

Target Market Determination

For Australian Practical Superannuation Accumulation account
issued by Diversa Trustees Limited (ABN 49 006 421 638)
(USI 43 905 581 638 013)

Introduction

This document provides guidance in relation to Target Market Determinations (TMD) for the purposes of the Design and Distribution Obligations (DDO) under the Corporations Act 2001 (Cth) (Act). This TMD is required under section 994B of the Act and sets out the class of members (Target Class) for whom the Australian Practical Superannuation Accumulation account (Product) would likely be consistent with their likely objectives, financial situation and needs having regard to the Product's key attributes. This TMD is required to outline the triggers to review the Target Market and certain other information. It forms part of Diversa Trustees Limited's (the Trustee) design and distribution arrangements for the Product.

Definitions

ASX means Australian Securities Exchange.

Distributor(s) means a 'regulated person', as defined in s994A(1) of the Corporations Act 2001.

Excluded Occupation(s) means occupations that are deemed hazardous and so the insurer is unable to accept the risk.

Issuer(s) means a person who is subject to the TMD requirements in s994B of the Corporations Act 2001 (including sellers in a regulated sale situation), unless indicated otherwise.

TMD means Target Market Determination.

PDS means Product Disclosure Statement.

Product means Australian Practical Superannuation Accumulation account, a sub-plan of OneSuper ABN 43 905 581 638 RSE R1001341 that is issued by Diversa Trustees Limited ABN 49 006 421 638, AFSL No 235153 RSE Licence No L0000635.

SRM means Standard Risk Measure.

TPD means Total Permanent Disablement.

1. About this document

When to use this TMD

This TMD seeks to offer members, financial advisers, promoter, sub-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.

PDS to which this TMD applies

This TMD applies to *Australian Practical Superannuation Accumulation account* referred to in the following *Product Disclosure Statement (PDS)* and *PDS Guides*:

- [Australian Practical Superannuation Product Disclosure Statement](#)
- [Australian Practical Superannuation Additional Information Guide](#)
- [Australian Practical Superannuation Insurance Guide](#)

Important Dates

Date from which this TMD was last reviewed	30 September 2022
Date when this TMD is effective	1 April 2024
Date when this TMD will be next reviewed	1 April 2025

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 Australian Practical Superannuation Accumulation account, based on the Product key attributes and the objectives, financial situation and needs that it has been designed to meet.

Australian Practical Superannuation 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).

This Product is designed for members who:

- Are seeking a regulated superannuation scheme which enables access to invest their retirement savings in a broad range of managed funds, managed account model portfolios and ASX listed securities, term deposits and pooled investment options,
- Are aware of and able to tolerate the investment risk, volatility and investment time horizons (short, medium or long term) of the investment strategy nominated,
- Are able to bear losses having regard to the investment strategy selected,
- Are seeking to accumulate super with or without personal insurance cover, including the opportunity to obtain death, TPD and income protection insurance cover,
- Can add to their super account via different types of contributions including employer, spouse, personal and government contributions,
- Are seeking to engage with a digital platform that provides access to their account via an on-line secure portal, and
- Are up to 74 years of age and have not yet retired from the workforce.

Excluded class of members

The Product has not been designed for members who:

- Are looking for a default investment option (MySuper investment option),
- Are seeking a retirement or transition to retirement income stream,
- Want a self-managed super fund (SMSF),
- Are seeking default insurance but are employed in an excluded occupation as listed in the Insurance Guide, or
- Are ineligible to contribute to superannuation within the Australian superannuation system

Product description and key attributes

The key eligibility requirements and product attributes of Australian Practical Superannuation Accumulation account are:

Key eligibility requirements

- There is no minimum account balance required.
- It is for members that have a financial adviser or actively engage with their investment directly via an online portal.

Key attributes (fees, terms and features)

- It provides access to:
 - ASX-listed securities including the individual constituents of the ASX All Ordinaries Index and selected exchange traded products,

