

# Target Market Determination

For Lesf and Macmahon Super Accumulation account  
provided by Diversa Trustees Limited (ABN 49 006 421 638)  
(USI 43 905 581 638 005)

## 1. About this document

### When to use this target market determination

This target market determination (TMD) seeks to offer members, promoter 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 risks and features and is not intended to provide financial advice. Members must refer to the Product Disclosure Statement (PDS) and any supplementary documents when making a decision about this product.

### Product Disclosure Statement to which this target market determination applies

This TMD applies to *Lesf and Macmahon Super Accumulation account* referred to in the following *Product Disclosure Statement (PDS) and PDS Guides*:

- [Lesf and Macmahon Super Product Disclosure Statement, dated 1 October 2021](#)
- [Lesf and Macmahon Super Additional Information Guide, dated 1 October 2021](#)
- [Lesf and Macmahon Super Insurance Guide, dated 1 October 2021](#)

### 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>	5 October 2021
Date when this target market determination will be <b>next reviewed</b>	30 September 2022

## 2. 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 Lesf and Macmahon Super Accumulation account, based on the product key attributes and the objectives, financial situation and needs that it has been designed to meet.

Lesf and Macmahon Super 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). Lesf and Macmahon Super Accumulation account is for those who:

- Are typically of the age between 15 and 70 at the time of opening of their account,
- Are in employment or self-employed,
- Can add to their super account via different types of contributions including employer, spouse, personal and government contributions,
- May find the product suitable to consolidate superannuation,
- Are seeking to build wealth for retirement through the superannuation system,
- Want the choice of investing in a diverse range of pre-mixed pooled investment options,
- Are looking for a default investment option (MySuper investment option),
- Are seeking voluntary or default insurance cover, or
- Want to invest directly in the product without a financial adviser.

## Excluded class of members

Lesf and Macmahon Super Accumulation account has not been designed for individuals who:

- Are looking for more choice of investment options such as ASX listed securities, exchange traded funds (ETFs), listed investment companies (LICs), managed funds, model portfolios and term deposits.
- Are looking for a pension account or transition to retirement (TTR) account,
- Want to invest through a financial adviser,
- Are seeking a retirement or transition to retirement income stream, or
- Want a self-managed super fund (SMSF).

## Product description and key attributes

The key eligibility requirements and product attributes of Lesf and Macmahon Super Accumulation account are:

### Key eligibility requirements

- It is available to members aged between 15 and 70.
- There is no minimum account balance required.
- It is available to an individual seeking to be a member of a public superannuation fund.
- It is for members who want to invest directly without a financial adviser.

### Key attributes (fees, terms and features)

- It provides the choice of investing in a diverse range of pre-mixed pooled investment options offering different types and levels of risk, investment objectives, investment time horizons and potential return. These investment options are managed by Mercer Investments (Australia) Limited.
- Lesf and Macmahon Super has a MySuper (default investment) option called 'Passive Growth MySuper'. If a member does not make an investment choice, their investment will be placed into the Passive Growth MySuper pooled investment option.
- It provides access to group life insurance (including default cover and voluntary cover) which includes death, total and permanent disablement (TPD) and income protection cover.
- It provides access to the secure online portal which enables members to track and manage their super online.
- Fees associated with Lesf and Macmahon Super Accumulation account include the following:
  - Administration fees which are charged on the member's average daily balance in their Lesf and Macmahon Super Accumulation account, deducted from the underlying assets of their investment and reflected in the unit price of their investment option,
  - Member fee which is charged on the last business day of each month and deducted from the member's account monthly and on exit,
  - Buy/sell spreads associated with pooled investment options,
  - Indirect Cost Ratios (ICRs) of pooled investment options,
  - Insurance premium and stamp duty if a member takes up insurance cover, and
  - Promoter fees which are paid to OneVue Wealth Services from the administration fees.

Please refer to the [Lesf and Macmahon Super Product Disclosure Statement](#) and [Lesf and Macmahon Super Additional Information Guide](#) for further details about the fees associated with the product.

## Objectives, financial situation, and needs

The table below sets out the class of members that each pooled investment option within Lesf and Macmahon Super Accumulation account has been designed for.

