

Target Market Determination

for the Prime Super accumulation account

Effective date 30 September 2024

Next scheduled review to be completed by 30 September 2025



This Target Market Determination (TMD) relates to the Prime Super accumulation account (the product). It sets out the individuals for whom the product is designed and for whom it is likely to be appropriate, having regard to their likely objectives, financial situation and needs.

This TMD is not a Product Disclosure Statement (PDS) and is not a summary of all the features and conditions of the product. The information in this document is general in nature and does not take into account a person's individual objectives, financial situation or needs.

It is important that individuals read the PDS and supporting Member Guide for detailed information about the product and obtain personal financial advice where appropriate.

1. About the product

The product is suitable for individuals in the accumulation phase of superannuation, who want to make an active choice in relation to their super investment options and may or may not wish to make a choice about insurance cover.

PDS to which this TMD applies

This TMD applies to the product referred to in the following documents:

- Product Disclosure Statement – Super Division
- Product Disclosure Statement – Health Division
- Product Disclosure Statement – Education Division
- Member Guide.

The documents are available at primesuper.com.au/pds or by calling **1800 675 839**.

2. The target market

The product is designed for individuals in the accumulation phase of superannuation, who are saving for their retirement within the superannuation system. The product manages and invests their superannuation savings.

The following table describes the likely objectives, financial situation and needs of individuals in the target market.

Likely objectives

- To meet their retirement savings objectives, through competitive investment returns.
- To achieve investment returns over time according to their specific circumstances and financial objectives, which may change over time.
- To have a level of flexibility and control over their own investment strategy.
- To have the ability to select a level of insurance cover that meets their needs.

Likely financial situation

- Will possess a reasonable level of knowledge of their financial circumstances.
- Will have awareness of their preferences for financial risk and their needs.
- May be receiving superannuation contributions from employers.
- Will be diverse in their levels of income and savings, employment status, investment preferences, risk appetite, investment objectives and investment timeframes.

Likely needs

- To save for future retirement income needs.
- To exercise some control over the investment portfolio of their superannuation account.
- To construct an investment portfolio with a mixture of options to meet their objectives, needs and financial situation.
- To have access default insurance cover
- To change their death, total and permanent disability and income protection insurance cover as their financial situation and needs change.

Individuals for whom the product is not suitable

- Individuals who are in the retirement phase and are not intending to make further contributions to their superannuation accumulation account.
- Individuals who require access to their savings before retirement.
- Individuals who require access to a more comprehensive suite of investments.
- Individuals who want their superannuation savings in a self-managed super fund structure.

Important information about Prime Super

Trustee: Prime Super Pty Ltd ABN 81 067 241 016, AFSL 219723

Fund name: Prime Super

Fund Australian business number (ABN): 60 562 335 823

Unique superannuation identifier (USI): 6056 2335 82 3001



Prime Super

3. Product key attributes

The product allows individuals to:

- choose to invest their superannuation account in one or more of 11 different investment options, including pre-mixed and single sector options, and make an investment switch at any time, free-of-charge; and
- amend and tailor insurance cover to suit their personal needs, subject to availability and eligibility.



Investment options










The product offers 11 investment options, either pre-mixed (diversified) or single sector investment options, designed to cater for a range of risk appetites, investment return targets, and investment objectives.










The product offers a level of flexibility and control for members over their investment strategy, including a default investment option, the MySuper Balanced option, for those that don't want to make an investment choice.

The tables below describe the investment options and the members that the option would suit. For more information about the investment options, including specific asset allocations, refer to the Fund's PDS and Member Guide available on the website.

Traffic lights indicate the age range of the likely target market for each option:




	Green means this option is likely to suit members in this age range who also seek the other features specified for the option
	Amber means this option is less likely to suit members in this age range, but suitability would also depend on members' personal objectives, outlook, and preferences in relation to risk and returns. Members should seek personal financial advice if considering this option.













