

# BT Super Invest - Pension

## Target Market Determination

Effective Date: 31 August 2023

This TMD is issued by BT Funds Management Limited ABN 63 002 916 458

This TMD applies to BT Super Invest - Pension

### Introduction

A Target Market Determination (TMD) is required under section 994B of the *Corporations Act 2001* (Cth) (the Act). It sets out the target market for the product, triggers to review the target market and certain other information. It forms part of BT Funds Management Limited's design and distribution arrangements for the product.

This document is **not** a Product Disclosure Statement (PDS) and is **not** a summary of the product features or terms of the product. This document does not take into account any person's individual objectives, financial situation or needs.

Persons interested in acquiring this product should carefully read the BT Super Invest PDS before making a decision to invest. The PDS is available online at [bt.com.au](http://bt.com.au).

### Target Market Summary

This product is designed for the class of consumers whose likely needs, objectives and financial situation are aligned with the product and the product's features and key attributes outlined in this TMD.

BT Super Invest - Pension is for those consumers who:

- want an income drawn down from their retirement savings
- are self-directed consumers who want to be able to decide how their super is invested
- want a platform-style pension account with a range of investment options
- want flexibility to change their investment strategy in line with the different stages of their retirement journey
- have an understanding of and accept the risks associated with investing in the available investment options
- want to save time, with consolidated investment reporting
- want to access market updates, analysis, tools and news
- want flexibility to view and manage their investments via desktop or mobile application, and
- expect to have and maintain an investment amount over \$10,000.

This product is not designed for consumers who:

- require access to their investments before meeting a superannuation condition of release

- want to use the transaction account that forms part of BT Super Invest - Pension as an investment option
- want a default investment solution, including a MySuper solution
- are looking for insurance cover through superannuation, or
- want to transfer their overseas pension or retirement account, such as a Kiwi Saver or UK pension account, into the product.

## Product Description and Key Attributes

BT Super Invest - Pension	
TMD issue date	31 August 2023
TMD version	3
Fund ABN	90 194 410 365
USI code	90 194 410 365 011
Product description	<p>BT Super Invest - Pension is a Panorama pension product for self-directed individuals to turn super savings into a flexible income stream for retirement. The product offers consumers access to a range of investments, asset types and investment vehicles in one pension account. This product is not a self-managed super fund.</p> <p>Key eligibility criteria:</p> <ul style="list-style-type: none"> <li>– must be aged 18 years or over</li> <li>– must meet a superannuation condition of release</li> <li>– must maintain a minimum balance of \$2,000 in the transaction account in BT Super Invest - Pension at all times</li> <li>– must receive a PDS in Australia</li> <li>– if outside Australia, must appoint an Australian resident attorney to act on the consumer's behalf.</li> </ul>
Key product attributes	<p>Key attributes include:</p> <ul style="list-style-type: none"> <li>– consolidated reporting across all investments held within the account</li> <li>– access to a range of investment options including cash, Australian listed securities, managed funds, term deposits and managed portfolios</li> <li>– online access to view and manage investments</li> <li>– a transaction account that forms part of BT Super Invest - Pension, which is automatically established and accrues daily interest, and which is used to settle transactions, investments and withdrawals – a minimum balance of \$2,000 must be kept in the transaction account at all times.</li> </ul>
Issuer name	BT Funds Management Limited ABN 63 002 916 458 (BTFM)
Issuer AFSL	233724

## Target Market

The target market is the class of persons who are the type of consumer set out below, who have the needs and objectives set out below and are in the financial situation set out below.

## Consumer Needs, Objectives and Financial Situation

### Consistency with target market key

The consumer attributes for which the product is likely to be appropriate have been assessed using a red/amber/green rating methodology with appropriate colour coding:

In target market	See issuer instructions	Not in target market
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### Instructions

In the tables below, Column 1, Consumer Attributes, indicates a description of the likely objectives, financial situation and needs of consumers who may be considering this product. Column 2, Consistency with target market, indicates whether a consumer with the attribute in Column 1 is likely to be in the target market for this product.

