

# Target Market Determination (TMD)

## Aon Master Trust 'accumulation' products:

- **smartMonday PRIME**
- **smartMonday DIRECT**

Effective date: 5 October 2021

## 1. About this document

This target market determination (TMD) applies to the 'smartMonday' accumulation products of the Aon Master Trust ABN 68 964 712 340 (the Fund or AMT) issued by Equity Trustees Superannuation Limited (ETSL) ABN 50 055 641 757 AFSL 229757. smartMonday is a registered trading name of Aon Solutions Australia Limited ABN 48 002 288 646 AFSL 236667 (Aon), the sponsor of the Aon Master Trust.

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

This document is not a Product Disclosure Statement, is not to be treated as a full summary of the product's terms and conditions, does not take into account any person's individual financial objectives, situation and needs and is not intended to provide financial advice. Consumers 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 TMD applies

This TMD applies to the accumulation products of the Aon Master Trust referred to in the following Product Disclosure Statements:

- > [smartMonday PRIME](#)
- > [smartMonday DIRECT](#)

PDSs and reference guides are located at [smartmonday.com.au](http://smartmonday.com.au). Some employer-sponsored plans in smartMonday PRIME have tailored PDSs, which are made available to members via the member portal on the website

**Date from which this target market determination is effective:**

**5 October 2021**

## 2. Class of consumers that constitutes the target market

The target market for these products comprise of:

- A consumer who wants to save for their retirement within the superannuation environment.
- A consumer who wants to invest in one investment option or multiple investment options.

The products also cater for persons who wish to access the following features of the products within a superannuation environment:

- Insurance cover through superannuation including Death cover only, Death and TPD cover (jointly) and Income Protection cover;
- Binding and Non-binding nominations on death;
- Investment options:
  - ▣ Ability to choose how their account balance is invested by selecting one investment option or multiple investment options;
  - ▣ Ability to diversify assets, have varying attitudes to risk versus return, and liquidity and cash flow needs vary depending on whether they are saving for retirement (via a Personal Super account) or transitioning to retirement (via a Pension account).

### Excluded class of consumers

The products are not suitable for consumers:

- Receiving the PDS outside of Australia;
- Who generally are not:
  - ▣ an Australian Resident (meaning an Australian citizen, Australian
  - ▣ Permanent Resident visa holder or New Zealand citizen who holds a Special Category visa while residing in Australia indefinitely), or
  - ▣ holding a current and valid visa (which allows the person to work in Australia) and currently residing in Australia;
- Seeking a short-term investment;
- Seeking to invest with ready access to their money;
- Not suitable for someone where a particular investment is not available on the menu.

### Product description

The fund is a public-offer retail master trust that enables consumers to save for retirement via superannuation. Consumers have choice and flexibility to control the way their superannuation is invested.

The accumulation products are customised for particular sub-markets and distributed through different channels.

- **smartMonday PRIME** range of products are distributed via participating employers, where employees enrolled to the product can choose 'MySuper' or 'Choice' investments.
- **smartMonday DIRECT** is predominately distributed via financial advisers but can also be accessed directly via the smartMonday website at [smartmonday.com.au](http://smartmonday.com.au).

## Key product attributes

### Access to advice

Consumers have access to smartCoaches who can provide intra-fund advice about the consumer's investment mix, contributions, adequacy of retirement savings, and insurance within the fund. Any intra-fund advice is provided by or on behalf of Aon.

### Types of contributions

The products are suitable for a consumer wishing to make the following contribution types: SG contributions, additional employer contributions, salary sacrifice contributions, voluntary member contributions, spouse contributions and Government co-contributions.

### Member portal and reporting

Consumers can view and update membership details, access account information, and transact on their account via the secure online member portal. Consumers also have access to reporting as well as receiving annual statements through the member portal.

### Tax

A consumer who becomes a member of the fund may be eligible to receive a range of tax concessions available in superannuation, subject to eligibility. Members should seek their own independent tax advice but for further information about tax concessions and eligibility is available from [ato.gov.au](http://ato.gov.au).

### Insurance

The products offer access to a range of insurance options including:

- Death cover;
- Total & Permanent Disablement (TPD) cover;
- Income Protection (IP) cover, including a range of waiting periods and benefit payment period.

The table below sets out the class of consumer for each insurance attribute.