Pre-mixed option details			
MySuper (Balanced)	Wealth accumulation Ages 15-55	Pre-retirement Ages 55-65	Working past retirement age
			
Managed Growth	Wealth accumulation Ages 15-55	Pre-retirement Ages 55-65	Working past retirement age
			
Alternatives*	Wealth accumulation Ages 15-55	Pre-retirement Ages 55-65	Working past retirement age
			

Pre-mixed option details			
Conservative	Wealth accumulation Ages 15-55	Pre-retirement Ages 55-65	Working past retirement age
			
<ul style="list-style-type: none"> – For members who seek more consistent returns. – Invests primarily in defensive assets with the aim of protecting the value of a member's net investment. – Investment return objective: To outperform the CPI (after tax and investment expenses) by at least 1.0% p.a. over rolling 5-year periods – Risk level: Low to medium. Likelihood of negative returns one time to less than two times in 20 years. – Investment time frame: five or more years. 			
Income Focused	Wealth accumulation Ages 15-55	Pre-retirement Ages 55-65	Working past retirement age
			
<ul style="list-style-type: none"> – For members who seek income supplementation over capital growth. – Invests in a diversified range of investments with a focus on yield. – Investment return objective: To provide income yields of 2.0% p.a. (before tax and fees) above RBA cash rate over rolling 5-year periods. – Risk level: Medium to high. Likelihood of negative returns three times to less than four times in 20 years. – Investment time frame: five or more years. 			
Sustainable Responsible Investment (SRI) balanced	Wealth accumulation Ages 15-55	Pre-retirement Ages 55-65	Working past retirement age
			
<ul style="list-style-type: none"> – For members who seek moderate to high returns over the long term and have a strong ethical conviction. – Invests in a cross-section of diversified assets with an emphasis on growth from socially responsible investments over the long term and reduced risk. – Investment return objective: To outperform the CPI (after tax and investment expenses) by at least 2.0% p.a. over the rolling 10-year periods. – Risk level: High. Likelihood of negative returns four times to less than six times in 20 years. – Investment time frame: 10 or more years. 			

* To select either the Property option or the Alternatives option, a member must have more than \$10,000 in their account.

Sector options can be selected along with the Pre-mixed options described above.

Sector investment options			
Australian Shares	Wealth accumulation Ages 15-55	Pre-retirement Ages 55-65	Working past retirement age
			
<ul style="list-style-type: none"> – For members who seek competitive returns over the long term and are prepared to accept a higher level of risk to achieve this. – Invests in Australian listed companies. Returns are expected to vary significantly from year to year. – Investment return objective: To outperform (before tax and investment expenses) the S&P/ASX300 Accumulation Index over rolling 10-year periods. – Risk level: Very high. Likelihood of negative returns greater than six times in 20 years. – Investment time frame: 10 or more years. 			

Sector investment options			
International Shares	Wealth accumulation Ages 15-55	Pre-retirement Ages 55-65	Working past retirement age
			
<ul style="list-style-type: none"> – For members who seek competitive returns over the long term and are prepared to accept a higher level of risk to achieve this. – Invests in international listed companies. Returns are subject to foreign exchange risk and are expected to vary significantly from year to year. – Investment return objective: To outperform before tax and investment expenses the weighted average of MSCI World (ex-Australia) Index (in AUD) and MSCI Emerging Markets Index (in AUD) before hedging over the rolling 10-year periods. – Risk level: Very high. Likelihood of negative returns greater than six times in 20 years. – Investment time frame: 10 or more years. 			
Property*	Wealth accumulation Ages 15-55	Pre-retirement Ages 55-65	Working past retirement age
			
<ul style="list-style-type: none"> – For members who seek moderate to high returns through investing in property. – Invests in property via listed and unlisted property vehicles. – Investment return objective: To outperform (after tax and investment expenses) CPI by at least 1.0% p.a. over rolling 10-year periods. – Risk level: High. Likelihood of negative returns four times to less than six times in 20 years. – Investment time frame: 10 or more years. 			
Fixed Interest	Wealth accumulation Ages 15-55	Pre-retirement Ages 55-65	Working past retirement age
			
<ul style="list-style-type: none"> – For members who seek moderate returns for a moderate level of risk. – Invests in domestic and international fixed interest securities. Losses may occur over some periods. – Investment return objective: To outperform (before tax and investment expenses) the weighted average of major Australian and International bond indices hedged to \$A over rolling 5-year periods. – Risk level: Medium. Likelihood of negative returns two times to less than three times in 20 years. – Investment time frame: five or more years. 			
Cash	Wealth accumulation Ages 15-55	Pre-retirement Ages 55-65	Working past retirement age
			
<ul style="list-style-type: none"> – Members who place security of their assets over returns. – Invests solely in short-term, money market securities and is expected to produce a stable but low return. – Investment return objective: To perform in line (before tax and investment expenses) with Bloomberg AusBond Bank Bill Index at any time. – Risk level: Low. Likelihood of negative returns 0.5 times to less than one time in 20 years. – Investment time frame: any time period. 			

