

# TAL Employee Insurance Plan Target Market Determination (TMD)

<b>Name of product:</b>	TAL Employee Insurance Plan ( <b>the product</b> )
<b>Issuers:</b>	TAL Life Limited ( <b>TAL Life</b> ) ABN 70 050 109 450 AFSL 237848 / Mercer Superannuation (Australia) Limited ( <b>MSAL</b> ) ABN 79 004 717 533 AFSL 235906
<b>TMD issue date:</b>	1 April 2025
<b>TMD version:</b>	1
<b>Distribution status of product:</b>	Open

## Important information

This Target Market Determination (**TMD**) sets out the product description and key attributes, target market, distribution conditions, review periods and review triggers for the product. This TMD forms part of the product design and distribution arrangements of the product.

This document is not a Product Disclosure Statement (**PDS**), and is not a summary of the conditions, features or terms of the product. The terms and conditions of cover provided under the product are set out in the Policy Document (**Policy**) and product PDS. The PDS and this TMD can be found at [www.tal.com.au/talsuper](http://www.tal.com.au/talsuper). Consumers who may become beneficially entitled under the product should carefully read those documents before deciding to change cover or to continue to hold an interest in the product.

This document does not take into account any consumer's individual objectives, financial situation or needs. Please consider the PDS before making a decision about the product. If a consumer has any questions about the product, please speak with a financial adviser or contact TAL Life or the Trustee.

The product is the TAL Employee Insurance Plan, an employer-paid risk only superannuation product, that is structured through TAL Super. TAL Super is a plan within the Retail Division of the Mercer Super Trust ABN 19 905 422 981 (**Fund**). MSAL is the trustee (**Trustee**) of the TAL Employee Insurance Plan. Your interest in the Fund is governed by the Trust Deed and the Designated Rules of the TAL Employee Insurance Plan as well as the terms and conditions of the Policy issued by the Insurer as the provider of the insurance cover to the Trustee. The TAL Employee Insurance Plan provides members with access to Life cover (including Terminal Illness) and Total and Permanent Disablement (**TPD**) insurance through superannuation.

## Key Attributes

### Product description

The product is an employer-paid risk only superannuation product. It is designed to provide insurance benefits to consumers who are eligible employees of TAL Services Limited ABN 60 076 105 130 (**Employer**) as part of an employee benefits package. These benefits are provided through an insurance policy which is owned by the Trustee, under which eligible employees of the Employer are insured persons (**Insured Persons**). The Insurer is TAL Life Limited ABN 70 050 109 450 (**Insurer**).

The product provides the following insurance cover if an insured event happens:

- Life cover (including Terminal Illness), which provides a lump sum payment in the event of death or Terminal Illness of the Insured Person; and
- TPD cover, which provides a lump sum payment in the event of sickness or injury that results in the Insured Person's permanent inability to work (as set out in the PDS in the definition of TPD).

Insurance cover ends after any benefit is paid under the Policy.

As the product is an employer-paid risk only superannuation product, there is no savings or investment component, and it is not an accumulation superannuation account. The product will not provide a balance in a member's superannuation account for retirement. No refunds are provided when the product ends, and it does not accumulate a cash value.

### Eligibility criteria

To be eligible for cover under the product, the person must:

- be a Permanent Employee of the Employer;
- be a Member of the Fund;
- be less than age 70; and
- have commenced employment with the Employer on or after 1 April 2024 and completed at least six consecutive months of employment as a permanent employee with the Employer.

The Trustee must also be satisfied the Employer Sponsor Exception applies in respect of a person.

### Key exclusions and limitations

- An Insured Person will be automatically covered for Life cover (including Terminal Illness) and TPD cover up to the amount calculated by the benefit formula contained in the Policy up to a maximum of the Automatic Acceptance Limit (**AAL**) for the product, which is \$1.2 million. This is also the maximum benefit available.

