

Target Market Determination (TMD)

Smart Future Trust 'pension' product:

- **smartMonday PENSION**

Effective date: 1 June 2024

1. About this document

This target market determination (TMD) applies to the smartMonday superannuation pension product of the Smart Future Trust ABN 68 964 712 340 (the Fund) issued by Equity Trustees Superannuation Limited ABN 50 055 641 757 AFSL 229757 (the Trustee). smartMonday is a registered trading name of smartMonday Solutions Limited ABN 48 002 288 646 AFSL 236667 (smartMonday), the sponsor of the Fund.

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 (PDS), 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 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 pension product of the Fund referred to in the following PDS:

- › smartMonday PENSION

The PDS is located at smartmonday.com.au.

Date from which this TMD is effective: 1 June 2024

2. Class of consumers that constitutes the target market

The target market for the pension product comprises the class of retail clients who meet the following criteria:

- A consumer who wants to receive a superannuation income stream;
- A consumer who wants to choose how their account balance is invested by selecting from a range of investment options.

The product also caters for consumers who wish to access the following features of the product within a superannuation environment:

- The ability to nominate and authorise an adviser to act on the client's behalf in relation to the product;
- Reversionary benefits;
- Binding and Non-binding nominations on death;
- Seeking to establish one of the available account-based pension options;
 - Transition to Retirement pension;
 - Retirement pension.

Excluded class of consumers

The pension product is 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.
- Who want to make contributions to this product after the pension product is established;
- Who require the income stream to be less than the minimum or greater than the maximum permitted to be paid by the product under the law;
- With a TTR Pension who wish to make commutations;
- Who have not met a condition of release;
- Who want to hold insurance cover inside a superannuation product;
- Where a particular investment option is not available in the menu.

Product description

The Fund is a public offer retail master trust that enables members to save for retirement and access their superannuation in retirement. Consumers have choice and flexibility to control the way their superannuation is invested. The product is distributed by advisers or directly via the website smartmonday.com.au.

Key product attributes

Types of accounts

The pension product is suitable for a person wishing to establish the following account-based pension types:

- **Retirement Pension account** - This account type will suit a person who has retired or satisfied some other condition of release which allows full access to a member's superannuation benefits (i.e. for those with unrestricted non-preserved benefits).
- **Transition-to-Retirement Pension account (TRP)** - This account type may suit a person who has reached their preservation age but has not retired or met some other condition of release. With a TRP, while a consumer is still working, they can continue to receive employer contributions into an accumulation-type

account in the Fund while at the same time drawing on their superannuation benefits via a separate pension account to supplement their employment income.

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

Consumers who acquire the pension product may be eligible to receive a range of tax concessions available in the retirement (or pre-retirement) phase of superannuation, subject to eligibility. Consumers should seek their own independent tax advice but further information about tax concessions and eligibility is available from ato.gov.au.

Reversionary benefits

Before a consumer commences a pension, they can nominate their spouse (including a de facto spouse of the same or opposite sex) as a 'reversionary beneficiary', that is, a beneficiary who can continue to receive their pension. This means that if they die with money in their pension account, a reversionary pension may continue to be paid to their spouse.

Investments

The product provides access to a range of investment options including;

- > Pre-mixed investment options
- > Cash investment option

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

Investment options	Target market suitability
High Growth	Invests 90–100% of the portfolio in growth assets. Intended to be suitable for those who can tolerate negative returns in some years because they intend to remain invested in this option for the suggested minimum timeframe.
Growth	Invests 80–90% of the portfolio in growth assets and typically 15% in defensive assets. Intended to be suitable for those who can tolerate negative returns in some years because they intend to remain invested in this option for the suggested minimum timeframe.
Balanced Growth	Invests 60–80% of the portfolio in growth assets and typically 30% in defensive assets. Intended to be suitable for those who can tolerate negative returns in some years because they intend to remain invested in this option for the suggested minimum timeframe.
Moderate	Invests 20–40% of the portfolio in growth assets and typically 70% in defensive assets. Intended to be suitable for those who can tolerate negative returns in some years because they intend to remain invested in this option for the suggested minimum timeframe.
Defensive	Invests 80–100% of the portfolio in defensive assets and typically 0–20% in growth assets. Invests in defensive assets including Australian and international fixed interest and cash. Intended to be suitable for those who can tolerate an occasional negative return because they intend to remain invested in this option for the suggested minimum timeframe.

Cash	Invests in short-term securities. Intended to be suitable for those who put more weight on capital security and liquidity than returns.
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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:

- the product has been designed to cater 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; 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 product is distributed through the following channels:

- › Financial advisers
- › Direct (via the website smartmonday.com.au)

Distribution conditions

The product should only be distributed under the following circumstances:

- › Where the prospective consumer is receiving a PDS in Australia;
- › Where the prospective consumer has met a superannuation condition of release and are retired or transitioning to retirement;

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 the above conditions and whether an adviser considers that it is in the best interest of the client to acquire the product despite the fact one or more of the criteria are not satisfied as at the date of the acquisition, the issuer 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 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:

Periodic reviews

- › 3 years from the Effective Date

Date of last review

- › 1 June 2024

Review triggers or events

Any events or circumstances arise that may render the TMD no longer appropriate. These may include (but are 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 at smartmonday.com.au for more information.

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 obtain and read a copy of the relevant PDS, 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 PENSION is neither a deposit nor a liability of smartMonday, Equity Trustees Superannuation Limited, nor any of their related entities and none of them guarantees your investment in the product.

smartMonday is a registered trading name of smartMonday Solutions Limited ABN 48 002 288 646 AFSL 236667 (smartMonday), the sponsor of the Smart Future Trust ABN 68 964 712 340 (the Fund). smartMonday PENSION is part of the Fund. The Trustee of the fund and issuer of this document is Equity Trustees Superannuation Limited ABN 50 055 641 757 AFSL 229757 RSE Licence L0001458. References in this document to 'we', 'us', and 'our' are references to the Trustee.