Insurance key attributes	Target market suitability
Automatic insurance cover	Consumers may receive insurance cover automatically, without requiring underwriting (e.g. Health assessment), subject to eligibility described in the PDS.
Death cover (including terminal illness cover)	This may be suitable for a consumer who is looking to obtain insurance cover in the event of death or terminal illness.
Total and Permanent Disablement (TPD) cover	This may be suitable for a consumer who is looking to obtain insurance cover in the event of total and permanent disability.
Income Protection (IP) cover	This may be suitable for a consumer who is looking to obtain insurance cover in the event of temporary or permanent disability or illness. They can tailor waiting periods and benefit payment periods to suit their needs.
Transferability - Ability to transfer cover from an external superannuation benefit into the products without underwriting, subject to specific terms and approval by the insurer.	This may be suitable for a consumer who has existing insurance cover in place with another superannuation fund and wishes to transfer this cover

**Note:** Insurance may not be suitable for certain excluded occupations. Refer to the PDS for further detail.

## Investments

The products provide access to a range of investment options including;

- > Pre-Mixed investment options (including Aon MySuper)
- > Sector-specific investment options

The table below sets out the Investment options available and target market for each option.

Investment options	Target market suitability
<b>Pre-mixed options</b>	
Aon MySuper <i>(smartMonday PRIME only)</i>	Aon MySuper utilises two portfolios, whose allocations adjust to focus on growth opportunities when a consumer is younger, and reduce the risk of capital loss approaching retirement age. This investment option is intended for consumers who: <ul style="list-style-type: none"> <li>&gt; prefer to take a less active role in managing their superannuation investments,</li> <li>&gt; expect to remain invested until their retirement, and at least a minimum of 5 years.</li> </ul>
High Growth – Index High Growth – Active	Invests in growth assets including Australian and international shares and property. Intended to be suitable for consumers who can tolerate negative returns in some years because they intend to remain invested in this option for the suggested minimum timeframe.
Growth – Index Growth – Active	Invests predominantly in growth assets including Australian shares, international shares, property and defensive assets in fixed interest. Intended to be suitable for consumers who can tolerate negative returns in some years because they intend to remain invested in this option for the suggested minimum timeframe.
Balanced Growth – Index Balanced Growth – Active	Invests in a mix of growth and defensive assets including Australian and international shares, property, fixed interest and cash. Intended to be suitable for consumers who can tolerate negative returns in some years because they intend to remain invested in this option for the suggested minimum timeframe.
Moderate – Index Moderate – Active	Invests predominantly in defensive assets including Australian and international fixed interest with some exposure to shares and property. Intended to be suitable for consumers who can tolerate negative returns in some years because they intend to remain invested in this option for the suggested minimum timeframe.
Defensive – Index Defensive – Active	Invests in defensive assets including Australian and international fixed interest and cash. Intended to be suitable for consumers who can tolerate an occasional negative return because they intend to remain invested in this option for the suggested minimum timeframe.

<b>Sector options</b>	
Australian Shares – Index Australian Shares – Diversified Australian Shares – Core	Invests in Australian shares. Intended to be suitable for consumers who can tolerate negative returns in some years because they intend to remain invested in this option for the suggested minimum timeframe.
International Shares – Index	Invests mainly in developed market shares and may have some exposure to emerging markets. Intended to be suitable for consumers who can tolerate negative returns in some years because they intend to remain invested in this option for the suggested minimum timeframe.
International Shares – Diversified	Invests mainly in developed market shares and may have some exposure to emerging markets. Intended to be suitable for consumers who can tolerate negative returns in some years, and can accept significant volatility from foreign exchange fluctuations, because they intend to remain invested in this option for the suggested minimum timeframe.
Property – Australian Index Property – Diversified	Invested in listed Australian property and listed developed markets property. Intended to be suitable for consumers who can tolerate negative returns in some years because they intend to remain invested in this option for the suggested minimum timeframe.
Fixed Interest – Diversified - Index	Designed to generate the risk and return outcomes of the benchmark index, which means negative returns when the bond market falls. There is no currency risk and this option is intended to be suitable for consumers seeking modest returns above inflation with a low to medium risk of negative returns over the suggested minimum timeframe.
Fixed Interest – Diversified	Invests in fixed interest across the credit spectrum, with exposure to Australian and overseas markets. Foreign currency exposures are largely hedged back to the Australian dollar however there is some exposure to currency risk. This option is intended to be suitable for consumers seeking modest returns above inflation with a low to medium risk of negative returns over the suggested minimum timeframe.
Cash	Invests in deposits, fixed and floating rate securities with short-terms and high liquidity. Intended to be suitable for consumers who put more weight on capital security and liquidity than returns.