If an Insured Person is not At Work on the day their cover commences, their cover will be Limited Cover (up to a maximum of the AAL) until they are At Work for 60 consecutive days immediately after which full cover will commence.

### Premium structures

The Employer pays the cost of the insurance premiums by making employer superannuation contributions to the Fund. These contributions are in addition to any superannuation guarantee, salary sacrifice or any other mandated employer contributions the Employer makes on an employee's behalf and will count towards an Insured Person's concessional superannuation contributions cap each year.

<b>Restrictions of the product</b>	<p>Insurance through superannuation has certain legislative restrictions that impact the product, including:</p> <ul style="list-style-type: none"> <li>• premiums must be paid from a superannuation fund or by making a contribution to the Fund;</li> <li>• any insurance benefit will be paid by the Insurer to the Trustee, who must independently review and approve payment of the benefit out of the Fund to the member or their beneficiary;</li> <li>• if the member dies and has not made a valid binding death benefit nomination, the Trustee will determine which beneficiary or beneficiaries will receive the death benefit and in what proportions;</li> <li>• the qualifying definitions under which an insurance benefit can be paid to the member from the superannuation fund must be consistent with legislated superannuation rules called 'conditions of release';</li> <li>• a 'condition of release' must be satisfied before the Trustee can pay an insurance benefit to the member or their beneficiary;</li> <li>• more taxation may apply to benefits paid to a member or beneficiary, from an insurance policy structured through superannuation, than would otherwise apply; and</li> <li>• limits apply to the amount a member can contribute to superannuation each year. Any contributions made to a superannuation fund in order to pay premiums will reduce the amount a member may be able to contribute to other superannuation accounts they hold for retirement savings purposes.</li> </ul>
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## Target Market

The target market for the product comprises the class of consumers who satisfy each of the following criteria with respect to eligibility, objectives, financial situation and needs.

<b>Eligibility of consumers in the target market</b>	<p>The target market for the product comprises consumers who:</p> <ul style="list-style-type: none"> <li>• are a permanent employee of the Employer;</li> <li>• are a member of the Fund;</li> <li>• are less than age 70; and</li> <li>• have commenced employment with the Employer on or after 1 April 2024 and completed at least six consecutive months of employment as a permanent employee with the Employer.</li> </ul> <p>The Trustee must also be satisfied the Employer Sponsor Exception applies in respect of a person.</p> <p>Consumers who do not meet the eligibility criteria are not part of the target market of the product.</p>
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<b>Objectives and needs of consumers in the target market</b>	<p>The product is designed for consumers who meet the eligibility criteria and have a need, or may in the future have a need to:</p> <ul style="list-style-type: none"> <li>• pay for outstanding financial commitments, or provide for dependants in the event of death or terminal illness;</li> <li>• protect against the permanent loss of future income in the event of being permanently unable to work due to sickness or injury, and/or;</li> <li>• ensure outstanding financial commitments, the needs of dependants and ongoing living expenses can be covered in the event of being permanently unable to work due to sickness or injury.</li> </ul> <p>The product, TAL Employee Insurance Plan, is suitable for consumers who do not intend to use it to accumulate wealth for retirement or hold investment options as part of their retirement saving strategy. The contributions that are made are only used for the purposes of paying insurance premiums. The product is not a savings plan and therefore members do not have an accumulation account balance for the purposes of retirement savings and there is no investment component. The product is therefore not suitable for those consumers whose purpose is retirement savings or whose insurance needs are greater than the amount of cover provided under the product.</p>
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<b>Financial situation of consumers in the target market</b>	To meet the cost of insurance premiums for cover, the Employer makes employer superannuation contributions to the product on the member's behalf. There is no additional or direct cost to consumers in the target market. The superannuation contributions that cover the cost of premiums are in addition to the compulsory superannuation contributions, salary sacrifice contributions or any other mandated employer contributions the Employer makes on the employee's behalf.
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<b>Appropriateness of the product for the target market</b>	<p>The target market for the product comprises consumers who are eligible employees of the Employer that are provided with insurance cover as a benefit of their employment with the Employer who have or expect to have outstanding financial commitments that will not be satisfied in the event of their – death, terminal illness or TPD.</p> <p>As the product is only available to eligible employees of the Employer and pays a lump sum on death, terminal illness or TPD, it is therefore likely to meet the needs, or go towards meeting the needs, of those consumers in the target market.</p>
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### Distribution conditions

