

Dylan
Spirit Super member



Target market determination Super product



Effective from
28 April 2023



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For Spirit Super: ABN 74 559 365 913,
USI MTA0100AU.

Trustee: Motor Trades Association
of Australia Superannuation Fund
Pty Ltd. ABN 14 008 650 628,
AFSL 238 718.

1. About this document

This target market determination (TMD) is for the Spirit Super super product. Its purpose is to describe the class of member who makes up the target market for this product, having regard to their objectives, financial situation and needs. This TMD also provides distribution conditions for our super product, together with reporting requirements and information about when the TMD will be reviewed.

This document isn't a summary of our terms and conditions and isn't intended to provide financial advice. Read the *Product disclosure statement* for Spirit Super (known as the *Member guide*) and all the information that forms part of the *Member guide* available at spiritsuper.com.au/pds when making a decision about Spirit Super.



2. Who we're designed for

Spirit Super is designed to meet the needs of a wide range of members. Our super product is designed for those who:

- are 15 and over and haven't yet retired
- want their retirement savings to grow over time in a tax effective environment
- want options that suit their changing needs including:
 - a sound default investment option for those who prefer to leave it up to us to manage their super
 - the flexibility to choose from a range of investment options with different levels of expected risk and return and
 - the ability to change investment options any time as their requirements change
- want flexible options to manage their account, including being able to transact online, over the phone and in writing
- want advice on their account when they need it
- have investment knowledge ranging from basic to advanced.

Our super product includes insurance cover, which is designed for those who:

- are working and want a reasonable level of affordable default insurance cover that doesn't erode retirement savings for those eligible
- want the option to tailor death, total and permanent disablement and/or income protection insurance cover to suit specific needs.

Our super product isn't designed for members who:

- are under age 15
- have an account balance below \$6,000 and aren't actively contributing
- want to directly invest in specific assets or trade on stock exchanges. This includes the ability to direct investments towards specific shares or particular investment vehicles including exchange traded funds, term deposits and other investments.

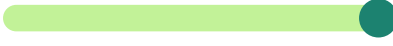
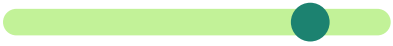
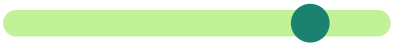



Product features and key attributes

Our super product has the following features:

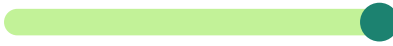
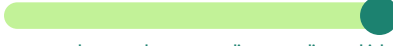
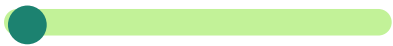
- **key attribute:** a choice of five pre-mixed investment options with different levels of risk and return, including a MySuper authorised option. Plus four sector options that target specific asset classes to allow members flexibility to determine their own asset allocation
- **key attribute:** default and fixed death, total and permanent disablement and income protection insurance for eligible members
- the ability to accept contributions from any Australian employer
- the ability to nominate beneficiaries to receive super and any insurance payout upon a member's death
- the ability to obtain advice on our super product
- online access to keep track and manage super at any time through **Member Online**
- competitive fees and charges, with a cap on administration fees.

Our investment options

Our investment options are a key attribute of our super product. Their suitability will depend on the member's risk tolerance, objectives, investment time frame and asset allocation preferences. Our options invest in a wide range of asset classes and assets with varying levels of expected risk, return and investment time frames to suit our broad target market.

