

# Target Market Determination VISSF Accumulation Section

**Effective Date: 5 October 2021 (TMD Version 1.1)**

This Target Market Determination (TMD) is issued by VIS Nominees Pty Ltd (Issuer) ABN 11 006 586 367, AFSL 235097, RSE Licence Number L0000321 (Trustee). The Accumulation Section is an employer-sponsored accumulation product forming part of The Victorian Independent Schools Superannuation Fund (VISSF) ABN 37 024 873 660 RSE Registration Number R1000436. The Unique Superannuation Identifier (USI) for VISSF's accumulation product is 37024873660000.

## SUMMARY

This product is likely to be appropriate for a consumer seeking a customisable superannuation product with some investment and insurance cover options that suit their objectives, financial situation and needs. A person is in the target market for this product if they are working or have a spouse who is working for a VISSF participating employer.

This product is not suitable for someone seeking a diverse range of investment options beyond those offered in this product.

## 1. PURPOSE OF TARGET MARKET DETERMINATION

This Target Market Determination (TMD) is a publicly available document required as part of the design and distribution obligations (DDO) in the Corporations Act 2001 (Cth). The purpose of a TMD is to set out the class of consumers for whom this product, including its key attributes, has been designed for, taking into account their objectives, financial situation and needs (target market). In addition, the TMD outlines the triggers to review the target market and certain other information required under DDO.

This TMD is not a full summary of The Victorian Independent Schools Superannuation Fund (VISSF) Accumulation Section product's terms and conditions, it is not a disclosure statement and is not intended to provide financial advice. The document does not take into account any person's individual objectives, financial situation or needs. Persons interested in acquiring this product should read the VISSF Accumulation Section Product Disclosure Statement (PDS), Member Guide and Insurance Guide, available at [www.vissf.com.au/pds-documents](http://www.vissf.com.au/pds-documents), and any supplementary documents, when making a decision about this product.

This TMD does not apply to the VISSF MySuper product detailed in the VISSF Accumulation Section PDS.

## 2. TARGET MARKET FOR VISSF ACCUMULATION SECTION PRODUCT

**The information below summarises the overall class of consumers that are likely to fall within the target market for the VISSF Accumulation Section product based on the product's key attributes and the consumer objectives, financial situations and needs.**

### Product description

The VISSF Accumulation Section superannuation (super) product is targeted at retail clients in Australia who are working or who have a spouse who is working, for a VISSF participating employer. It offers the following features:

- access to a range of four investment options that differ according to different objectives, financial situations and needs;

- access to insurance cover options including death only, death and total permanent disablement (TPD) cover and income protection; and
- the ability to link a licensed financial adviser to the account to facilitate their assistance in managing the account.

### Investment categories

This product is an employer-sponsored product for members to accumulate savings to help fund retirement. It offers a range of investment options with different investment objectives, levels of risk and expected return. Generally, assets with the highest long-term returns may also carry the highest level of short term risk. The product suits members who wish to invest in one, or a combination of the investment options that sit within the investment categories set out below:

- **All Growth:** people looking to invest 100% of their super balance in growth assets such as shares and property. This option is for members looking for higher investment returns over the long term. The Standard Risk Measure for this category is High (Risk Band: 6).
- **Conservative:** people looking for fairly stable investment returns over the medium to long term. A higher portion of the member's super balance is invested in defensive assets such as bonds and cash and a smaller amount is invested in growth assets such as shares and property. The Standard Risk Measure for this category is Medium (Risk Band: 4).
- **Cash:** people seeking to achieve capital preservation by investing 100% of their super balance into Australian cash. The Standard Risk Measure for this category is Very Low (Risk Band: 1).

Note 1 – Refer to the VISSF Accumulation Member Guide available at [www.vissf.com.au/pds-documents](http://www.vissf.com.au/pds-documents) for a detailed description of the investment objective for each investment option.

Note 2 – The standard risk measure is a 1-7 scale based on the estimated number of negative annual returns over any 20-year period.

Note 3 – VISSF Accumulation Section also offers a MySuper lifecycle product but is not contemplated in this TMD. Members who elect to invest in a choice investment option, will continue to have access to the same insurance options and member services as MySuper members, including death only cover, death and TPD cover or income protection.

### Insurance

The different insurance cover which can be accessed by members in this product include the following cover types:

- **Default cover insurance:** A base level of insurance cover will apply automatically when joining VISSF if the member meets certain eligibility requirements. If the member does not meet the eligibility requirements, the member may elect to receive Default Cover. Default Cover is provided as units of cover based on the member's age for death, total and permanent disablement and income protection. If a member has death or TPD cover, they are also covered for terminal illness.
- **Voluntary cover insurance:** In addition to Default Cover, a member can apply for their insurance cover to include cover for additional units, a fixed amount of cover or a combination of unitised Default Cover and fixed cover.

### Key product attributes

The key attributes of the VISSF Accumulation Section product are:

- an accumulation account in a superannuation fund designed to invest a member's superannuation funds until they reach retirement or satisfy a condition of release;
- default insurance cover for death only (including terminal illness), TPD and income protection with the option to increase cover by choosing voluntary insurance cover;
- a choice of four investment options and financial advice services to help clients answer simple super and retirement questions or prepare financial plans; and
- regular educational seminars and short videos to help boost your super balance to prepare for life after work.

