

# Target Market Determination

*NGS Transition to  
retirement (TTR) account*



# About this document

**This target market determination (TMD) seeks to provide consumers, distributors and staff with an understanding of the group of consumers which this product has been designed for, having considered the objectives, financial situation and needs of the target market.**

This document is not to be treated as a full summary of the product's terms and conditions and is not intended to provide financial advice. Consumers must refer to the **NGS Retirement Product Disclosure Statement (PDS)** when deciding about this product.

**Product Disclosure  
Statement for this target  
market determination**

- **NGS Retirement PDS**

# Target market for the NGS Transition to retirement account

The NGS Transition to retirement account is an income stream product for consumers who have reached preservation age and have not yet retired and wish to receive a regular income from their retirement savings to supplement their salary due to reduced working hours, or as part of a tax-effective salary sacrifice strategy in the lead up to retirement.

The table below describes the classes of consumers that the product is designed for.

|                                   |                                                                                                                                                                                                                                                                                                                                                                              |
|-----------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Typical characteristics</b>    | Consumers who have reached their preservation age and have a minimum opening balance of \$20,000.                                                                                                                                                                                                                                                                            |
| <b>Typical age range</b>          | From preservation age to age 65.                                                                                                                                                                                                                                                                                                                                             |
| <b>Typical employment status</b>  | Employed.                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Likely objectives</b>          | <p>To receive an additional regular income with flexibility in payment frequency and amount.</p> <p>To supplement income from working reduced hours or to maximise tax-effective salary sacrifice contributions.</p> <p>To grow retirement savings in a tax-effective investment with investment earnings taxed at 15% with a selection of investment options and risks.</p> |
| <b>Likely financial situation</b> | <p>Boosting their retirement savings in a tax-effective investment.</p> <p>Still working with an employer making superannuation contributions into a separate accumulation product on their behalf.</p> <p>Reduced income through salary due to reduced working hours.</p>                                                                                                   |
| <b>Likely needs</b>               | <p>Ability to choose how their retirement savings are invested from a range of investment options with different investment objectives and risk profiles.</p> <p>Ability to access general or personal financial advice related to retirement planning.</p> <p>Additional regular income while reducing work hours and transitioning to retirement.</p>                      |

## This product is not designed for consumers who:

- have not reached age 60
- are aged 65 and over
- have less than \$20,000 in superannuation
- do not want to draw income from their retirement savings
- are looking for a guaranteed income stream
- require lump sum payments from their retirement savings prior to meeting a superannuation condition of release.

## Product description and key attributes

**NGS Super designs its products and services to ensure our members get the most out of their retirement savings. We do this by ensuring easy access to the information they need, at the right time and through the channel that suits them (digital, phone, virtual or face-to-face). We believe financial advice empowers members to make decisions that lead to better retirement outcomes.**

### The key attributes of the NGS TTR account are:

- access to superannuation as a regular income payment while still working part-time, with flexibility around the frequency and value of income payments
- access to a range of investment options including pre-mixed and sector-specific options, catering for all risk appetites from very low to very high
- access to tailored financial advice through NGS Financial Planning for an additional fee
- access to complimentary general advice about contributions and investment needs
- access to education and online account self-service, including:
  - 24/7 online access to view and update account details
  - complimentary webinars, seminars and online financial education.

# Objectives, financial situation and needs

## Investments

### Investment options with a higher focus on growth

The options that have a higher allocation to growth assets are likely to have higher risks associated with market volatility but are more likely to provide higher returns over the medium to long term.

These options are more suitable for consumers with a medium to long-term investment horizon, depending on the option.

These investment options are unlikely to be suitable for consumers who are not willing to accept an increased level of volatility in returns, including a risk that returns may be negative at times.

There are more details in the table below.

