

Target Market Determination (TMD)

Superannuation 'risk-only' product:

- **smartMonday Group Insurance (IBM)**

Effective date: 27 May 2023

1. About this document

This target market determination (TMD) applies to the smartMonday risk-only superannuation 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, issuer). 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 consider the PDS and any supplementary documents when making a decision about whether to acquire, vary or continue to hold this product.

Product Disclosure Statements to which this TMD applies

This TMD applies to the risk-only superannuation product referred to in the following PDS:

- smartMonday Group Insurance (IBM)

The PDS is tailored to each employers' sub-plan and is made available on a special webpage on smartmonday.com.au. It is only accessible to employees of each participating employer who have joined their employer's sub-plan. Members can access the special webpage via the address provided in their *Welcome Pack*.

Date from which this TMD is effective:

27 May 2023

2. Class of consumers that constitutes the target market

The target market for the product comprises of consumers:

- Who meet the eligibility criteria for insurance cover (as defined in the PDS);
- Who want to obtain Life and Total and Permanent Disablement (TPD) insurance cover within the superannuation environment;
- Whose employer agrees to fund all insurance premiums and product administration fees by making additional employer contributions into the Fund on behalf of the consumer;
- Who wish to make Binding and Non-Binding nominations on death for the insurance benefits offered in the Fund.

Excluded class of consumers

The product is not suitable for consumers:

- Who do not meet the eligibility criteria set out in the PDS;
- Receiving the PDS outside of Australia;
- Who are not employed by an employer-sponsor of the Fund;
- 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 superannuation product with an investment component.

Consumers ineligible to claim

A consumer is ineligible to claim if they:

- Do not satisfy the SIS condition of release for their insurance cover;
- Satisfy an exclusion applicable to the insurance cover (as described in the PDS).

A consumer who is ineligible to claim cannot be identified at the time of enrolment in the product by their participating employer and are therefore not considered to be outside of the product's target market.

Product description

The product is a risk-only superannuation interest in the Fund which is a public-offer retail master trust. Consumers are enrolled into the product by their participating employer, who agrees to fund all insurance premiums and product administration fees associated with the product by making additional employer superannuation contributions on behalf of the consumer. The product provides eligible consumers with the ability to obtain insurance cover through an insurance policy within the superannuation environment.

The underlying policy is a contract of insurance between the Trustee and the Insurer selected by the Trustee to provide the insurance cover within the product. The Trustee is the owner of the insurance policy and the policy does not govern the consumers' membership of the Fund.

Any benefits paid under the policy will be paid to the Trustee. Premiums paid for the policy are paid by the Trustee, after it receives the required additional employer contributions in respect of an eligible consumer.

Any entitlements to:

- be paid a benefit received by the Trustee under the policy, and
- pay additional employer contributions to the Trustee for the Trustee to subsequently pay premiums to the insurer for the policy;

are subject to any restrictions or limitations that may apply under the Fund's trust deed and under superannuation law.

Key product attributes

Access to insurance

The product offers access to insurance options including:

- Life cover (including terminal illness cover);
- Total & Permanent Disablement (TPD) cover;

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.
Life cover	This may be suitable for a consumer who is looking to obtain insurance cover in the event of death or terminal illness.
TPD cover	This may be suitable for a consumer who is looking to obtain insurance cover in the event of total and permanent disability.

Access to advice

Consumers have access to smartCoaches who can provide intra-fund advice about additional employer contributions and insurance within the Fund. Any intra-fund advice is provided by or on behalf of smartMonday.

Types of contributions

The product is suitable for participating employers wishing to make additional employer contributions (on behalf of eligible consumers) to pay for insurance premiums and product administration fees within the superannuation environment.

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. Further information about tax concessions and eligibility is available from ato.gov.au.

Consistency between target market and the product

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

- smartMonday Group Insurance has been designed specifically for consumers who join through their employer;
- the product offers insurance cover within a superannuation Fund covering Death and TPD;
- the product accepts additional employer superannuation contributions as permitted under the law; and
- the fees and costs associated with the product are consistent with market rates.

3. How this product is to be distributed

Distribution channels

The product is distributed exclusively through participating employers. i.e. Employers who receive a PDS and have submitted an employer application form to the Trustee of Fund.

Consumers access the PDS tailored to their employer sub-plan via a special webpage on smartmonday.com.au which is available only to employees of each participating employer in the plan. Members can access the special webpage via the address provided in the *Welcome Pack*.

A participating employer cannot provide the PDS directly to the member.

Distribution conditions

This product 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 for their participating employer to contribute to their superannuation account;
- Where the participating employer has made an employer application with the Trustee of the Fund;
- To consumers who have been enrolled in the Fund by a participating employer.

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 Group Insurance through a participating 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 enrolled in 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:

Initial review

- June 2024

Periodic reviews

- 3 years from the Effective Date

Date of last review

- N/A

Review triggers or events

Any events or circumstances 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 or unexpectedly high numbers of:
 - ▣ complaints regarding product design, product availability, claims, and distribution;
 - ▣ lapses or cancellations;
 - ▣ accepted, declined and withdrawn claims that would reasonably suggest that the TMD is no longer appropriate, or
- 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.

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 the PDS which is located at smartmonday.com.au and via members' online personal homepage on the website and whether the product suits your particular circumstances and, where appropriate, you may wish to seek financial advice specific to your needs.

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 Group Insurance is part of the Fund. The Trustee of the Fund and the 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.