

DESIGN AND DISTRIBUTION OBLIGATIONS

CFS FIRSTCHOICE

From 5 October 2021 the Design and Distribution Obligations reforms (DDO) require us, as product issuers and product distributors such as licensees and financial advisers, to work together to fulfil obligations to ensure consumers obtain financial products that suit their objectives, financial situation and individual needs.

As a distributor of our FirstChoice products we've outlined details of our Target Market Determinations (TMDs) below and summarised the information that you're required to provide us on a regular basis under the DDO reforms.

FirstChoice TMDs

- CFS is required to issue and maintain a Target Market Determination (TMD) for each of its products.
- For FirstChoice super and pension products (e.g. FirstChoice Wholesale Personal Super), CFS has one TMD to cover each entire product and its investment options.
- For FirstChoice managed investment schemes (e.g. FirstChoice Wholesale Investments), each investment option (e.g. FirstChoice Wholesale Growth) has its own TMD.
- All of these TMDs are available at www.cfs.com.au/tmd.
- TMD information is also being provided through a number of external providers, such as FE fundinfo, Morningstar and IRESS.

Target Market Determination reviews

- Our TMDs state certain conditions, known as 'review triggers', requiring us to review the TMD. Should a TMD be under review, we will let you know via email.
- Where a TMD is under review, product applications can only proceed if completed with the provision of personal financial advice.
- You will be notified via email once until the TMD review is completed and if the TMD has been amended.

Adviser reporting requirements

Complaints

Should you receive a complaint about a CFS product from one of your clients, you must report this information to us as soon as practicable. You can do this through the existing complaints reporting channels, including:

- Sending an email with the details of the complaint to adviserservices@cfs.com.au
- Giving us a call on 13 18 36
- Providing the details of the complaint to your CFS contact, such as a Business Development Manager.

When lodging complaints with CFS, please ensure you provide us with the following details:

- The product(s) the complaint is related to
- Client name and account number
- The date of the complaint
- The nature of the complaint
- The content of the complaint.

Significant dealings outside of the target market

Should you identify any significant dealings outside of the target market for a CFS FirstChoice product, you will need to report this information to us as soon as practicable but no later than 10 business days of becoming aware of its occurrence. You can report this information by:

- Logging into FirstNet Adviser, and selecting Tools > Significant Dealing.
- Logging into FirstNet Dealer, and selecting Reporting > Significant Dealing

Significant dealings

We appreciate that there's no industry standard relating to the definition of a 'significant dealing' and that the parameters and thresholds will vary from distributor to distributor. However, as part of your process when determining if a dealing is significant, you should consider:

- **Volume** – Many 'outside dealings' or a significant proportion of total dealings
- **Amount** – A single dealing could be significant if its variance from the 'target market' is large enough. e.g. An elderly pensioner investing in a high risk geared option with a minimum suggested timeframe of 7+ years.

Personal advice attestation (commencing 14 December 2021)

From 14 December, when assisting a client with an application for a CFS FirstChoice product, or when completing an investment switch, you will need to confirm whether personal financial advice was provided to the client in respect of the transaction, and that the advice remains current.

This information will be required when completing our paper/PDF forms or when transacting through FirstNet Adviser.

We are currently assessing our processes for transactions that are completed through non-standard channels. We will provide an update on how we plan to manage reporting for these transactions in the near future.

We're here to help

To help answer any further questions you might have please visit our [Frequently Asked Questions](#) page on our website. Alternatively, please speak with your local Business Development team or call Adviser Services on 13 18 36, Monday – Friday, 8am – 7pm, Sydney time.

Colonial First State Investments Limited ABN 98 002 348 352, AFSL 232468 (CFSIL) is the issuer of the FirstChoice range of super and pension products from the Colonial First State FirstChoice Superannuation Trust ABN 26 458 298 557. CFSIL also issues interests in products made available under FirstChoice Investments and FirstChoice Wholesale Investments. This document is based on the understanding of current regulatory requirements and laws as at September 2021. While all care has been taken in the preparation of this document (using sources believed to be reliable and accurate), to the maximum extent permitted by law, no person including CFSIL accepts responsibility for any loss suffered by any person arising from reliance on this information. This document provides information for the adviser only and is not to be handed on to any investor. It does not take into account any person's individual objectives, financial situation or needs. You should read the relevant Product Disclosure Statement (PDS) and Financial Services Guide (FSG) before making any recommendations to a client. Clients should read the PDS and FSG before making an investment decision and consider talking to a financial adviser. The PDS and FSG can be obtained from www.cfs.com.au or by calling us on 13 18 36.

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Adviser use only