

Target market determination

For Equip Transition to Retirement Pension,
provided by Togethr Trustees Pty Ltd (ABN 64 006 964 049, AFSL 246383)

About this document

When to use this target market determination

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

This document is not to be treated as a full summary of the product's features and risks and is not intended to provide financial advice. Members must refer to the *Product Disclosure Statement* (PDS) and any supplementary documentation when making a decision about this product.

Product disclosure statement to which this target market determination applies

This TMD applies to the Equip Transition to Retirement Pension referred to in the following disclosure document:

- Equip Transition to Retirement Pension *Product Disclosure Statement* 1 October 2021

Date from which this target market determination is effective

- 1 October 2021

Class of members that fall within this target market

The information below summarises the overall class of members that fall within the target market for Equip Transition to Retirement Pension, based on the product's key attributes and the objectives, financial situation and needs that it has been designed to meet.

Equip Transition to Retirement Pension is for members over preservation age and under age 65, at any level of wealth. Members will have an objective of drawing an income from their superannuation savings through a compliant retirement income vehicle.

Product description and key attributes

Equip Transition to Retirement Pension provides members with a regular, flexible income stream, while ensuring compliance with transition to retirement regulations, including entry eligibility criteria and minimum and maximum draw down restrictions.

Investments

- Members can choose from 5 diversified and 6 single sector investment options to tailor their investments according to their financial goals and risk tolerance.
- They can also switch their investment options at any time.

Payments

- Members can draw down a regular income at intervals suited to their needs.
- They can choose between a nominated amount or set it to the minimum or maximum permitted amount.

Beneficiaries

- Members can make a reversionary, binding or non-binding beneficiary nomination to advise how their account should be treated should they die.

Fees and premiums

- Members are charged administration fees of \$2.50 per week plus 0.25% per annum on a member's account balance (up to a maximum \$1,250 per annum).
- Members are charged an estimated investment fee between 0.06% to 0.46% per annum, depending on the investment option(s) they are invested in, to cover the trustee's costs of managing the investments.
- To cover the costs of external investment managers and services, members incur an estimated indirect cost ratio between 0% to 0.88% per annum, depending on the investment option(s) they are invested in, which reduces the value of their assets.

Profit to members

- Equip is a profit-to-member industry superannuation fund.

Objectives, financial situation and needs

The table below sets out the class of members that each investment option within Equip Transition to Retirement Pension has been designed for. Equip Transition to retirement pension's range of investment options allows members to choose investments suited to their financial goals and tolerance to risk.

Growth Plus	<ul style="list-style-type: none"> ■ This option is designed for members who are prepared to accept an aggressive asset allocation which has the potential of providing higher returns, but also increases the risk of a negative return. ■ Members will be seeking a net return of at least 3.75% p.a. above inflation (measured by CPI) over rolling 10-year periods, in order to achieve their investment objective. ■ The minimum suggested time frame to invest in this product is 10 years. ■ The risk level of this option is high, with a likelihood of negative returns occurring 5.5 years in a 20-year period.
Growth	<ul style="list-style-type: none"> ■ This option is designed for members who are prepared to accept an aggressive asset allocation which has the potential of providing higher returns, but also increases the risk of a negative return. ■ Members will be seeking a net return of at least 3.5% p.a. above inflation (measured by CPI) over rolling 10-year periods, in order to achieve their investment objective. ■ The minimum suggested time frame to invest in this product is 10 years. ■ The risk level of this option is high, with a likelihood of negative return occurring 5.3 years in a 20-year period.
Balanced Growth	<ul style="list-style-type: none"> ■ This option is designed for members who want a balance between risk and return, but who are prepared to accept a more aggressive asset allocation than the Balanced option. ■ Members will be seeking a net return of at least 3% p.a. above inflation (measured by CPI) over rolling 10-year periods, in order to achieve their investment objective. ■ The minimum suggested time frame to invest in this product is 10 years. ■ The risk level of this option is medium to high, with a likelihood of negative returns occurring 4.3 years in a 20-year period.
Balanced	<ul style="list-style-type: none"> ■ This option is designed for members who want a balance between risk and return. ■ Members will be seeking a net return of at least 2% p.a. above inflation (measured by CPI) over rolling 7-year periods, in order to achieve their investment objective. ■ The minimum suggested time frame to invest in this product is 7 years. ■ The risk level of this option is medium to high, with a likelihood of negative returns occurring 3.7 years in a 20-year period.
Conservative	<ul style="list-style-type: none"> ■ This option is designed for members who wish to select a less aggressive asset allocation in exchange for more stability and security. ■ Members will be seeking a net return of at least 1.5% p.a. above inflation (measured by CPI) over rolling 5-year periods, in order to achieve their investment objective. ■ The minimum suggested time frame to invest in this product is 5 years. ■ The risk level of this option is medium, with a likelihood of negative returns occurring 2 years in a 20-year period.
Australian shares	<ul style="list-style-type: none"> ■ This option is designed for members who are prepared to accept an aggressive asset allocation which has the potential of providing higher returns, but also increases the risk of a negative return. ■ Members will be seeking to outperform the S&P/ASX 300 Accumulation Index over rolling 5-year periods, in order to achieve their investment objective. ■ The minimum suggested time frame to invest in this product is 5 years. ■ The risk level of this option is very high, with a likelihood of negative returns occurring 6.4 years in a 20-year period.
Overseas shares	<ul style="list-style-type: none"> ■ This option is designed for members who are prepared to accept an aggressive asset allocation which has the potential of providing higher returns, but also increases the risk of a negative return. ■ Members will be seeking to outperform the MSCI All Country Index ex Australia (70% unhedged / 30% hedged) over rolling 5-year periods, in order to achieve their investment objective. ■ The minimum suggested time frame to invest in this product is 5 years. ■ The risk level of this option is very high, with a likelihood of negative returns occurring 6 years in a 20-year period.
Sustainable Responsible Investments	<ul style="list-style-type: none"> ■ This option is designed for members who are prepared to accept an aggressive asset allocation which has the potential of providing higher returns, but also increases the risk of a negative return. ■ Members will be seeking to outperform the RobecoSAM Dow Jones Sustainability Index Australia, over rolling 5-year periods in order to achieve their investment objective. ■ The minimum suggested time frame to invest in this product is 5 years. ■ The risk level of this option is very high, with a likelihood of negative returns occurring 6.4 years in a 20-year period.
Property	<ul style="list-style-type: none"> ■ This option is designed for members who wish to select a moderately aggressive asset allocation, which increases the risk of negative returns. ■ Members will be seeking to outperform a blend of the Mercer Australia Unlisted Property Index (80%) and the FTSE EPRA/NAREIT Global Index (20%, hedged), over rolling 5-year periods in order to achieve their investment objective. ■ The minimum suggested time frame to invest in this product is 5 years. ■ The risk level of this option is high, with a likelihood of negative returns occurring 4.7 years in a 20-year period.