Consumer Attributes <i>A description of the likely objectives, financial situation and needs of the class of consumers in the target market</i>	Consistency with target market
<b>Consumer's objectives</b>	
An individual consumer with any <b>one or more</b> of the following short-term and long-term objectives:	
Accumulate capital/wealth for retirement	Not in target market
Hold capital/wealth during retirement	In target market
Provide an environment for concessional taxation of savings	In target market
Provide a source of income during retirement	In target market
Obtain protection through insurance cover	Not in target market
<b>Consumer's desired level of decision making</b>	
Fully self-managed, including fund administration (SMSF)	Not in target market
Investments chosen by consumer from a range of investments, with custody provided by BTM	In target market
Default investment strategy applied where no investment selection is made	Not in target market
<b>Consumer's stage in life</b>	
Child (under 18)	Not in target market
Accumulation (under 65)	Not in target market
Pre-retirement (40 - 65)	See issuer instructions <sup>1</sup>
Retired (generally over 65)	In target market
<sup>1</sup> Consumers under the age of 65 who still want to make super contributions to their account may not be in the target market because BT Super Invest - Pension does not accept contributions after the pension commences. Consumers may be considered to be in the target market if they have reached their preservation age (which, depending on date of birth, ranges from age 55-60) and have met a condition of release. Refer to the BT Super Invest disclosure documents for further information.	

## Consumer's desired type of investment strategy on the investment menu

The following investment strategies are available on the BT Super Invest - Pension menu. General characteristics of the investment strategies are provided for information purposes. The characteristics of a particular investment option within a strategy may vary from the general information below. Refer to the Investment Options Booklet for more information, including information in respect of the suggested minimum investment timeframe, risk and return profile and investment objective of each strategy.

	Suggested minimum investment timeframe of this strategy <sup>2</sup>	Standard Risk Measure (SRM) of this strategy <sup>3</sup>	
<b>Diversified investment strategies</b>			
<b>Defensive</b>  <i>Aims to provide primarily income and also some growth with a high level of capital security through an investment portfolio consisting mainly of fixed interest and cash investments, but which normally will also have some exposure to growth assets such as shares and property.</i>	3 years	2 (Low)	In target market
<b>Moderate</b>  <i>Aims to provide primarily income and some growth with a higher level of capital security through an investment portfolio consisting mainly of fixed interest and cash investments, but which normally will also have some exposure to growth assets such as shares and property.</i>	3-4 years	2-3 (Low to Low-medium)	In target market
<b>Balanced</b>  <i>Aims to provide growth through a balanced exposure to growth assets such as shares and property as well as to fixed interest and cash investments.</i>	4-5 years	4-5 (Medium to Medium-high)	In target market
<b>Growth</b>  <i>Aims to provide growth through higher exposure to growth assets such as shares and property, with some fixed interest and cash investments as well as a possible exposure to alternative assets.</i>	5-6 years	5-6 (Medium-high to High)	In target market
<b>High growth</b>  <i>Aims to provide growth through higher exposure to growth assets with a low level of capital security through a higher exposure to shares and property, with some fixed interest and cash investments as well as a possible exposure to alternative assets.</i>	6 years	6 (High)	In target market
<b>Sector-specific investment strategies</b>			
<b>Australian shares</b>  <i>Aims to provide growth in the value of investments primarily through exposure to Australian shares in a variety of market sectors.</i>	6-7 years	6-7 (High to Very high)	In target market
<b>International shares</b>  <i>Aims to provide growth in the value of investments primarily through exposure to shares from around the world, although some funds may have exposure to Australian shares.</i>	6-7 years	6-7 (High to Very high)	In target market