- a range of multi-asset managed funds and model portfolios of varying objectives and risk levels managed by professional investment managers,
- a cash hub which is an interest-bearing transaction account which holds the member's available cash for investment in Australian Practical Superannuation's investment options, receives income and distributions from investments and pays fees, costs, tax and other deductions,
- pre-mixed pooled investment options managed by Mercer Investments (Australia) Limited, and
- term deposits with leading financial institutions.
- It provides access to group life insurance (including default cover and voluntary cover) and retail life insurance cover. Both group and retail insurance cover can provide death, TPD and income protection cover.
- Members investing via financial advisers can avail family pricing whereby up to six family members who have the same financial adviser can apply to have their individual Australian Practical Superannuation accounts linked as a family group in order to aggregate their average daily balances across all investments and pay lower asset-based administration fees.
- It provides access to the secure online portal which enables members and their advisers to track and manage their super online.
- Fees associated with Australian Practical Superannuation Accumulation account include the following:
 - Asset based administration fee and expense recovery fee which are charged on the member's average daily balance in the Australian Practical Superannuation Accumulation account,
 - Account keeping fee for a member per account per annum,
 - Buy/sell spreads associated with pooled investment options and managed funds,
 - Investment fees and costs of underlying investment options,
 - Insurance administration fees if a member takes up insurance cover,
 - Transaction fees associated with the sale or purchase of assets of the fund other than costs that are recovered by charging a buy/sell spread,
 - Brokerage fees associated with buying and selling ASX and international listed securities including within a managed account model portfolio, and
 - Adviser service fees.

Please refer to the [Australian Practical Superannuation Product Disclosure Statement](#) and [Australian Practical Superannuation Additional Information Guide](#) for further details about the fees associated with the Product.

Risk of investing in the Product

In consideration of if this Product meets your objectives, financial situation and needs, you will also need to consider the potential risks involved should you decide to acquire the Product. Some of these investment risks may include, but are not limited to:

Capital risk	Market risk	Inflation risk	Settlement risk
Interest rate risk	Exchange rate risk	Derivatives risk	Credit risk
Investment management risk	Emerging market risk	Valuation risk	Leverage risk
Borrowing risk	Liquidity risk	Longevity risk	

For more information on these risks of investing, please refer to part 4 of the [Australian Practical Superannuation Additional Information Guide](#).

The material relating to the risks of super may change between the time you read this document and the day you acquire the Product. You should read the important information about the risk level of each investment before making a decision.

Objectives, financial situation, and needs

The table below sets out the class of members that each investment option within Australian Practical Superannuation 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)
Pooled investment options				
Enhanced 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 low risk option, the assigned SRM is 2. The estimated likelihood of negative annual returns is 0.5 to less than 1 year 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.
50/50	This investment option is designed for members who seek exposure to a combination of growth and defensive assets and can tolerate a medium to 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 4 years.	This investment option is designed to be suitable for members willing to accept medium to high risk, the assigned SRM is 5. The estimated likelihood of negative annual returns is 3 to less than 4 years in 20 years.	If a member has an investment timeframe of at least 4 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 4 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 Balanced	This investment option is designed for members who seek exposure to a combination of growth and defensive assets and can tolerate a	This investment option is designed to be suitable for members with a minimum investment timeframe of at least 4 years.	This investment option is designed to be suitable for members willing to accept medium to high risk, the assigned SRM is 5. The estimated	If a member has an investment timeframe of at least 4 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)
	medium to high level of risk over the investment timeframe.		likelihood of negative annual returns is 3 to less than 4 years in 20 years.	standalone investment solution (75-100%). If a member has an investment timeframe of at least 4 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 assigned SRM is 6. 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.
Passive 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 assigned SRM is 6. 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)
Cash hub				
Cash hub is an interest-bearing transaction account with a minimum balance requirement of \$2,500.	This investment option is designed for members who are seeking nil to very low investment returns after fees and taxes.	This investment option is designed to be suitable for members with a short investment timeframe.	This investment option is designed to be suitable for members who want a very low risk option, the assigned SRM is 1.	This investment option is designed to be suitable for use as a standalone investment solution (75-100%) or as a core (25-75%) or satellite component (<25%) of a member's broader portfolio of investments.
Managed funds				
Members can access a broad range of managed funds issued by leading investment managers. Each managed fund has its own TMD document and disclosure document issued by its responsible entity which can be accessed on their relevant websites. The list of managed funds is available in the Investment Menu of Australian Practical Superannuation.	Managed funds offered through Australian Practical Superannuation have different investment objectives and can cater to different objectives of members including capital preservation, income generation and capital growth.	Managed funds have different investment timeframes depending on the type of managed fund.	Managed funds have different risk profiles depending on the type of managed fund.	Managed funds can be used as standalone investment solution (75-100%) or as a core (25-75%) or satellite component (<25%) of a member's broader portfolio of investments depending on the member's investment objective, risk appetite and investment time frame.
Direct Assets (listed) - Assets listed on the Australian Securities Exchange, such as direct shares, listed investment companies, listed investment trusts, exchange traded funds and fixed interest securities. Suitable for clients seeking to construct their own portfolio tailored to their own situation				
Australian Listed Securities – Direct Shares	To provide investors with capital growth through exposure to listed securities on the Australian share market. Investments in these assets will suit clients who want to own a portfolio of listed Australian securities and accept a high level of risk associated with this type of investment and the possibility of negative returns in any year.	ASX listed securities may suit members with a high risk tolerance and long investment horizons. Minimum 5 years suggested investment time horizon.	ASX listed securities may suit members who are seeking to invest in one or more ASX-listed securities and who accept the possibility of negative returns in any year. They may suit members of high risk tolerance and long-term investment horizons.	Direct Listed Assets can be used as standalone investment solution (75-100%) or as a core (25-75%) or satellite component (<25%) of a member's broader portfolio of investments depending on the member's investment objective, risk appetite and investment time frame. Refer to the Australian Practical Superannuation Additional Information Guide for further Information on investment limits
Exchange Traded Products (ETP) including Listed Investment Companies	Where applicable, a TMD for each direct investment option such as an ETP	ETPs have different investment timeframes depending on the	ETPs have different risk profiles depending on the strategy of the product.	