Fixed Interest	<ul style="list-style-type: none"> ■ This option is designed for members who wish to select a relatively defensive asset allocation with more stability and security than more aggressive asset allocations. This option is expected to generate modest returns over time, with a small but not zero chance of negative return in any 12-month period and is considered to be more aggressive than cash. ■ Members will be seeking to outperform a blend a mix of the Bloomberg AusBond All Maturities Composite Bond Index (50%) and the Bloomberg Barclays Global Aggregate Index (50%), hedged to Australian dollars, over rolling 5-year periods in order to achieve their investment objective. ■ The minimum suggested time frame to invest in this product is 5 years. ■ The risk level of this option is low to medium, with a likelihood of negative returns occurring 1.5 years in a 20-year period.
Cash	<ul style="list-style-type: none"> ■ This option is designed for members who wish to select a very defensive asset allocation with a very low chance of a negative return and expected stable but lower returns over the long term. ■ Members will be seeking to outperform the Bloomberg AusBond Bank Bill Index over a year, in order to achieve their investment objective. ■ There is no minimum period suggested for holding this option. ■ The risk level of this option is very low, with a likelihood of negative returns occurring 0 years in a 20-year period.

Consistency between target market and the product

Analysis has determined that the needs and objectives of the identified class of members align with the key terms, attributes and features of the product as listed above. The product provides a default offering suitable for the broadness of the target market yet enables personalisation through a variety of options and features.

How this product is to be distributed

Distribution channels

This product has been designed to be distributed through the following means:

- Directly by the trustee
- Togethr Financial Planning Pty Ltd

Distribution conditions

This product is open to all members who have met the following criteria:

- they are over the preservation age; and
- they are under age 65; and
- they are able to meet the \$25,000 minimum to open an account.

Adequacy of distribution conditions and restrictions

The distribution conditions have been assessed and are limited to the two distribution channels above. These channels are appropriate to ensure the product is directed toward the target market for whom the product has been designed.

Reviewing this target market determination

We will review this target market determination in accordance with the below.

Initial review	Within the first year of the effective date.
Periodic reviews	At least every three years from the initial review.
Review triggers or events	<p>Any event or circumstances that suggests the TMD is no longer appropriate. This may include (but not limited):</p> <ul style="list-style-type: none"> ■ a material change to the design or distribution of the product, including related documentation; ■ occurrence of a significant dealing outside the target market; ■ distribution conditions found to be inadequate; ■ external events such as adverse media coverage or regulatory attention; ■ significant changes in metrics, including, but not limited to, complaints, significant deviation from benchmarks and high volumes of unforeseen member transactions; and ■ material changes to the laws which govern this product.

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

Reporting and monitoring this target market determination

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

Complaints	Distributors will report all complaints in relation to the product covered by this TMD on a quarterly basis. This will include written details of the complaints.
Significant dealings	Distributors will report if they become aware of a significant dealing in relation to this TMD within 10 business days.

TMD_TRP_1021



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