<b>Australian REITs</b> <i>Aims to provide income and some growth in the value of investments through exposure primarily to property related listed securities in Australia and New Zealand.</i>	6 years	6 (High)	In target market
<b>Global real estate investment trusts (GREITs)</b> <i>Aims to provide growth in the value of investments over rolling seven year periods through exposure primarily to property related listed securities around the world.</i>	7 years	6-7 (High to Very high)	In target market
<b>Australian fixed interest</b> <i>Aims to provide mainly income returns that are above inflation and cash through exposure to Australian and New Zealand fixed interest securities.</i>	4 years	3-4 (Low-medium to Medium)	In target market
<b>International fixed interest</b> <i>Aims to provide income returns that are above inflation and cash through exposure to fixed interest securities from around the world (including Australia).</i>	3-5 years	3-4 (Low-medium to Medium)	In target market
<b>Short term fixed interest</b> <i>Aims to provide income returns that are above inflation and cash through exposure to fixed interest securities from around the world (including Australia).</i>	2 years	1-2 (Very low to Low)	In target market
<b>Fixed interest other</b> <i>Aims to provide mainly income returns that are above inflation and cash with a higher level of capital security. This is achieved primarily through exposure to fixed interest securities from around the world and may include exposure to the high yield and emerging market sectors.</i>	4-6 years	4-6 (Medium to High)	In target market
<b>Alternative assets</b> <i>Aims to provide returns that may be uncorrelated to the direction of the share and bond markets.</i>	5-7 years	4-7 (Medium to Very high)	In target market
<b>Cash (cash managed funds, term deposits and cash products)</b> <i>Aims to provide income returns that are above at call bank deposit rates with a high level of capital security through exposure to a range of short term securities, government and bank backed securities and corporate securities.</i>	No minimum	1-2 (Very low to Low)	In target market
<b>Listed infrastructure</b> <i>Aims to provide income and growth in the value of investments through distributions and capital growth with a low level of capital security primarily through exposure to infrastructure related listed securities around the world.</i>	6-7 years	6 (High)	In target market
<b>Direct investment strategies</b>			
<b>Listed Australian shares</b> <i>Aims to provide growth in the value of investments through both capital growth and dividends with a low level of capital security through exposure to a choice of listed equity securities on the ASX.</i>	6 years	High risk/return profile <sup>4</sup>	In target market
<b>Listed trusts (including property, LICs &amp; ETFs)</b> <i>Aims to provide growth in the value of investments through exposure to a choice of listed trusts available on the ASX including property trusts, Listed Investment Companies (LICs) and Exchange Traded Funds (ETFs).</i>	As per underlying asset class	As per the SRM risk band of the underlying asset class, as described in the relevant Investment Options Booklet	In target market

<b>Listed debt securities (bonds, floating rate notes and convertible notes)</b> <i>Aims to provide returns that are above inflation and cash with a medium level of capital security through exposure to a choice of debt securities listed on the ASX.</i>	3-6 years	Moderate risk/return profile <sup>5</sup>	In target market
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<sup>2</sup> The minimum suggested timeframe is an estimate of how long a consumer should expect to hold their capital in an investment option within this strategy in order to achieve its expected investment return outcome. The minimum investment timeframe will depend on which underlying investment is chosen by the consumer.

<sup>3</sup> Standard risk measure is based on industry guidance allowing investors to compare investment options expected to deliver a similar number of negative annual returns over any 20 year period. The SRM is not a complete assessment of all forms of investment risk, nor is it an indicator of expected returns or investment objectives. A consumer should always refer to the relevant Investment Options Booklet and the option's disclosure documents to understand the risk and return profile of their chosen investment option. Consumers should also note that the SRM of the underlying investment options may differ from the overall SRM of the strategy. The following table summarises the risk measures including risk band and risk level:

Risk Band	Risk Level	Estimated number of negative annual returns over any 20 year period
1	Very low	Less than 0.5
2	Low	0.5 to less than 1
3	Low-medium	1 to less than 2
4	Medium	2 to less than 3
5	Medium-high	3 to less than 4
6	High	4 to less than 6
7	Very high	6 or greater

<sup>4</sup> This strategy does not have a SRM rating but has been assessed as having a high risk/return profile.