| Investment option                                 | Consumer investment aim aligned with                                                                                                                                                                                                     | Consumer minimum investment timeframe                                               | Consumer risk tolerance based on the expected frequency of a negative return over a 20-year period |
|---------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|
| <b>Diversified</b><br>(Investment default option) | Achieving a net investment return 3% above the Consumer Price Index (CPI) p.a. over rolling 10-year periods.                                                                                                                             | Consumers should be prepared to stay invested in this option for at least 7 years.  | 3.99 years in 20                                                                                   |
| <b>High Growth</b>                                | Achieving a net investment return 4% above CPI p.a. over rolling 10-year periods.                                                                                                                                                        | Consumers should be prepared to stay invested in this option for at least 10 years. | 4.66 years in 20                                                                                   |
| <b>Balanced</b>                                   | Achieving a net investment return 2% above CPI p.a. over rolling 10-year periods.                                                                                                                                                        | Consumers should be prepared to stay invested in this option for at least 5 years.  | 2.78 years in 20                                                                                   |
| <b>Indexed Growth</b>                             | Achieving a net investment return 3% above CPI p.a. over rolling 10-year periods.                                                                                                                                                        | Consumers should be prepared to stay invested in this option for at least 10 years. | 5.12 years in 20                                                                                   |
| <b>Australian Shares</b>                          | Outperforming the S&P/ASX300 Total Return Index (adjusted for implied superannuation tax and/or franking credits, where applicable) over the medium to long term.                                                                        | Consumers should be prepared to stay invested in this option for at least 12 years. | 6.63 years in 20                                                                                   |
| <b>International Shares</b>                       | Outperforming the MSCI ACWI ex Aust Index (in AUD, adjusted for implied superannuation tax and/or franking credits, where applicable) over the medium to long term.                                                                      | Consumers should be prepared to stay invested in this option for at least 12 years. | 6.91 years in 20                                                                                   |
| <b>Infrastructure</b>                             | Achieving the equivalent return of the FTSE Developed Core Infrastructure 50/50 Net Total Return Index (Hedged to AUD), adjusted for implied superannuation tax and/or franking credits, where applicable) over the medium to long term. | Consumers should be prepared to stay invested in this option for at least 10 years. | 5.46 years in 20                                                                                   |
| <b>Property</b>                                   | Outperforming the equivalent return of the FTSE EPRA/NAREIT Developed Net Total Return Index (Hedged to AUD, adjusted for implied superannuation tax and/or franking credits, where applicable) over the medium to long term.            | Consumers should be prepared to stay invested in this option for at least 12 years. | 7.37 years in 20                                                                                   |

## Investment options with a lower focus on growth

Options with a lower allocation to growth assets are likely to have lower risk that retirement savings are eroded by investment performance and so provide better capital preservation. These options are also more likely to have lower returns over the medium to long term. Therefore, these options are likely to be suitable for consumers seeking to preserve their capital as they prepare for retirement.

These options will not likely be suitable for consumers seeking higher growth as they ease into retirement and/or who are willing to accept higher market volatility.

| Investment option             | Consumer investment aim aligned with                                                                                                                                                                                                                                                        | Consumer minimum investment timeframe                                              | Consumer risk tolerance based on the expected frequency of a negative return over a 20-year period |
|-------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|
| <b>Defensive</b>              | Achieving a net investment return 1% above CPI p.a. over rolling 10-year periods.                                                                                                                                                                                                           | Consumers should be prepared to stay invested in this option for at least 3 years. | 1.41 years in 20                                                                                   |
| <b>Diversified Bonds</b>      | Outperforming a weighted index of 50% Australian - Bloomberg AusBond Composite Bond 0+YR and 50% International - Bloomberg Barclays Global Aggregate Index (hedged to AUD, adjusted for implied superannuation tax and/or franking credits, where applicable) over the medium to long term. | Consumers should be prepared to stay invested in this option for at least 3 years. | 1.76 years in 20                                                                                   |
| <b>Cash and Term Deposits</b> | Achieving a net return that matches or exceeds the RBA cash rate (adjusted for implied superannuation tax and/or franking credits, where applicable).                                                                                                                                       | Consumers should be prepared to stay invested in this option for at least 1 year.  | Negligible                                                                                         |

Read the **NGS Retirement PDS** for more information.

## Regular payments

Flexibility of regular income payments as follows:

Payment frequency available: fortnightly, monthly, quarterly, six-monthly, annually

Payment amount: can be chosen within the legislated minimum and maximum amounts for the financial year.

Read the **NGS Retirement PDS** for more information.

## Consistency between target market and the product

The NGS Transition to retirement (TTR) account is regularly reviewed to ensure it provides the investment options, product features and services to meet its target market member needs.