* To select either the Property option or the Alternatives option, a member must have more than \$10,000 in their account.

Insurance options

The product allows members access to insurance cover that best suits their needs, objectives and financial circumstances. The product provides a default level of Death and Total & Permanent Disability (TPD) insurance cover.

Members can apply for cover or an increase in cover (subject to eligibility and acceptance by the insurer). They can also decrease or cancel insurance cover at any time.

The table below provides a brief description of the product's available insurance, including default cover, and the target market for each insurance choice

Note: The summary in the following table does not include all of the information relevant to the insurance options, or the terms and conditions of cover. Insurance cover, and the ability to claim, are always subject to the terms and conditions of the applicable policy. Insurance claims are subject to assessment by the Fund's insurer.

For more detailed information about insurance, please read the Member Guide.

Insurance cover	Designed for members who:	Not available to members who:
<p>Death cover (including Terminal Illness)</p> <p>Description: Provides a lump sum payment if the member dies or has a terminal illness while they are an insured member of Prime Super.</p>	<ul style="list-style-type: none"> - are aged between 14 years and 9 months and 69 years, - require a lump sum benefit if they die or are diagnosed with a terminal illness while they are a member of Prime Super (to help their dependants with one-off expenses and ongoing costs), - require up to \$5m of death cover and, - require up to \$1.5m of terminal illness cover. 	<ul style="list-style-type: none"> - are not members of Prime Super, or - have a terminal medical condition, or - are permanently incapacitated, or - have had a similar benefit paid, or have one that is payable to them, or which can be claimed under any insurance policy, or - have cancelled their insurance cover held through the Fund, or - don't meet the age eligibility requirements for insurance.
<p>Total & Permanent Disability (TPD) (including Terminal Illness)</p> <p>Description: Provides a lump-sum benefit if the member suffers a total permanent disablement event while they are an insured member of Prime Super</p>	<ul style="list-style-type: none"> - are aged between 14 years and 9 months and 69 years, - require a lump sum benefit if they become totally and permanently disabled and are unlikely to ever return to work, while they are a member of Prime Super (to help with their ongoing living expenses and treatment costs),and - require up to \$2.5m of TPD cover. 	
<p>Income protection</p> <p>Income protection cover provides a monthly benefit payment in the event that the member suffers an illness or partial disability that prevents them from working while they are an insured member of Prime Super.</p>	<ul style="list-style-type: none"> - are aged between 14 years and 9 months and 65 years, and, - require a monthly benefit if they become unable to work (for an insured reason), and - require up to \$30,000 per month of income protection cover. 	<ul style="list-style-type: none"> - are not members of Prime Super, or - do not meet the criteria for being in work prior to claiming a benefit.

Default insurance cover

A member is eligible for automatic (default) death & TPD insurance cover if they are:

- aged between 25 years and 69 years (inclusive), and have an account balance of \$6,000 or more, or
- aged between 14 years and 9 months and 69 years (inclusive) and have made an election to opt into default cover,

and if they are:

- an employer-sponsored member: be an employee of a participating employer and have a sufficient account balance with Prime Super to cover the first premium for default cover, or
- a personal member: have received a contribution or rollover into their account with the Prime Super.

Default Income Protection insurance cover is not provided.

The level of default insurance cover varies depending on the member's product Division and age. For more information, please refer to the [PDS for the different Divisions and the Member Guide](#).

A member's default insurance cover may be cancelled if the member's account has been inactive for 16 continuous months or more. The member must either:

- contribute or roll funds into the account before the account becomes inactive, or
- advise the Fund they wish to keep their insurance.

