

**BEST Superannuation Pty Ltd**

ABN 57 070 732 008, AFS Licence 530672, RSE Licence No. L0001939

as trustee of the

**Goldman Sachs & JBWere Superannuation Fund**

ABN 55 697 537 183, Registration No. R1005271

# Target Market Determination

## Account Based Pension Product

<b>Date of Current Version</b>	23 August 2022
<b>Review Frequency</b>	Initial Annual review, then Triennially
<b>Drafter/Reviewer</b>	Mercer Consulting (Australia) Pty Ltd/ Fund Secretary
<b>Trustee Reviewer</b>	Audit, Risk and Compliance Committee
<b>Trustee Approver</b>	Audit, Risk and Compliance Committee

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## Contents

1. Introduction.....	2
2. Important dates.....	2
3. Class of consumers that fall within this target market .....	2
4. How this product is to be distributed.....	4
5. Reviewing this target market determination.....	5
6. Reporting and monitoring this target market determination .....	5

## 1. Introduction

### 1.1. Background

A **Target Market Determination (TMD)** is required under section 994B of the Corporations Act. It sets out the target market for the product, triggers to review the target market and certain other information. It forms a key part the Trustee's design and distribution obligations.

### 1.2. Purpose

This TMD seeks to offer consumers, distributors and service providers with an understanding of the class of consumers for which this product has been designed, having regard to the objectives, financial situation and needs of the target market.

### 1.3. Scope

This TMD is prepared for the **Account Based Pension product**, which is a choice product in the Goldman Sachs & JBWere Superannuation Fund (**the Fund**). The Fund is not a public offer fund.

The Product Disclosure Statement and supplementary documents to which this target market determination apply are located on the website under the Product Disclosure tab at [www.gsibwsuper.com.au/documents.html](http://www.gsibwsuper.com.au/documents.html) and include:

- Product Disclosure Statement
- Features of the Goldman Sachs & JBWere Superannuation Fund
- Investment Guide

### 1.4. Disclaimer

This TMD document is not a Product Disclosure Statement, is not a summary of the product features or terms of the product and is not intended to provide financial advice. 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 Product Disclosure Statement for the Fund before making a decision whether to buy this product.

## 2. Important dates

Date from which this target market determination is <b>effective</b>	5 October 2021
Date when this target market determination was <b>last reviewed</b>	23 August 2022
Date when this target market determination will be <b>next reviewed</b>	5 October 2025

## 3. Class of consumers that fall within this target market

The information below summarises the overall class of consumers that fall within the target market for the Account Based Pension product.

This Account Based Pension product **is** designed for consumers who:

- Are a current member of the Fund;
- Are eligible for an unrestricted non-preserved superannuation benefit and are drawing down accumulated superannuation savings;
- Are not making superannuation contributions;
- Are investing for long term returns;
- Are comfortable with a very high level of investment risk; and

- Are comfortable with a single growth investment option.

This Account Based Pension product is **not** designed for consumers who:

- Are not a current member of the Fund;
- Are not eligible for an unrestricted non-preserved superannuation benefit;
- Are making superannuation contributions;
- Are not investing for long term returns;
- Are not comfortable with a very high level of investment risk; and
- Would like a choice of investment options.

### Product description and key attributes

The key eligibility requirements and product attributes of this Account Based Pension product are:

<b>Eligibility</b>	Membership is open to existing Fund members who have retired from employment and meet the requirements for payment of a cash lump sum benefit under the preservation rules.
<b>Maximum Investment</b>	The maximum that can be invested in a new account based pension is subject to Government limits, currently \$1.7 million. No additional contributions can be added to the product once the pension is commenced.
<b>Investments</b>	A single growth investment option with a long term investment return objective, and a high level of investment risk
<b>Services</b>	<ul style="list-style-type: none"> <li>• Fund website;</li> <li>• an Online member portal; and</li> <li>• Helpline.</li> </ul>

### Objectives, financial situation and needs

The class of consumers that the investment option within the Account Based Pension product has been designed for is those consumers seeking:

<b>Investment choice</b>	A single investment strategy with no investment choice.
<b>Return objective</b>	To generate a total net return of at least 4% above inflation over a 10 year rolling period.
<b>Level of Investment Risk</b>	Very high Negative returns expected in a maximum of 6 out of every 20 years.
<b>Investment time horizon</b>	Long term investment time horizon which is consistent with the investment return objective.
<b>Life stage of consumer</b>	Retired, and meets the requirements for payment of a cash lump sum benefit under the preservation rules.
<b>Investment fees</b>	Competitive investment fees, while noting that the return objective is a total net return target, after fees and taxes.