The key NGS TTR features supporting the target market member needs include:

| Consumer target market                                                                                                                                                                 | NGS Transition to retirement offer                                                                                                                                     |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| To receive a regular income stream from their retirement savings to supplement income from working reduced hours or to maximise tax-effective salary sacrifice contributions.          | Eligible members can access their super upon meeting a condition of release and in accordance with superannuation law.                                                 |
| To continue to grow their retirement savings in a tax-effective investment.                                                                                                            | Competitive fees and investment returns, with investment earnings taxed at 15%.                                                                                        |
| The ability to choose how their retirement savings are invested from a range of investment options with short-term and long-term investment time horizons and different risk profiles. | A range of investment options with varying investment objectives, asset class exposure, investment risk and timeframes, to meet target members' investment objectives. |
| Access to general or personal financial advice.                                                                                                                                        | A range of education and advice services supporting members understanding of and engagement with the product offer and features available.                             |

Based on our assessment, we believe that the NGS TTR account is likely to be consistent with the objectives, financial situation and needs for consumers in the target market.

# How this product is to be distributed

## Distribution channels

This product is designed to be distributed through the following channels:

- NGS website **ngssuper.com.au** (via the application form located in the **NGS Retirement PDS**)
- NGS Customer Relationship Managers
- NGS Helpline
- NGS Financial Advice Helpline, and
- Financial advisers.

## Distribution conditions

This product should only be distributed under the following circumstances:

- The consumer is an individual who is a resident in Australia
- The consumer joins through a stated distribution channel
- Financial advisers must be acting on an appropriate authorisation under an Australian financial services licence and in accordance with code of ethics and legislative requirements
- The consumer is considered within the target market outlined in this document unless personal advice has been provided
- The Product application eligibility terms and conditions stated in the **NGS Retirement PDS**, and other related material have been met.

## Adequacy of distribution conditions and restrictions

The above distribution conditions and restrictions have been determined as appropriate as they will control the distribution of the product to consumers likely to be in the target market aligned to the *NGS TTR account* offer. This is achieved by the channels only offering the product to individuals who are in the target market or through ensuring the distribution channels have clear disclosure on whom the product is designed to benefit.

# Reviewing this target market determination

We will review this target market determination in accordance with the below:

|                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|----------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Next periodic review</b>      | 1 October 2026                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Review period</b>             | This target market determination will be reviewed at least every 12 months.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Review triggers or events</b> | <p>There are several events or circumstances that could arise which may trigger a TMD review or update prior to the next periodic review. This may include the following events / review triggers:</p> <ul style="list-style-type: none"> <li>• material changes to the design or distribution of the product</li> <li>• the occurrence of a significant dealing outside the target market, including sub-markets</li> <li>• distribution conditions found to be inadequate</li> <li>• external events such as adverse media coverage or regulatory attention on the product, and</li> <li>• significant changes in metrics which may indicate a material change to the product's usage. These metrics include, but are not limited to, complaints, investment performance relative to benchmarks.</li> </ul> |

When NGS Super becomes aware that a review trigger has occurred, or an event/circumstance has occurred that would reasonably suggest that the TMD is no longer appropriate, we will review this target market determination within 10 business days of when the significant event becomes known.

# Reporting and monitoring this target market determination

We will collect the following information from all NGS distributors in relation to this TMD.

|                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|-----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Complaints</b>           | <p>Distributors must report all complaints in relation to the product(s) covered by this TMD on a quarterly basis. This will include written details of the complaints and general feedback relating to the product and its performance.</p> <p>All product related complaints and feedback will be received from all distribution channels within 10 business days after the end of every quarter.</p>                                        |
| <b>Significant dealings</b> | <p>A significant dealing is an event which has occurred which has resulted in a financial product being sold to consumers who are outside of the product's target market and has impacted a material number of members over an extended time period, causing actual financial harm to the affected members.</p> <p>Distributors will report if they become aware of a significant dealing in relation to this TMD within 10 business days.</p> |

## Need more information? Contact us

You can contact us at [ngssuper.com.au/contactus](https://ngssuper.com.au/contactus)

call us on **1300 133 177**, Monday to Friday, 8am–8pm (AEST/AEDT)

Postal address: **GPO Box 4303 Melbourne VIC 3001**

**[ngssuper.com.au](https://ngssuper.com.au)**

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This information is general information only and does not take into account your objectives, financial situation or needs. Before acting on this information, or making an investment decision, consider whether it is appropriate to you and read our **Financial Services Guide**, **Product Disclosure Statements** and **Target Market Determinations** at [ngssuper.com.au](https://ngssuper.com.au). You should also consider obtaining financial, taxation and/or legal advice tailored to your personal circumstances before making a decision. Financial products are issued by NGS Super Pty Ltd ABN 46 003 491 487 and AFSL 233 154