<sup>5</sup> This strategy does not have a SRM rating but has been assessed as having a moderate risk/return profile.

#### Consumer's desired number of investment holdings

Low – no more than 5 investment option holdings	In target market
Medium – between 5 and 15 investment option holdings	In target market
High – more than 15 investment option holdings	In target market
Cash account only	Not in target market

#### Consumer's intended investment amount

\$0 to \$10,000	Not in target market
\$10,000 to \$50,000	See issuer instructions <sup>6</sup>
Over \$50,000	In target market

<sup>6</sup> Consumers with intended investment amounts closer to the lower end of the range may not be in the target market because of the possibility of fee erosion and the limited return potential associated with a lower account balance. Additionally, a minimum pension is required by law to be paid at least annually from BT Super Invest - Pension, which may further reduce the account balance.

## Appropriateness

BTFM has assessed the product and formed the view that the product, including its key attributes, is likely to be consistent with the likely objectives, financial situation and needs of consumers in the target market as described in this TMD. The features of this product include access to a range of investment options, with differing investment strategies, and the ability to construct a tailored investment strategy. These features are likely to be suitable for consumers with a range of risk profiles and certain needs and objectives and who have green TMD Indicator for their consumer attributes.

## Distribution Conditions / Restrictions

Interests in the product may be distributed to retail consumers by:

- Direct to an existing BT Super Invest member (where the member transfers their interest from BT Super Invest - Super or BT Super Invest - Transition to Retirement account to BT Super Invest - Pension).

Distribution through the above distribution channels is subject to the following conditions:

Distribution condition	Distribution condition rationale
<p><b>Direct to existing BT Super Invest members</b></p> <p>Direct investors applying for a new interest in the product must:</p> <ul style="list-style-type: none"><li>– have received the BT Super Invest disclosure documents in Australia;</li><li>– acknowledge in the application form that they have read the PDS in full; and</li><li>– answer questions included as part of the application process regarding their needs, objectives and financial situation.</li></ul> <p>The application form and the consumer's answers will be reviewed by a representative of BTFM. Only representatives of BTFM who have been trained in relation to the features of the product and the product's target market, and who have demonstrated knowledge and competence in assessing the appropriateness of consumers having regard to features of the product and the product's target market, are involved in reviewing application forms and consumer answers. Upon assessment by a qualified representative of BTFM, applications from consumers considered to be outside the target market of the product are rejected.</p>	<p>The distribution conditions applying to existing BT Super Invest members make it likely that these consumers will be in the target market because:</p> <ul style="list-style-type: none"><li>– existing BT Super Invest members will receive a PDS for the product and will be familiar with the key features and risks of the product before acquiring a new interest; and</li><li>– BTFM will decide not to accept an application where BTFM considers it is unlikely that a consumer is in the target market having regard to the consumer's responses to the questions included in the application process. Consumers will be informed accordingly.</li></ul>

## Review Triggers

The review triggers (which reasonably suggest the TMD is no longer appropriate) that may result in an earlier review of the TMD include:

- Where the issuer of the TMD has determined that any of the following has occurred:
  - Material changes to the design or distribution of interests in the product including related documentation.
  - Material changes in law or taxation policy that may affect the operation of the product.
  - ASIC reportable significant dealing outside of TMD.
  - Significant or unexpectedly high number of complaints (as defined in section 994A(1) of the Act) regarding product design, product availability or any distribution condition where the product issuer considers this reasonably suggests that this TMD is no longer appropriate.
  - Material change to key product attributes, terms and/or conditions where the product issuer considers this reasonably suggests that this TMD is no longer appropriate.