A member that requires more cover than the default amounts must undertake additional steps to apply for additional cover, as outlined in the Member Guide.

4. Consistency with objectives, financial situation and needs

Prime Super considers the product described in this TMD likely to be consistent with the objectives, financial situation and needs of individuals in the target market. This is based on an analysis of the product features and attributes and the target market.

The product provides the target market with investment options and insurance choices to meet their likely needs.

The products enable members to achieve the primary objective of saving for their retirement.

5. How the product is distributed

Distribution channels

The product is distributed:

- via an individual's employer
- directly, through the Prime Super website, Prime Super MemberOnline portal, and Prime Super member app
- through authorised representatives of Prime Super or of Link Advice Pty Limited ABN 36 105 811 836 AFSL 258145.

The product may also be distributed by a holder of an Australian Financial Services Licence (AFSL) or by an authorised representative of an AFSL holder as a result of the provision of personal advice. No fees, commissions or payments are made by Prime Super if distribution occurs in this manner.

Distribution conditions and restrictions

The only conditions or restrictions on the distribution of the product to the target market are the following:

- The product is not for distribution outside of Australia.
- Members that wish to invest in the Property or Alternatives investment options must have an account balance greater than \$10,000.
- Prime Super will automatically transfer income earnings from the Income Focused investment option into the Cash option if members invest in the Income Focused option
- Default insurance is not available to members that have an account balance below \$6,000 and/or are under the age of 25. These members must actively apply in writing to receive default insurance.
- Members that apply for insurance cover must meet the criteria set out in the Member Guide.

Adequacy of distribution conditions and restrictions

Prime Super considers the means of distribution identified for these products to be adequate and appropriate. The distribution conditions and restrictions identified for the product are aimed at ensuring that individuals who acquire the product are likely to be in the target market for the product. Additional distribution conditions and restrictions are not required given the breadth of the target market.

6. Review of this TMD

This TMD will be reviewed by 30 September 2025.

Reviews will occur every 12 months. Prime Super may undertake a review at any point in time or when a review trigger occurs (outlined below).

Review triggers

The TMD will be reviewed when an event or circumstance occurs which suggests the TMD is no longer appropriate, such as:

- Significant dealings in the product that are not consistent with this TMD.
- Events or circumstances that change the key attributes of the product, which alter its appropriateness for the target market.
- Material investment option changes which reduce the liquidity of the product, or the option does not achieve its objective over the time horizon or is the subject of significant complaints which suggest the option is no longer appropriate.
- Insurance – material changes to product ratio claims, the number and nature of claims, average claims duration or the nature and number of complaints and complaints trends.
- Data reporting that suggests the product is not being distributed or purchased as intended, so that individuals who acquire the product are not in the target market.
- An outcome from Prime Super's annual Member Outcomes Assessment which indicates the product is not meeting desired outcomes for members.
- The receipt of an order by a regulator or court that relates to the product, including an order from the Australian Securities and Investments Commission requiring Prime Super to cease retail distribution of this product.

Monitoring and reporting

We will collect and monitor the following information about the product, at least half-yearly:

- Information about the number (and types) of complaints.
- Complaints about a key attribute or aspect of the product, including insurance.
- Information that indicates the product is not being distributed to the target market.
- Significant dealings outside the target market.

The reporting period has been set to reasonably enable the Trustee to assess whether the TMD is still appropriate having regard to the risk of detriment to individuals if the TMD is not promptly reviewed. Reporting has been set to occur at least two times per year.

Distributors must report any complaints about the product and any significant dealing that is inconsistent with this TMD within 10 business days of becoming aware of it.

7. Contact us

We're here to help. If you have any questions, please contact us.

phone: **1800 675 839**

email: administration@primesuper.com.au

mail: Prime Super
Locked Bag 5013
Parramatta NSW 2141

Disclaimer

This Target Market Determination contains general information only and does not take account of your personal circumstances. You should obtain personal financial advice where appropriate. This Target Market Determination is current as at the date of publication and subject to change.

Prime Super (ABN 60 562 335 823) is issued by Prime Super Pty Ltd (ABN 81 067 241 016, AFSL 219723).

A Product Disclosure Statement and Target Market Determination is available by calling 1800 675 839 or online at primesuper.com.au/pds