Investment options	Member's investment objective	Member's investment timeframe	Member's risk (ability to bear loss) and return profile	Member's intended product use (% of Investable Assets)
<b>Pooled investment options</b>				
Cash	This investment option is designed for members who prefer low risk and a high level of security on their account balance.	This investment option is designed to be suitable for members with a minimum investment timeframe of at least 1 year.	This investment option is designed to be suitable for members who want a very low risk option. The estimated likelihood of negative annual returns is less than 0.5 years in 20 years.	If a member has an investment timeframe of at least 1 year and has a very low risk appetite, then this investment option is suitable for use as a standalone investment solution (75-100%).  If a member requires an investment option with a longer investment time frame and is willing to accept medium to high risk, then this investment option should only be used as a core (25-75%) or satellite component (<25%) of their broader portfolio of investments.
Moderate	This investment option is designed for members who seek exposure to mainly defensive assets and can tolerate a moderate level of risk over the investment timeframe.	This investment option is designed to be suitable for members with a minimum investment timeframe of at least 3 years.	This investment option is designed to be suitable for members willing to accept medium risk. The estimated likelihood of negative annual returns is 2 to less than 3 years in 20 years.	If a member has an investment timeframe of at least 3 years and is willing to accept medium risk, then this investment option is suitable for use as a standalone investment solution (75-100%).  If a member has an investment timeframe of at least 3 years and has either a low or a high risk appetite, then this investment option should only be used as a core (25-75%) or satellite component (<25%) of their broader portfolio of investments.
Growth	This investment option is designed for members who seek exposure to mainly growth assets and can tolerate a high level of risk over the investment timeframe.	This investment option is designed to be suitable for members with a minimum investment timeframe of at least 10 years.	This investment option is designed to be suitable for members willing to accept high risk. The estimated likelihood of negative annual returns is 4 to	If a member has an investment timeframe of at least 10 years and is willing to accept high risk, then this investment option is suitable for use as a

Investment options	Member's investment objective	Member's investment timeframe	Member's risk (ability to bear loss) and return profile	Member's intended product use (% of Investable Assets)
			less than 6 years in 20 years.	standalone investment solution (75-100%). If a member has an investment timeframe of at least 10 years and a low to medium risk appetite, then this investment option should only be used as a core (25-75%) or satellite component (<25%) of their broader portfolio of investments.
Passive Growth MySuper	This investment option is designed for members who seek exposure to mainly growth assets and can tolerate a high level of risk over the investment timeframe.	This investment option is designed to be suitable for members with a minimum investment timeframe of at least 5 years.	This investment option is designed to be suitable for members willing to accept high risk. The estimated likelihood of negative annual returns is 4 to less than 6 years in 20 years.	If a member has an investment timeframe of at least 5 years and is willing to accept high risk, then this investment option is suitable for use as a standalone investment solution (75-100%). If a member has an investment timeframe of at least 5 years and a low to medium risk appetite, then this investment option should only be used as a core (25-75%) or satellite component (<25%) of their broader portfolio of investments.
High Growth	This investment option is designed for members who seek exposure to mainly growth assets and can tolerate a high level of risk over the investment timeframe.	This investment option is designed to be suitable for members with a minimum investment timeframe of at least 7 years.	This investment option is designed to be suitable for members willing to accept high risk. The estimated likelihood of negative annual returns is 4 to less than 6 years in 20 years.	If a member has an investment timeframe of at least 7 years and is willing to accept high risk, then this investment option is suitable for use as a standalone investment solution (75-100%). If a member has an investment timeframe of at least 7 years and a low to medium risk appetite, then this investment option should only be used as a core (25-75%) or satellite component (<25%) of their broader portfolio of investments.

Investment options	Member's investment objective	Member's investment timeframe	Member's risk (ability to bear loss) and return profile	Member's intended product use (% of Investable Assets)
Diversified Shares	This investment option is designed for members who seek exposure to Australian and international listed companies with a mix of index and active management.	This investment option is designed to be suitable for members with a minimum investment timeframe of at least 10 years.	This investment option is designed to be suitable for members willing to accept high risk. The estimated likelihood of negative annual returns is 4 to less than 6 years in 20 years.	<p>If a member has an investment timeframe of at least 10 years and is willing to accept high risk, then this investment option is suitable for use as a standalone investment solution (75-100%).</p> <p>If a member has an investment timeframe of at least 10 years and a low to medium risk appetite, then this investment option should only be used as a core (25-75%) or satellite component (&lt;25%) of their broader portfolio of investments.</p>

Further details about these pooled investment options can be found in the [Lesf and Macmahon Super Additional Information Guide](#).

The table below sets out the class of members that each insurance option within Lesf and Macmahon Super Accumulation account has been designed for.

<b><u>Death cover</u></b>	<ul style="list-style-type: none"> <li>○ Death insurance cover is designed to cover a short-fall in capital for a member's dependent(s) in the event of a member's death or diagnosis of a terminal illness.</li> <li>○ It is meant for super accumulation members who: <ul style="list-style-type: none"> <li>○ are aged between 15 and 70,</li> <li>○ want protection against the impacts to their family's financial situation or quality of life arising from an insurance event, and</li> <li>○ have a balance enabling the deduction of insurance premiums or are making contributions and/or have opted-in.</li> </ul> </li> </ul>
<b><u>Death and total and permanent incapacity (TPD) cover</u></b>	<ul style="list-style-type: none"> <li>○ Death and TPD insurance cover is designed to cover the following: <ul style="list-style-type: none"> <li>○ a short-fall in capital for a member's dependent(s) in the event of a member's death, or diagnosis of a terminal illness, and</li> <li>○ a short-fall in capital for a member in the event of meeting a condition for a claim of total and permanent incapacity. To meet a condition of total and permanent incapacity, it depends whether the member is gainfully employed for 15 or more hours a week in which case the inability to work triggers a claim event. If the member is not employed, there are more limited conditions to make a claim of TPD including they must be under the age of 65.</li> </ul> </li> <li>○ It is meant for super accumulation members who: <ul style="list-style-type: none"> <li>○ are aged between 15 and 65,</li> <li>○ want protection against the impacts to their and their family's financial situation or quality of life arising from an insurance event, and</li> <li>○ have a balance enabling the deduction of insurance premiums or are making contributions and/or have opted-in.</li> </ul> </li> </ul>
<b><u>Income protection cover</u></b>	<ul style="list-style-type: none"> <li>○ Income protection insurance cover is designed to provide income in the event of a member being unable to work due to an insured event.</li> <li>○ It is meant for super accumulation members who: <ul style="list-style-type: none"> <li>○ are aged between 15 and 65,</li> <li>○ want protection against the impacts to their and their family's financial situation or quality of life arising from an insurance event, and</li> <li>○ have a balance enabling the deduction of insurance premiums or are making contributions and/or have opted-in.</li> </ul> </li> </ul>