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)
(LICs), Exchange Traded Managed Funds (ETMFs) and Exchange Traded Funds (ETFs)	detailing the type of client the investment has been designed for, having regard to the objectives, financial situation and needs of the target market, is made available by the issuer of that investment option. Please refer to the PDS and TMD for each investment option on its issuer's website when deciding whether to acquire that product.	strategy of the product.		applying to direct listed assets
Listed interest rate securities	Investments in this strategy will suit clients seeking income returns and are prepared for some capital losses over the short term. Objectives may vary depending on the offering.	Listed interest rate securities are suitable for members who have a short to medium investment timeframe depending on the offering. Minimum 0-3 years suggested investment time horizon	Listed interest rate securities may suit members of varying risk tolerances and investment horizons who are combining investment options to create a diversified portfolio.	
Term deposits				
Term deposits with a number of banks can be invested via Australian Practical Superannuation. These term deposits have their own TMD document and disclosure documents which can be accessed on the secure online portal. The list of term deposits is available in the Investment Menu of Australian Practical Superannuation.	Term deposits are for members who are: <ul style="list-style-type: none"> seeking a fixed rate of return (subject to market rates) for a specified term with low risk of capital loss, combining investment options in order to create a diversified portfolio, and prepared to wait a minimum of 30 days if they are seeking to withdraw prior to the maturity date. 	Term deposits have different investment timeframes depending on the specific timeframe of the individual term deposit selected.	Term deposits are designed to be suitable for members who have a low risk tolerance.	Term deposits can be used as a standalone investment solution (75-100%) or as a core (25-75%) or satellite component (<25%) of a member's broader portfolio of investments.
Model portfolios				
Australian Practical Superannuation offers a number of model portfolios managed by professional	Model portfolios offered through Australian Practical Superannuation have different investment	Model portfolios have different investment timeframes depending	Model portfolios have different risk profiles depending on the type and underlying	Model portfolios can be used as standalone investment solution (75-100%) or as a core (25-75%) or satellite

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)
investment managers. Details of the model portfolios can be found in the Australian Practical Superannuation Managed Account Model Portfolio Guide. These model portfolios are offered through the OneVue Managed Account available via Australian Practical Superannuation. Please refer to the TMD document and product disclosure statement of the OneVue Managed Account.	objectives and can cater to different objectives of members including capital preservation, income generation and capital growth.	on the type of model portfolio.	investments of the model portfolio.	component (<25%) of a member's broader portfolio of investments depending on the member's investment objective, risk appetite and investment time frame.

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

The Standard Risk Measure (SRM) is based on industry guidance to allow members to compare investment options that are expected to deliver a similar number of negative annual returns over any 20-year period. The risk levels outlined in the above table are described below:

Risk Band	Risk Label	Estimated number of negative annual returns over a 20-year period
1	Very low	Less than 0.5
2	Low	0.5 to less than 1
3	Low to medium	1 to less than 2
4	Medium	2 to less than 3
5	Medium to high	3 to less than 4
6	High	4 to less than 6
7	Very high	6 or greater

The table below sets out the class of members that each insurance option within Australian Practical Superannuation Accumulation account has been designed for.

Death cover	<ul style="list-style-type: none"> 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. It is meant for super accumulation members who: <ul style="list-style-type: none"> are aged between 15 and 67, want protection against the impacts to their family's financial situation or quality of life arising from an insurance event, and have a balance enabling the deduction of insurance premiums or are making contributions and/or have opted-in.
Death and total and permanent disablement (TPD) cover	<ul style="list-style-type: none"> Death and TPD insurance cover is designed to cover the following: <ul style="list-style-type: none"> 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 a short-fall in capital for a member in the event of meeting a condition for a claim of total and permanent disablement. To meet a condition of total and permanent disablement, it depends whether the member is gainfully employed for 15 or more

