

Target Market Determination (TMD) for Brighter Super Optimiser Transition to Retirement (TTR) Pension Account

Date from which this Target Market Determination is effective **30 November 2023**

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 Transition to Retirement Pension Account referred to in the Product Disclosure Statement which is made of two parts:

- **Optimiser Pension accounts PDS (Part 1) - Date issued 30 November 2023**
- **Optimiser Pension Investment choice guide (Part 2) - Date issued 30 November 2023**

SUPERANNUATION INVESTMENT ADVICE INSURANCE



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 the investment options are aligned to the target market.

Product description

This Brighter Super Optimiser Transition to Retirement (TTR) Pension 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 TTR Pension product is for members who have reached their preservation age (but not yet retired) who want to start drawing an income from their super and make an active choice by selection of one or more investment options.

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 Transition to Retirement (TTR) Pension Account product:

Type of Members	Brighter Super Optimiser Accumulation account members, who are individual members and have full access to some or all of their superannuation.
Financial Situation of the Member	<ul style="list-style-type: none"> Members who have reached their preservation age and not yet retired, wanting to draw from their superannuation. Members may be seeking to work less, use a TTR to top up their super (within the contribution caps) or perhaps take a lower paid position leading up to retirement. Comfortable to invest more than \$50,000 (subject to Transfer Balance Cap). Members seeking to draw between the minimum and maximum amounts permitted under law.
Members Desired Investments	<ul style="list-style-type: none"> Investments chosen by the member from an investment menu, with administration provided by the fund. The ability to switch between investment options at any time. Multi-sector options. Single asset class options
Members Desired Insurance Options	Brighter Super Optimiser Transition to Retirement (TTR) Pension Accounts do not provide insurance cover.

This product is **not available** to the members who have:

- not reached their preservation age.
- reached their preservation age and retired.

Key product attributes

The Optimiser TTR product provides members with key attributes including:

- 5 regular income payment frequency options (fortnightly, monthly, quarterly, half-yearly or annually).
- Option to have this account open at the same time as a Brighter Super accumulation account meaning superannuation contributions from an employer can still be added to this account including salary sacrifice contributions (where eligible depending on age and work status).
- Ability to adjust the selection of investment options at any time and at no cost. Upon the member's death – option for balance of pension in lump sum to nominated dependents or as a reversionary beneficiary (pension paid to a nominated preferred beneficiary).
- Lump sum withdrawals are not available.
- This product is only open to members who hold a Brighter Super Optimiser Accumulation account and wish to transfer to an Optimiser Pension account.

Investment options alignment to target market

The Brighter Super Optimiser TTR account provides members with several investment options to help those who have reached their preservation age but do not have full access to their super to top up their income. 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
Multi-sector investments options				
Transition to Retirement Multi-Manager Conservative Fund	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 +
Transition to Retirement Multi-Manager Balanced Fund	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 +
Transition to Retirement Multi-Manager Growth Fund	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 +
Transition to Retirement Multi-Manager High Growth Fund	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 +
Single-sector investment options				
Transition to Retirement Cash Fund	Those seeking consistent returns on their money in the short term with minimal to low fluctuations in returns over shorter periods, even if that return is low and doesn't keep pace with inflation.	Aims to outperform the Bloomberg AusBond Bank Bill Index, after fees and taxes.	Very low	1 year +
Transition to Retirement Australian Fixed Interest Fund	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 O+ Yr Index, after fees and taxes.	Medium	3 years

Transition to Retirement Vanguard Australian Fixed Interest Index Fund	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
Transition to Retirement Vanguard International Fixed Interest Index Fund (Hedged)	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
Transition to Retirement First Sentier Wholesale Global Credit Income Fund	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
Transition to Retirement Ironbark Paladin Property Securities Fund	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
Transition to Retirement Australian Listed Property Index Fund	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 +
Transition to Retirement Global Property Fund	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)	Very high	5 years +