- Death, TPD and income protection covers are available through group insurance which can be accessed by super accumulation members of Lesf and Macmahon Super.
- Eligible members are provided with default insurance cover as defined by Lesf and Macmahon Super insurance policy.
- Members must confirm that they would like to receive insurance cover, that is opt in, after considering their personal situation and needs and the cost of cover.
- Members can cancel, reduce or opt out of cover at any time.
- Voluntary death, TPD and income protection covers are also available to super accumulation members of Lesf and Macmahon Super.

Please refer to the [Lesf and Macmahon Super Insurance Guide](#) for more details.

### **Consistency between target market and the product**

Lesf and Macmahon Super Accumulation account is likely to be consistent with the likely objectives, financial situation and needs of the class of members in the target market because:

- it is a retirement savings product,
- the member is contributing to their retirement balance,
- the member is investing directly in the product,
- the member is seeking a MySuper investment option,
- the member can only invest in pre-mixed pooled investment options,
- the member is within the targeted age band and invest with any amount, and
- the insurance requirements for members of this demographic are considered high (with younger age groups who are more likely to be funding 'raising a family' expenses and mortgages and a meaningful proportion of members working full-time).

## **3. How this product is to be distributed**

### **Distribution channels**

Lesf and Macmahon Super Accumulation account has been designed to be distributed through the following means:

- Through employers seeking a MySuper product to pay employer contributions to in the absence of the employee nominating a superannuation fund, and
- Available for investment directly online by members through <https://onesuper.com/funds/lesf-macmahon-super/>

### **Distribution conditions**

Lesf and Macmahon Super Accumulation account should only be distributed under the following circumstances:

- If the members meet the eligibility criteria for their selection of insurance,
- If the member is aged between 15 to 70 years at the time of opening their Lesf and Macmahon Super Accumulation account, or
- If the member has created an online account with Lesf and Macmahon Super, or
- If an employer is required to pay employer contributions for an employee who has not nominated a superannuation fund.

### **Adequacy of distribution conditions and restrictions**

- Members investing in the product will be asked a number of questions in the application form to sign up to the product. These questions seek to ensure that the distribution conditions are met, therefore making it likely that members who invest in the product are in the class of members for which it has been designed for.
- Members nominate the product for their employer to pay their superannuation contributions.

This is based on an assessment of the distribution conditions and restrictions and that they are appropriate and will assist distribution in being directed towards the target market for whom the product has been designed.

#### 4. *Reviewing this target market determination*

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

<b>Initial review</b>	30 September 2022
<b>Periodic review</b>	On an annual basis starting 30 September 2022
<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 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>• occurrence of a significant dealing;</li> <li>• significant increase in investment option switching,</li> <li>• significant increase in members exiting the product,</li> <li>• significant proportion of insurance cancellation rates,</li> <li>• significant proportion of insurance claims being denied or withdrawn,</li> <li>• fails to achieve member outcomes,</li> <li>• distribution conditions found to be inadequate,</li> <li>• external events such as adverse media coverage or regulatory attention, and</li> <li>• significant changes in metrics, including, but not limited to, complaints and investment performance of pooled investment options.</li> </ul>

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

#### 5. *Reporting and monitoring this target market determination*

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

<b>Complaints</b>	<p>Distributors must report all complaints in relation to the product(s) covered by this TMD on a monthly basis.</p> <p>This will include the substance of complaints and general feedback relating to the product and its performance.</p>
<b>Significant dealings</b>	<p>Distributors must report if they become aware of a significant dealing in relation to this TMD as soon as possible, and no later than within 10 business days.</p> <p>A significant dealing includes:</p> <ul style="list-style-type: none"> <li>○ 20% of members who have invested in the product but are not in the target market, including the proportion of members who are part of a class of members that have been specifically excluded from the target market,</li> <li>○ 20% of superannuation contributions in the product from members outside the target market,</li> <li>○ Potential/actual harm to members if members outside the target market invest in the product,</li> <li>○ Inconsistency of distribution conditions with the TMD, and</li> <li>○ Time period when members outside the target market invested in the product.</li> </ul> <p>Distributors will report transaction data and outcomes from sale practices monitoring within quarterly reporting period.</p>