	<p>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 total and permanent disablement including they must be under the age of 65.</p> <ul style="list-style-type: none"> ○ It is meant for super accumulation members who: <ul style="list-style-type: none"> ○ are aged between 15 and 67, ○ want protection against the impacts to their and their family's financial situation or quality of life arising from an insurance event, and ○ have a balance enabling the deduction of insurance premiums or are making contributions and/or have opted-in. ○ Want TPD group insurance should they not be able to engage in any gainful employment for which they are reasonably suited by education, training or experience
Income protection cover	<ul style="list-style-type: none"> ○ Income protection insurance cover is designed to provide income in the event of a member being unable to work due to an insured event. ○ It is meant for super accumulation members who: <ul style="list-style-type: none"> ○ are aged between 15 and 65, ○ want protection against the impacts to their and their family's financial situation or quality of life arising from an insurance event, and ○ have a balance enabling the deduction of insurance premiums or are making contributions and/or have opted-in.

- Death, TPD and income protection covers are available through group and retail insurance which can be accessed by super accumulation members of Australian Practical Superannuation.
- Eligible members are provided with default insurance cover as defined by Australian Practical Superannuation's insurance policy. However, members from the following occupations are excluded from default insurance:
 - Air traffic controllers,
 - Earth drilling, mineral exploration, miners or person working with explosives,
 - Fireman, police, ambulance officer or paramedic,
 - Fisherman,
 - Forestry workers,
 - Offshore oil rig workers,
 - Pilots,
 - Professional entertainers such as actors, dancers, musicians or stage performers,
 - Professional or semi-professional sports people,
 - Seasonal workers or employees in industries with a high level of seasonal or casual workforce,
 - Security guards, doormen, bouncers or persons employed in crowd control,
 - Sex workers,
 - Sheltered workshop employees, underground or underwater workers, workers in the horse racing industry such as trainers, jockeys or strappers, and
 - Workers whose work requires them to work at heights of 12 metres or higher such as riggers, scaffolders, roof workers or antenna erectors.
- Members or their financial adviser 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 or their financial adviser can cancel, reduce or opt out of cover at any time.
- Retail insurance terms are specific to the retail insurer's product disclosure statement which is only available through a financial adviser.

Please refer to the [Australian Practical Superannuation Insurance Guide](#) for more details.

Consistency between target market and the product

Australian Practical Superannuation Accumulation account is consistent with the objectives, financial situation and needs of the class of members in the target market because:

- The Product provides comprehensive investment choice to members,
- The member is within the targeted age band and can 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

Australian Practical Superannuation has been designed to be distributed through the following means:

- Through a financial adviser registered with OneVue Wealth, or
- Available for investment directly online by members through auspracsuper.com.au

Distribution conditions

Australian Practical Superannuation Accumulation account should only be distributed under the following circumstances:

- If distributed through a financial adviser, the adviser must first be registered with OneVue Wealth,
- If the members meet the eligibility criteria for their selection of insurance,
- If the member is aged up to 74 years at the time of opening their Australian Practical Superannuation Accumulation account, or
- If the member has created an online account with Australian Practical Superannuation.

Adequacy of distribution conditions and restrictions

- This product can be distributed to members as part of personal advice recommendations.
- For members investing directly without an adviser, a number of questions are asked 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.
- The member or their financial adviser should not be expecting a default investment option with the Product having choice investment options.

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 TMD

We will review this TMD in accordance with the below:

Periodic review	Assessment on an ongoing basis in line with the review triggers and events below with a detailed annual 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 related documentation, ○ occurrence of an ASIC significant dealing, ○ significant changes in metrics, including but not limited to: <ul style="list-style-type: none"> ○ increase in investment option switching, ○ increase in members exiting the product, ○ increase of insurance cancellation rates, ○ increase of insurance claims being denied or withdrawn, ○ increase in consumer complaints about investment performance of pooled investment options or this product in general, ○ distribution conditions found to be inadequate, ○ external events such as adverse media coverage or regulatory attention, ○ failure to meet member outcomes, and ○ a change occurs that affects the likely objectives, financial situation or needs of the target market.

Where a review trigger has occurred, this TMD 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.

Complaints	<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>
Significant dealings	<p>Distributors must report if they become aware of a significant dealing in relation to this TMD as soon as practicable, and no later than within 10 business days.</p> <p>A significant dealing includes:</p> <ul style="list-style-type: none"> ○ 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, ○ 20% of superannuation contributions in the product from members outside the target market, ○ Potential/actual harm to members if members outside the target market acquire the product, and ○ Time period when members outside the target market invested in the Product. <p>Distributors will report transaction data and outcomes from sale practices monitoring within quarterly reporting period within 10 business days following the end of the quarter.</p>

*within 10 days of the end of the calendar month