		and 15% S&P/ASX 300 A-REIT Index by investing largely in listed Real Estate Investment Trusts (REITs) after fees and taxes.		
Transition to Retirement Hyperion Australian Growth Companies Fund	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 +
Transition to Retirement Australian Shares Fund	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 +
Transition to Retirement Australian Shares Multi-Manager Fund	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
Transition to Retirement Australian Shares Value Fund	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 a return in excess of S&P/ASX 300 Accumulation Index over rolling 5-year periods after fees and taxes.	High	5 years +
Transition to Retirement International Shares Fund	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
Transition to Retirement International Shares Multi-Manager Fund	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	Aims to outperform the MSCI All Countries World ex-Australia Index (with net dividends reinvested) in Australian dollars	High	5 years +

	accept likely significant fluctuations in returns over shorter periods.	(unhedged) over rolling 3-year periods after fees and taxes.		
Transition to Retirement Walter Scott Global Equity Fund	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

Target market consistency

The Brighter Super Optimiser TTR product and its key attributes have been designed for members (who have reached their preservation age, but not yet retired) who want the ability to draw on their superannuation (subject to the 10% limit per year) as they transition to retirement.

Investment 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">• Typically, at different life stages members may have different risk tolerances, however this is still a personal choice.• Risk averse members may seek investment choices with more stable returns over shorter investment timeframes. Less risk averse members hoping to benefit from higher growth rates may choose more aggressive investment portfolios.• Member investment experience may range from little or basic knowledge to the more informed or experienced investor.• Members may need a complete or partial annual income supplement from their superannuation savings in retirement and will likely seek to optimise their investment returns.	<ul style="list-style-type: none">• Depending on risk appetite at any time in life there is a wide range of investment options.• 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.• 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.

How this product is to be distributed

Distribution channel and conditions

Distribution of the Optimiser TTR Pension is directed towards target market via active distribution channels and must meet the distribution conditions outlined. The Optimiser TTR Pension product must only be distributed when there is a compliant Target Market Determination that has been published

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 below.

Distribution channels	Distribution conditions and restrictions
Direct by application form (Web) (Self service)	<ul style="list-style-type: none">• Appropriate controls are in place to ensure that the website directs the distribution towards the intended target market and minimises exposure to those not within the target market.
Direct by Phone (No Advice model) (Self serve with guidance)	<ul style="list-style-type: none">• Authorised representatives must have completed a training program approved by Brighter Super.• No Advice provided.
Through licenced advisers	<ul style="list-style-type: none">• The licensee must agree to provide data for review triggers.• The licensee must comply with the agreed terms and conditions outlined in the terms of trade issued by Brighter Super.

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.

Adequacy of distribution conditions and restrictions

For the TTR Pension product, the target market is anyone eligible (who has reached their preservation age and not yet retired) wanting the ability to draw on their super.

Appropriate product distribution conditions are in place to direct distribution towards the target market and ensure reasonable steps have been taken to make it likely that members within the target market acquire the product. This includes:

- Strict product eligibility requirement criteria to prevent members outside the defined target market from acquiring the product.
- Restricted distribution channels to ensure equitable product access to both default employer members and public offer members within the defined target market.
- A 14 day 'cooling off' period which enables any newly opened account to be cancelled, and funds transferred back to the member or another superannuation fund (depending on timing and circumstances).

Reviewing this Target Market Determination

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

Review Type	Review Details
Last Review	30 November 2023
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"> • A material change to the design or distribution of the product, including documentation. • Occurrence of a significant dealing outside the TMD. • 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. • The nature, number and outcomes of product related complaints. • A significant increase in fund outflows and /or members exiting the product. • A significant increase in investment option switching. • Material changes in investment performance: <ul style="list-style-type: none"> • Results of member outcomes monitoring/reviews. • 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). • Significant losses suffered by members and whether the product is still likely to achieve its investment objective over time. • Whether the liquidity of the product has changed and whether the product is able to continue to offer regular withdrawals. • The fees of the product compared to similar types of products. • The taxation implications of the product compared to similar products. • Whether the product remains on approved product lists and menus for key distributors. • External events such as adverse media coverage, regulatory attention or change in legislation.

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">• the nature of the complaints including whether they relate to product design, product availability and distribution conditions• periods where there were no complaints.
Significant Dealing	Distributors will report if they become aware of a significant dealing in relation to this TMD within 10 business days .



right by your side

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