent with the Target Market Determination is identified ASIC will be notified. Distributors can report significant dealings and/or review triggers to **info@brightersuper.com.au**.

The information that is required to be included in the report is:

- the date of the occurrence/event,
- the date they became aware of the significant dealing or review trigger,
- description of the occurrence/event,
- how the occurrence/event was identified, and
- any steps taken to resolve the significant dealing/review trigger.

## Reporting and monitoring this Target Market Determination

Distributor information reporting periods.

The Fund may collect the following information from our distributors in relation to this TMD:

Requirements and Reporting Deadlines	
Complaints	Distributors will report all complaints in relation to the product(s) covered by this TMD on a monthly basis. This will include written details of the complaints including: <ul style="list-style-type: none"><li>• the nature of the complaints including whether they relate to product design, product availability and distribution conditions</li><li>• periods where there were no complaints.</li></ul>
Significant Dealing	Distributors will report if they become aware of a significant dealing in relation to this TMD within <b>10 business days</b> .



right by your side

Level 20, 333 Ann Street Brisbane Qld 4000 GPO Box 264 Brisbane Qld 4001  
Telephone: **1800 444 396** From overseas +61 7 3244 4300 Fax 07 3244 4344  
[info@brightersuper.com.au](mailto:info@brightersuper.com.au) [brightersuper.com.au](http://brightersuper.com.au)



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