Option	Description	Type of member	Risk tolerance ¹	Objectives ²	Investment time frame
Growth	Aims to achieve strong returns by investing in a portfolio of mainly shares and other growth assets.	Seeking high capital growth over the long term and don't mind substantial risk and volatility.	 <p>very low low low-medium medium medium-high high</p> <p>4-6 negative annual returns may be expected in a 20-year period.</p>	CPI + 4% a year over rolling 10-year periods.	10+ years
Sustainable	Aims to achieve strong returns by investing in a diversified mix of mainly growth assets with heightened consideration given to environmental, social and governance risks.	Seeking moderate to high capital growth over the long term using environmentally and socially responsible investments and can tolerate medium to high risk and volatility.	 <p>very low low low-medium medium medium-high high</p> <p>3-4 negative annual returns may be expected in a 20-year period.</p>	CPI + 3% a year over rolling 7-year periods.	7+ years
Balanced (MySuper)	Aims to achieve strong returns by investing in a diversified mix of mainly growth assets as well as cash and fixed interest instruments.	Seeking moderate to high capital growth over the long term and can tolerate medium to high risk and volatility.	 <p>very low low low-medium medium medium-high high</p> <p>3-4 negative annual returns may be expected in a 20-year period.</p>	CPI + 3% a year over rolling 7-year periods.	7+ years
Moderate	Aims to achieve moderate returns by investing in a diversified mix of growth and defensive assets.	Seeking moderate capital growth in the medium to long term and a moderate level of risk and volatility.	 <p>very low low low-medium medium medium-high high</p> <p>2-3 negative annual returns may be expected in a 20-year period.</p>	CPI + 2% a year over rolling 5-year periods.	5+ years
Conservative	Aims to achieve returns in excess of price inflation with low to medium risk.	Seeking some capital growth over the short to medium term with low to medium level of risk and volatility.	 <p>very low low low-medium medium medium-high high</p> <p>1-2 negative annual returns may be expected in a 20-year period.</p>	CPI + 1% a year over rolling 4-year periods.	4+ years
Australian shares	Aims to maximise long-term investment returns through diversified investments in Australian shares. Returns are likely to be very volatile.	Seeking a high level of capital growth over the long term by investing in a diversified portfolio of Australian Shares with substantial risk and volatility.	 <p>very low low low-medium medium medium-high high</p> <p>4-6 negative annual returns may be expected in a 20-year period.</p>	To meet or exceed the return to S&P/ASX300 Accumulation Index, including franking credits but before fees, costs and investment-related taxes.	10+ years

For more information, please visit spiritsuper.com.au.
You can also call us on **1800 005 166**. We're here to help.

Option	Description	Type of member	Risk tolerance ¹	Objectives ²	Investment time frame
International shares	Aims to maximise long-term investment returns through diversified investments in international shares. Returns are likely to be very volatile.	Seeking a high level of capital growth over the long term by investing in a diversified portfolio of international shares with substantial risk and volatility.	 <p>4-6 negative annual returns may be expected in a 20-year period.</p>	To meet or exceed the return to the MSCI All Countries World Index (ex-Australia), partially hedged to Australian dollars before fees, costs and investment-related taxes.	10+ years
Diversified fixed interest	Aims to deliver moderate returns over the medium term by investing in a diversified portfolio of Australian and global fixed interest instruments.	Seeking moderate returns and to deliver some capital growth over the medium term by investing in a range of fixed interest investments and wanting a lower level of risk and volatility than shares.	 <p>4-6 negative annual returns may be expected in a 20-year period.</p>	To meet or exceed the return to a weighted average of Australian and international fixed interest indices, hedged to Australian dollars before fees, costs and investment-related taxes.	5+ years
Cash	Aims to ensure security of capital and to limit year-to-year variability through investment in cash.	Wanting a high level of capital security and to maintain the purchasing power of investment over the short term with very low risk and fairly consistent but low returns.	 <p>Less than 0.5 negative annual returns may be expected in a 20-year period</p>	To deliver the return to the Bloomberg AusBond Bank Bill Index before fees, costs and investment-related taxes.	0 years

¹ Refer to our *Investment guide* available at spiritsuper.com.au/pds for more information about risk.

² The investment return objectives are after investment fees and taxes.



Our insurance options

We provide default and fixed death, total and permanent disablement, and income protection cover.

- Default cover is automatically provided to eligible members. The amount and type of cover provided depends on the member's age and employer. Cover commences when eligibility conditions are satisfied. Our default cover is designed to provide an affordable basic amount of cover.
- Fixed cover enables members to tailor their cover to suit their needs. This may suit members not eligible for default cover or those that want to have more cover than our default cover provides.