## Consistency between target market and the product

The Account Based Pension product is likely to be consistent with the likely objectives, financial situation and needs of the class of consumers in the target market:

- The purpose of the Account Based Pension product is to allow an existing member who may be retiring from employment, and meets the requirements for payment of a cash lump sum benefit under the preservation rules, to drawdown on his/her accumulated superannuation savings in retirement;
- The distribution conditions restrict distribution of the product to the class of consumers defined in the target market;
- Currently approximately:
  - 30% of Account Based Pensioners are aged 60 to 64;
  - 35% are aged 65 to 69;
  - 21% are aged 70 to 74;
  - 15% are aged 75 to 84; and
- The delivery of a growth investment strategy where the long term investment objective is being exceeded.

## 4. How this product is to be distributed

### Distribution channels

This product is designed to be distributed through the following channels:

- A 'Application for membership and nomination of beneficiary – pension' form available on the Fund's website;
- A request for an 'Application for membership and nomination of beneficiary – pension' form through the Helpline;
- A request for an 'Application for membership and nomination of beneficiary – pension' form through the administrator;
- With the assistance of a financial adviser.

Application forms are also available on the Fund's website for distribution to eligible:

- Spouse members; and
- Retained Benefit members.

### Distribution conditions

This product should only be distributed to:

- a) Existing accumulation members of the Fund who meet the requirements for payment of a cash lump sum benefit under the preservation rules; or
- b) Existing Spouse members and Retained Benefit members of the Fund who meet the requirements for payment of a cash lump sum benefit under the preservation rules.

### Adequacy of distribution conditions and restrictions

The distribution conditions and restrictions are very specific and limit access to the Account Based Pension product to a distinct class of consumers. Distribution is actively and effectively monitored.

## 5. Reviewing this target market determination

The Trustee will review this target market determination in accordance with the below:

<b>Initial review</b>	October 2022
<b>Next periodic review</b>	October 2025
<b>Review triggers or events</b>	<p>Any event or circumstances arise 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>• a material change to the design or distribution of the product, including related documentation;</li> <li>• a Member Outcomes Assessment that the product is not meeting members best interests;</li> <li>• occurrence of a significant dealing;</li> <li>• complaints reporting indicates a systematic failure of the product design or distribution conditions;</li> <li>• significant increase in members exiting the product;</li> <li>• a breach notification indicates a systematic failure of the product design or product distribution.</li> </ul>

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

## 6. Reporting and monitoring this target market determination

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

<b>Complaints</b>	<p>Complaints reporting in relation to the product(s) covered by this TMD is monitored on a monthly basis.</p> <p>Monitoring will include the substance of complaints and general feedback relating to the product and its performance.</p>
<b>Significant dealings</b>	<p>Distributors will report if they become aware of a significant dealing in relation to this TMD within 10 business days.</p> <p>When considering if a significant dealing has occurred the distributor will have regard to:</p> <ul style="list-style-type: none"> <li>• 15% or more of consumers who have acquired the product but are not in the target market, including the proportion of consumers who are part of a class of consumers that have been specifically excluded from the target market;</li> <li>• Potential/actual harm to consumers if consumers outside the target market acquire the product, such as investment losses relative to the benchmark of 5% to 10% of assets;</li> <li>• 10% or more superannuation contributions to the product are from consumers outside the target market;</li> <li>• The value of administration fees from distribution represents more than 10% of fees for the Account Based Pension product; and</li> <li>• The distribution to consumers outside the target market has occurred for a time period exceeding 6 months.</li> </ul>

**Other information**

Mercer Outsourcing (Australia) Pty Ltd provides the following reporting to the Trustee:

- Quarterly Administration Reports;
- Quarterly Administrator Confirmations;
- Immediate notification of Breaches and Incidents; and
- Monthly Complaints reporting.