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

The issuer considers that the products are likely to be consistent with the likely objectives, financial situation and needs of consumers within the target market because:

- smartMonday PRIME has been designed specifically for consumers who join through their employer;
- smartMonday DIRECT is designed for consumers receiving personal financial advice, or joining directly;
- there is a range of investment options to cater for a broad range of risk profiles and asset class preferences;
- there is a range of insurance options to cater for a broad range of insurance needs (including type and level of cover);
- the products accept the full range of superannuation contributions permitted under the law; and
- the fees and costs associated with the products are consistent with market rates.

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

#### Distribution channels

The products can be customised for particular sub-markets and distributed through different channels. They are as follows:

- smartMonday PRIME
  - ▮ Participating Employers
- smartMonday DIRECT
  - ▮ Direct (via Aon's website [smartmonday.com.au](https://www.smartmonday.com.au))
  - ▮ Financial advisers

#### Distribution conditions

These products should only be distributed under the following circumstances:

- Where the prospective consumer is receiving a PDS in Australia;
- Where the prospective consumer is a resident in Australia and is eligible to contribute to or consolidate their superannuation account.

For smartMonday PRIME, where an employer has become a Participating Employer in the product by completing the Employer Application form. (An employer is only permitted to distribute the product if they are a Participating Employer).

Where a member is applying for insurance cover, they must:

- Meet the age, employment and residency requirements outlined in the PDS; and
- Be in an eligible occupation category for the type of insurance cover being applied for.

Distributors must also ensure that they comply with all regulatory provisions relating to financial products including but not limited to the provision of financial advice, Anti-Hawking provisions and other legislative requirements within the Corporations Act and other relevant law.

Apart from eligibility to join the smartMonday PRIME through an employer, the Trustee has not identified any circumstances where distribution of the product would be restricted if the above conditions are met.

#### Adequacy of distribution conditions and restrictions

The Trustee has determined that the distribution conditions and restrictions will make it likely that consumers who purchase the product(s) are in the class of consumers for which it has been designed. The Trustee considers that the distribution conditions and restrictions are appropriate and will assist distribution in being directed towards the target market for whom the product has been designed.

### 4. Reviewing this TMD

The issuer will review this TMD in accordance with the below:

#### Initial review

- April 2022

#### Periodic reviews

- Annually in April.

#### Date of last review

- N/A

## Review triggers or events

Any event or circumstances arise that would suggest the TMD is no longer appropriate. This may include (but not limited to):

- business performance review or adverse finding from a Member Outcomes Assessment;
- a material change to the design or distribution of the product, including related documentation;
- occurrence of a Significant Dealing;
- distribution conditions found to be inadequate;
- external events such as adverse media coverage which would significantly impact the sustainability of the fund or regulatory changes that significantly affect the product or the distribution of the product;
- significant changes in metrics, including, but not limited to, complaints, sales volumes, investment option switching rates and/or increase in cancellation rates during the cooling-off period;
- the use of a Regulator's Product Intervention Powers in relation to the product.

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

## 5. Reporting and monitoring this TMD

Distributors have the obligation to report the following information to us in relation to this TMD.

### Complaints

Distributors must record and report all complaints that relate to the product or its distribution. The record should include the substance of complaints in relation to the product covered by this TMD. Where a complaint relating to the product and/or its distribution is received, the distributor must report this complaint information to the issuer at six monthly intervals (end of March and September). This will include written details of the complaints.

### Significant Dealings

Distributors must report if they become aware of a Significant Dealing in relation to this TMD within 10 business days. Reporting for complaints and significant dealings should be directed to the issuer. See the *Enquiries & complaints* factsheet on our website at [smartmonday.com.au](http://smartmonday.com.au) for more information.

smartMonday is a registered trading name of Aon Solutions Australia Limited ABN 48 002 288 646 AFSL 236667 (Aon), the sponsor of the Aon Master Trust ABN 68 964 712 340 (the Fund). smartMonday PRIME and smartMonday DIRECT are parts of the Fund. This document has been prepared by Aon on behalf of the trustee. The trustee is Equity Trustees Superannuation Limited ABN 50 055 641 757 AFSL 229757 RSE Licence L0001458 and is the issuer of this document. References in this document to 'we', 'us', and 'our' are references to the trustee.

The information in this document is general in nature and should not be relied upon as personal advice as your personal needs, objectives and financial situation have not been considered. Before making a decision about this product, you should consider whether it suits your particular circumstances and, where appropriate, you may wish to seek financial advice specific to your needs.

An investment in smartMonday PRIME or smartMonday DIRECT is neither a deposit nor a liability of Aon, Equity Trustees Superannuation Limited, nor any of their related entities and none of them guarantees your investment in the products.