Death Cover	<p>Our death cover is designed for members who:</p> <ul style="list-style-type: none">• are aged 15 and over and under age 70• want a lump sum benefit to provide financial help to themselves or their dependents if they become terminally ill or pass away• want the ability to increase cover up to a maximum of \$5 million• want the option of default cover (variable cover amounts and insurance fees based on age) automatically provided when eligibility conditions are met, or fixed cover they can tailor to suit their needs (a fixed amount of cover with insurance fees that vary with age). <p>Eligibility:</p> <ul style="list-style-type: none">• for default cover to automatically commence:<ul style="list-style-type: none">– the member must be aged 25 or over and under age 70 with an account balance of \$6,000 or more, otherwise an opt-in election is required, and– a superannuation guarantee (SG) contribution has been received no earlier than 90 days before the member is age 25 and has at least \$6,000 in their account– the member has not previously asked us to cancel default cover in their account.• for fixed cover to commence, the member must:<ul style="list-style-type: none">– be aged between 15 and over and under age 70– apply and be accepted by the insurer– have sufficient funds in their account to pay insurance fees.
Total and Permanent Disablement (TPD) cover	<p>Our TPD cover is designed for members who:</p> <ul style="list-style-type: none">• are aged 15 and over and under age 70• want a lump sum benefit to provide financial help if they become totally and permanently disabled and can no longer work.• want the ability to increase cover up to a maximum of \$3 million• want the option of default cover (variable cover amounts and insurance fees based on age) automatically provided when eligibility conditions are met, or fixed cover they can tailor to suit their needs (a fixed amount of cover with insurance fees that vary with age). <p>Eligibility:</p> <ul style="list-style-type: none">• for default cover to automatically commence:<ul style="list-style-type: none">– the member must be aged 25 or over and under age 65 with an account balance of \$6,000 or more, otherwise an opt-in election is required, and– an SG contribution has been received no earlier than 90 days before the member is age 25 and has at least \$6,000 in their account– the member has not previously asked us to cancel default cover in their account.• for fixed cover to commence, the member must:<ul style="list-style-type: none">– be aged between 15 and over and under age 70– apply and be accepted by the insurer– have sufficient funds in their account to pay insurance fees.

Default income protection cover	<p>Our default income protection cover is designed for members who:</p> <ul style="list-style-type: none"> • want to receive monthly benefit payments if they're unable to work temporarily due to illness or injury • want a monthly cover amount of up to 75% of their monthly income (if aged under 56) or up to 50% of their monthly income (if aged 56 and over) plus a super contribution of up to 10% (with a maximum monthly cover amount of \$16,000) • want a two-year benefit period and 90 day waiting period • want their monthly cover amount to be reviewed and updated twice-yearly based on the SG contributions they've received • want options to tailor their cover such as converting to fixed income protection cover with indexation, increasing the benefit period to 5 years or to age 65 and decreasing the waiting period to 30 or 60 days • will regularly contribute SG contributions to their Spirit Super account.³ <p>Members are eligible for cover if they:</p> <ul style="list-style-type: none"> • are aged 15 years and over and under age 60 • are employed by an eligible employer • eligible employers include Tasmanian state government employers, Tasmanian local councils, Tasmanian non-government schools, Tasmanian private hospitals, and other approved employers. <p>For default income protection to commence:</p> <ul style="list-style-type: none"> • the member must be aged 25 or over and under 65 with an account balance of \$6,000 or more, otherwise an opt-in election has been made • at least \$650 of SG contributions has been received no earlier than 90 days before they're age 25 and account balance is \$6,000 or more, and • at least one SG contribution is from an eligible employer • the member has not previously asked us to cancel default cover in their account. <p>³ The monthly cover amount is calculated based on SG contributions received. During the twice-yearly review, if the monthly cover amount falls below \$1,000, cover automatically ends.</p>
Fixed income protection cover	<p>Our fixed income protection cover is designed for members who:</p> <ul style="list-style-type: none"> • are not eligible for default income protection cover • want to receive monthly benefit payments if they're unable to work temporarily due to illness or injury • want a monthly cover amount of up to 75% of their monthly income plus a super contribution of up to 10%, indexed annually to keep pace with inflation (with a maximum monthly cover amount of \$30,000) • want a fixed amount of monthly cover, indexed annually, with a choice of benefit periods – 2 years, 5 years or to age 65 and choice of waiting periods – 30, 60 or 90 days. <p>Members are eligible for cover if they:</p> <ul style="list-style-type: none"> • are aged 15 years and over and under 65 • apply and are accepted by the insurer • have sufficient funds in their account to pay insurance fees.

