

# Target Market Determination

For Pearl YourChoice Super Transition to Retirement Pension 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 Pearl YourChoice Super Transition to Retirement Pension 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.

**Authorised Financial Adviser** means a financial adviser registered with OneVue Wealth

**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.

**Preservation Age** means a government specified age between 55 and 60 depending on date of birth.

**Product** means Pearl YourChoice Super Transition to Retirement Pension 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.

**TTR** means Transition to Retirement.

## 1. About this document

### When to use this TMD

This TMD seeks to offer members, financial advisers, 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 *Pearl YourChoice Super Transition to Retirement Pension account* referred to in the following *PDS and PDS Guides*:

- [Pearl YourChoice Super Product Disclosure Statement](#)
- [Pearl YourChoice Super Additional Information Guide](#)

## Important Dates

Date from which this TMD was <b>last reviewed</b>	5 October 2022
Date when this TMD is <b>effective</b>	15 April 2024
Date when this TMD will be <b>next reviewed</b>	15 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 Pearl YourChoice Super Transition to Retirement Pension account, based on the Product key attributes and the objectives, financial situation and needs that it has been designed to meet.

Pearl YourChoice Super Transition to Retirement Pension 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:

- Have reached their legislated preservation age and under the age of 65,
- Require an income stream while still working to supplement income whilst reducing working hours in the lead up to retirement or replace salary sacrifice contributions paid into an accumulation account whilst working full time,
- Have at least \$20,000 to invest,
- 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 seeking to implement an appropriate investment strategy tailored to their specific needs based on the advice of their Authorised Financial Adviser,
- 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, and
- Are seeking to engage with a digital platform that provides access to their account via an on-line secure portal.

### Excluded class of members

This Product is not designed for members who:

- Are looking for a super accumulation account,
- Have permanently retired from the workforce and looking for a retirement income stream,
- Want to access superannuation benefits as a lump sum (commutation),
- Are looking for insurance,
- Do not have an Authorised Financial Adviser,
- Wish to actively exercise control over each investment transaction or
- Want a self-managed super fund (SMSF).

### Product description and key attributes

The key eligibility requirements and product attributes of Pearl YourChoice Super TTR account are:

#### Key eligibility requirements

- It is available to members who are aged between their preservation age and 65.
- Members who have at least \$20,000 in their super savings to invest.
- It is for members that have an Authorised Financial Adviser managing their investments via an online portal.

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

- It provides the ability to draw down on some super benefits as additional income (within legislated limits) to supplement existing income after reaching preservation age.
- 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 Pearl YourChoice Super'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.
- o It provides access to the secure online portal which enables members to track and manage their super online.
  - o Members can avail family pricing whereby up to six family members who have the same financial adviser can apply to have their individual Pearl YourChoice Super accounts linked as a family group in order to aggregate their average daily balances across all investments and pay lower asset-based administration fees.
  - o Fees associated with Pearl YourChoice Super TTR account include the following:
    - Asset based administration fee and expense recovery fee which are charged on the member's average daily balance in the Pearl YourChoice Super TTR 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,
    - 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 if a member is investing in Pearl YourChoice Super through a financial adviser.

Please refer to the [Pearl YourChoice Super Product Disclosure Statement](#) and [Pearl YourChoice Super 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 [Pearl YourChoice Super 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 Pearl YourChoice Super 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 assigned SRM is 1. 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.
Passive Moderate	This investment option is designed for members who seek exposure to mainly defensive assets and can tolerate a medium 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 assigned SRM is 4. 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.
Moderate	This investment option is designed for members who seek exposure to mainly defensive assets and can tolerate a medium 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, the assigned SRM is 4. The estimated likelihood of negative annual	If a member has an investment timeframe of at least 3 years and is willing to accept medium to high risk, then this investment option is suitable for use as a standalone



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)
			returns is 2 to less than 3 years in 20 years.	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.
Passive Balanced	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.
Balanced	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.



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)
Passive 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 5 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 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.
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 5 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 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.
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



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)
				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.
<b>Cash hub</b>				
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.
<b>Managed funds</b>				
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	Managed funds offered through Pearl YourChoice Super 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.