- The use of Product Intervention Powers, regulator orders or directions in relation to the distribution of this product where the product issuer considers this reasonably suggests that this TMD is no longer appropriate.
- A significant breach event relating to the design or distribution of this product where the product issuer considers this would reasonably suggest that:
  - this product is unsuitable for a particular cohort of consumers; or
  - the TMD may no longer be appropriate.
- Material or significant number of incidents relating to the design or distribution of the product leading to a potential breach of regulatory obligations.
- Investment menu activity that does not align with the target market e.g. high allocation to the transaction account.
- The trustee of this product makes a determination for purposes of s52(9) of Superannuation Industry (Supervision) Act 1993 that the financial interests of the consumers who hold this product are not being promoted.

## Mandatory Review Periods

Review periods	Maximum period for review
Initial review	Within 2 years of the date of this TMD
Subsequent review	At least every 2 years from the initial review

## Distributor Reporting Requirements

Regulated person(s)	Requirement	Reporting period	Reporting method
<b>All distributors</b>	Complaints (as defined in section 994A(1) of the Act) relating to the platform and products offered on the platform, where the nature of the complaints relate to product design, insurance claims, product availability and distribution conditions. The distributor should provide all the content of the complaint, having regard to privacy.	The reporting period is each calendar quarter. Distributors are required to report to the issuer as soon as practicable but no later than 10 business days following the end of each calendar quarter.	Complaints are to be reported via <a href="#">Make a complaint – BT</a>
<b>All distributors</b>	Significant dealing outside of target market for BT Super Invest - Pension or any other product acquired within, under section 994F(6) of the Act.  Refer to Significant Dealings Guidance section below for further detail.	As soon as practicable but no later than 10 business days after distributor becomes aware of the significant dealing.	On the Panorama Desktop under <a href="#">Business &gt; DDO reporting tool</a>

## Significant Dealings Guidance

Section 994F(6) of the Corporations Act requires distributors to notify the issuer if they become aware of a significant dealing in the product that is not consistent with the TMD. Neither the Act nor ASIC defines when a dealing is 'significant' and distributors have discretion to apply its ordinary meaning.

The issuer will rely on notifications of significant dealings to monitor and review the product, this TMD, and its distribution strategy, and to meet its own obligation to report significant dealings to ASIC.



Dealings outside this TMD may be significant because:

- they represent a material proportion of the overall distribution conduct carried out by the distributor in relation to the product, or
- they constitute an individual transaction which has resulted in, or will, or is likely to result in, significant detriment to the consumer (or class of consumer).

In each case, the distributor should have regard to:

- the nature and risk profile of the product (which may be indicated by the product's risk rating or withdrawal timeframes),
- the actual or potential harm to a consumer (which may be indicated by the value of the consumer's investment, their intended product use or their ability to bear loss), and
- the nature and extent of the inconsistency of distribution with the TMD (which may be indicated by red and/or amber ratings attributed to the client).

Objectively, a distributor may consider a dealing (or group of dealings) outside the TMD to be significant if:

- it constitutes more than half of the distributor's total retail product distribution conduct in relation to the product over the reporting period.

## For more information

[bt.com.au/superinvest](https://bt.com.au/superinvest) | 1300 881 716 | GPO Box 2861 Adelaide SA 5001



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This TMD includes general information only and may be read in conjunction with the Product Disclosure Statement (PDS). This information does not take into account your personal objectives, financial situation or needs and so you should consider its appropriateness, having regard to these factors before acting on it.

BT Portfolio Services Ltd ABN 73 095 055 208 AFSL 233715 (BTPS) administers BT Super Invest. BT Funds Management Limited ABN 63 002 916 458 AFSL 233724 (BTFM) is the trustee and issuer of BT Super Invest, which is part of Asgard Independence Plan Division Two ABN 90 194 410 365. Westpac Financial Services Ltd ABN 20 000 241 127 AFSL 233716 (WFSL) is the responsible entity and issuer of interests in BT Managed Portfolios. Together, these products are referred to as the Panorama products.

A Product Disclosure Statement or other disclosure document (PDS) for the Panorama products can be obtained by contacting BT on 1300 783 160 or by visiting [bt.com.au](https://bt.com.au). You should obtain and consider the relevant PDS before deciding whether to acquire, continue to hold or dispose of interests in the Panorama products.

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