Our insurance options are not suitable for members who:

- are under age 15 or aged 70 and over
- do not wish to contribute to their super account or maintain an account balance over \$6,000
- have been diagnosed with a terminal illness that's likely to result in their death within 24 months, or
- previously received or was eligible for a terminal illness or total and permanent disability benefit from any insurer or super fund.

If a member is over age 65 or unemployed for 24 months before becoming disabled any TPD claim may be assessed under more restrictive definitions.

A member's continued eligibility for insured cover depends on whether their account is active and receiving contributions.

Limitations and exclusions

While the table above sets out information on our default and fixed cover arrangements and eligibility requirements, certain conditions, limitations, and exclusions may apply. These are set out in our *Member guide* and *Insurance Guide* available from spiritsuper.com.au/pds.



Consistency between target market and the product

This super product is expected to be consistent with the likely objectives, financial situation and needs of members falling within the target market, as the product provides:

- a variety of investment options designed to grow or maintain members' retirement savings, depending on their individual needs
- investment options that cater for a range of risk tolerances, ability to bear losses, objectives and needs to suit varying member requirements, including a change in objectives over time
- affordable or tailored insurance, if desired, and subject to meeting eligibility criteria
- simple accessible ways to manage super.

The flexibility offered by our super product in terms of both investment and insurance options means that the product is suitable for a wide range of members.

3. How will this product be distributed?

Distribution channels

This product is designed to be distributed through:

- direct to public – through the Spirit Super website, contact centre and Superannuation Advisers
- employers
- financial advisers.

Distribution conditions

This product should only be distributed to individuals who require a super account.

Adequacy of distribution conditions and restrictions

The target market for our super product is necessarily broad, as the inclusion of differing investment options means that the product is suitable for a wide range of members. If distribution occurs in accordance with the distribution conditions, it's likely that members who purchase the product will be within the broad class of members for which the product has been designed. Others, for whom super products aren't suitable, are unlikely to be within this cohort.

4. Reviewing this target market determination

We'll review this TMD as follows:

Next review	By 28 April 2024
Periodic review period	At least every 12 months.
Maximum review period	1 year
Review triggers or events	<ul style="list-style-type: none">• a material change to the design or distribution of the product, including changes to the product's investment options or insurance offering• occurrence of a known significant dealing outside the target market• external events such as adverse media coverage or regulatory attention• significant increase in members exiting the product• significant proportion of insurance cancellation rates• significant proportion of insurance claims being denied or withdrawn• significant changes to the key attributes of the insurance product and/or premiums• significant changes in the claim loss ratio/s, claim decline rates, claim decline reasons and/or claims withdrawn• persistent member complaints about the product• significantly different returns from those expected from the market• material change to fees and costs• a major change in the market resulting in a significant number of investment options becoming illiquid and not being able to offer withdrawals• legislative or regulatory changes which materially impact the design or distribution of the product• the trustee makes a determination for the purposes of s52(9) of <i>Superannuation Industry (Supervision) Act 1993</i> (Member Outcomes Assessment) that the financial interests of members holding the product aren't being promoted.

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

5. Reporting and monitoring this target market determination

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

Complaints	<p>Distributors will report the number of complaints in relation to the product/s covered by this TMD on a quarterly basis. This will include the substance of complaints and general feedback relating to the product and its performance.</p> <p>Reporting isn't required if the number of complaints is zero.</p>
Significant dealings	<p>Distributors will report if they become aware of a significant dealing outside the target market in relation to this TMD within 10 business days.</p>



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