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)
Pearl YourChoice Super.				
<b>Direct Assets (listed)</b> - Assets listed on the Australian Securities Exchange, such as direct shares, listed investment companies and exchange traded funds. Suitable for clients seeking to construct their own portfolio tailored to their own situation.				
Australian Listed Securities – Direct Shares	To provide members with capital growth through exposure to listed securities on the Australian share market. Investments in these assets will suit members 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.  <a href="#">Refer to the Pearl YourChoice Super Additional Information Guide</a> for further information on investment limits applying to direct listed assets.
Exchange Traded Products (ETP) including Listed Investment Companies (LICs) and Exchange Traded Funds (ETFs)	Where applicable, a TMD for each direct investment option such as an ETP 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.	ETPs have different investment timeframes depending on the strategy of the product.	ETPs have different risk profiles depending on the strategy of the product.	
<b>Term deposits</b>				
Term deposits with a number of banks can be invested via Pearl YourChoice Super.  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 Pearl YourChoice Super.	Term deposits are for members who are: <ul style="list-style-type: none"> <li>○ seeking a fixed rate of return (subject to market rates) for a specified term with low risk of capital loss,</li> <li>○ combining investment options in order to create a diversified portfolio, and</li> <li>○ prepared to wait a minimum of 30 days if they are seeking to</li> </ul>	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.



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)
	withdraw prior to the maturity date.			
<b>Model portfolios</b>				
<p>Pearl YourChoice Super offers a number of model portfolios managed by professional investment managers. Details of the model portfolios can be found in the Pearl YourChoice Super Managed Account Model Portfolio Guide.</p> <p>These model portfolios are offered through the OneVue Managed Account available via Pearl YourChoice Super. Please refer to the TMD document and product disclosure statement of the OneVue Managed Account.</p>	<p>Model portfolios offered through Pearl YourChoice Super have different investment objectives and can cater to different objectives of members including capital preservation, income generation and capital growth.</p>	<p>Model portfolios have different investment timeframes depending on the type of model portfolio.</p>	<p>Model portfolios have different risk profiles depending on the type and underlying investments of the model portfolio.</p>	<p>Model portfolios can be used as standalone investment solution (75-100%) or as a core (25-75%) or satellite component (&lt;25%) of a member's broader portfolio of investments depending on the member's investment objective, risk appetite and investment time frame.</p>

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

### Consistency between target market and the product

Pearl YourChoice Super TTR account is likely to be consistent with the likely objectives, financial situation and needs of the class of members in the target market because:

- To open a TTR account, a member must be aged between their preservation age and 65,
- The member requires regular income payments (subject to legislated requirements),
- The member does not want to access their superannuation benefits as a lump sum,
- The member is working, and
- The insurance requirements for members of this demographic are considered low (unlike younger age groups who are more likely to be funding 'raising a family' expenses and mortgages; also there will be a meaningful proportion of members no longer working, so do not need to insure against income loss.

## 3. How this Product is to be distributed

### Distribution channels

Pearl YourChoice Super has been designed to be distributed through the following means:

- Through a financial adviser registered with OneVue Wealth

### Distribution conditions

Pearl YourChoice Super TTR account should only be distributed under the following circumstances:

- The Authorised Financial Adviser must first be registered with OneVue Wealth,
- If the TTR account members have at least \$20,000 in their super savings,
- If the member does not require insurance cover through their TTR account,
- The member will draw an income stream up to the maximum yearly amount, and
- The member is still employed in some capacity.

### Adequacy of distribution conditions and restrictions

- This product can only be distributed to members as part of personal advice recommendations.
- Members drawing an income stream is a common term for a TTR account.
- The requirements for insurance a reduced or nil based on consumers reduced or no personal income, expected retirement of mortgages and lower likelihood of material expenses in raising a family.

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:

<b>Periodic review</b>	Assessment on an ongoing basis in line with the review triggers and events below with a detailed annual review
<b>Review triggers or events</b>	Any event or circumstances arise that would suggest the TMD is no longer appropriate. This may include (but not limited to): <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 an ASIC significant dealing,</li> <li>○ significant changes in metrics, including but not limited to: <ul style="list-style-type: none"> <li>- increase in investment option switching,</li> <li>- increase in members exiting the Product,</li> <li>- increase in member complaints about investment performance of pooled investment options or this product in general,</li> </ul> </li> </ul>



- 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 target market determination will be reviewed within 10 business days.

## 5. Reporting and monitoring this TMD

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>○ Potential/actual harm to members if members outside the target market acquire the product, 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 within 10 business days following the end of the quarter.</p>

\*within 10 days of the end of the calendar month