### Description of likely objectives, financial situation and needs of consumers in the target market

The products key attributes have been assessed and found to be consistent with the likely objectives, financial situation and needs of the class of consumer identified as in the target market. This is based on an analysis of the key terms, features and attributes of the product which are designed for consumers who have the following objectives, financial situation and needs:

<p><b>Objectives</b></p>	<p>To receive super contributions and invest super funds for retirement.</p> <p><b>Investment options</b></p> <p>To have access to some investment options that will either aim to maintain their capital and/or provide a level of growth and long-term performance to support their future income needs once they retire.</p> <p><b>Insurance</b></p> <p>To protect the member and/or their dependents from financial hardship, wanting to meet future financial commitments and/or protect a portion of their income associated with the adverse financial risks of death, terminal illness, TPD and/or temporary disability that prevents them from working.</p>
<p><b>Financial Situation</b></p>	<p>Consumers who work for or who have a spouse working for a VISSF participating employer and have contributions that can be made to a super account, such as employer contributions, voluntary contributions or government co-contributions .</p> <p><b>Investment options</b></p> <p>The investment options are suitable for members with a wide range of financial situations. The investment options available allow the member to choose between growth assets and defensive assets suitable to their short or long term investment timeframes.</p> <p><b>Insurance</b></p> <p>Consumers who can afford to divert some other their retirement savings to insurance for default insurance cover for death, TPD and income protection if they meet eligibility requirements and who want the option of being able to increase their insurance cover.</p>
<p><b>Needs</b></p>	<p>Consumers who:</p> <ul style="list-style-type: none"> <li>• want the ability to make their own personal contribution to superannuation (if eligible);</li> <li>• want the ability to access their super upon meeting a condition of release;</li> <li>• are seeking to consolidate superannuation from other superannuation funds;</li> <li>• need access to financial services and ongoing support.</li> </ul> <p><b>Investment options</b></p> <p>Consumers who need access to different investment options to support their retirement saving goals.</p> <p><b>Insurance</b></p> <p>Consumers who need an insurance cover option in their super product and are eligible.</p>

The VISSF Accumulation Section product is not suitable for consumers who:

- are not employed or who do not have a spouse employed by a VISSF participating employer;
- want to access their investment before meeting a condition of release under preservation requirements;
- are not receiving superannuation contributions;
- require life insurance cover offered by this product and do not meet our insurance eligibility criteria (such as age/minimum account balance-based rules or have pre-existing medical conditions which are excluded under the insurance cover); or
- require more insurance cover than is available under the cover offered in this product.

### 3. HOW THIS PRODUCT IS TO BE DISTRIBUTED

#### Distribution channels

The VISSF Accumulation Section product is restricted to persons who have, or who have a partner or spouse who work for a VISSF participating employer. A consumer may become a member of this product by one of the following means:

- online via the VISSF website;
- mail-in application;
- VISSF client services team (call centre); or
- via their employer as a default superannuation fund by a registered VISSF participating employer.

#### Distribution conditions

The following distribution conditions and restrictions apply:

- where this product is distributed by an employer, the employer must be registered with VISSF as a participating employer; and
- no third party may produce advertising, promotional or other material in relation to this product without the Trustee's written consent.

These distribution conditions and restrictions ensure that consumers who acquire the product are likely to be in the target market for this product.

#### Adequacy of distribution conditions and restrictions

The distribution conditions and restrictions ensure that consumers who acquire the product are likely to be in the target market as the distribution of the VISSF Accumulation product are limited to channels which VISSF are able to train, supervise, monitor and control. Additional distribution conditions and restrictions are not required given the:

- breadth of the target market;
- product is governed by eligibility and/or regulatory restrictions; and
- other target markets defined at an investment option and insurance level.

## 4. REVIEWING THIS TARGET MARKET DETERMINATION

This TMD is scheduled to be reviewed in accordance with the following, where the product continues to be issued, or is required to be reviewed earlier where events and/or circumstances are triggered.

<b>Next scheduled review to be completed by</b>	4 October 2022
<b>Periodic reviews</b>	Every 12 months after the effective date of this TMD
<b>Needs</b>	<p>There are several events and/or circumstances that could arise and may suggest this TMD is no longer appropriate. This may include the following review triggers:</p> <ul style="list-style-type: none"> <li>• material changes to the product which affects the target market for this product;</li> <li>• the occurrence of a significant dealing in the product outside of the target market;</li> <li>• a material or high number of complaints (which exceeds expected levels) regarding the key attributes, features or any other matter relating to the product design or distribution;</li> <li>• a material change to the product usage having regard to: <ul style="list-style-type: none"> <li>- percentage of total members who rollover from the product to another fund;</li> <li>- number of retail clients acquiring the product;</li> <li>- number of insurance claims declined because of ineligibility;</li> <li>- number of declined insurance applications;</li> <li>- number of insurance covers that lapsed and cancellation rates;</li> </ul> </li> <li>• receipt of a product intervention order from ASIC requiring VISSF to cease retail distribution of this product;</li> <li>• the Trustee makes a determination for purposes of s52(9) of the Superannuation Industry (Supervision) Act 1993 (Member Outcomes Assessment) that the financial interests of the customers who hold this product are not being promoted;</li> <li>• a change in laws or regulation which has a material impact on the product design or distribution.</li> </ul> <p>Where a review trigger or event is known by VISSF, or ought reasonably to be known, a review of this TMD will be undertaken, and if appropriate, an update or reissue of the TMD will occur (within 10 business days) and VISSF will inform those involved with the distribution of this product.</p>

## 5. REPORTING AND MONITORING THIS TMD

The following information must be reported by distributors to VISSF.

INFORMATION ABOUT THIS PRODUCT TO BE REPORTED		FREQUENCY
<b>Complaints</b>	<p>The number of member complaints in relation to the VISSF Accumulation Section product (including if the number of complaints is zero).</p> <p>Complaints information must include the nature of complaints and general feedback from clients relating to the product and its performance.</p>	Quarterly, within 10 business days after the end of the calendar quarter.
<b>Significant dealings</b>	Any significant dealing in the product that is not consistent with the TMD.	As soon as practicable but no later than 10 business days, after the distributor becomes aware of a significant dealing.