<b>Distribution conditions</b>	<p>The product:</p> <ul style="list-style-type: none"> <li>• may be distributed without personal financial product advice; and</li> <li>• may only be made available to employees of the Employer who satisfy the eligibility criteria.</li> </ul>
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<b>Appropriateness of the distribution conditions</b>	The distribution conditions will result in the product being promoted only to employees of the Employer. They are likely to be in the target market because only employees of the Employer who meet the eligibility criteria will be issued the product.
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### Review periods and triggers

<b>Review periods</b>	<p><b>Initial review period:</b> Must be completed by 1 April 2026 unless a review trigger requires a review to be completed at an earlier date.</p> <p><b>Ongoing review period:</b> Must be completed every 2 years, subject to any intervening review triggers.</p>
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<b>Review trigger 1</b>	<p><b>Description:</b> The commencement of a significant change in law that materially affects the product design, distribution of the product or class of products that includes this product.</p> <p><b>Reporting information:</b> Changes to relevant regulation, legislation and instruments.</p> <p><b>Reporting period and review obligation:</b> The product issuers must monitor and consider any significant relevant changes in the law that materially affects the design or distribution of the product.</p>
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<b>Review trigger 2</b>	<p><b>Description:</b> Product performance is materially inconsistent with the product issuer’s expectations of the appropriateness of the product for consumers having regard to product claim ratios and the number of paid, denied and withdrawn claims.</p> <p><b>Reporting Information:</b></p> <ul style="list-style-type: none"> <li>• Claim ratios by cover type.</li> <li>• Number of paid, denied and withdrawn claims.</li> </ul> <p><b>Reporting period and review obligation:</b> The product issuers must collect the reporting information and review these factors every 6 months.</p>
<b>Review trigger 3</b>	<p><b>Description:</b> Significant or unexpectedly high number of complaints regarding product design, claims and distribution conditions that would reasonably suggest that this TMD is no longer appropriate.</p> <p><b>Reporting information:</b> The nature of each complaint and the total number of complaints received in relation to the product within the reporting period.</p> <p><b>Reporting period and review obligation:</b></p> <ul style="list-style-type: none"> <li>• The product issuers must review and consider complaints data every 6 months.</li> <li>• Distributors must report complaints data to the product issuers every 6 months, with reports required within 10 business days of the end of the reporting period.</li> </ul>
<b>Review trigger 4</b>	<p><b>Description:</b> The product issuers determine that a significant dealing in the product outside the target market (except for an excluded dealing) has occurred.</p> <p><b>Reporting information:</b> Any dealing in the product which the regulated person becomes aware of is not consistent with the TMD, including dealings which are significant dealings.</p> <p><b>Reporting period and review obligation:</b></p> <ul style="list-style-type: none"> <li>• The product issuers must promptly review and consider any significant dealing reported to it.</li> <li>• The product issuers must also consider any dealing they consider to be a significant dealing in the product outside the target market.</li> <li>• Any dealing outside the target market must be reported by a distributor to the product issuers as soon as practicable, and in any case within 10 business days of the distributor of the significant dealing.</li> </ul>
<b>Review trigger 5</b>	<p><b>Description:</b> The use of a product intervention power in relation to the distribution or design of this product where the product issuers consider this to be a reasonable indication that this TMD is no longer appropriate.</p> <p><b>Reporting information:</b> The making of any applicable product intervention order which affects the distribution or design of the product.</p> <p><b>Reporting period and review obligation:</b> The product issuers must promptly consider any product intervention order which affects the product.</p>

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**Review trigger 6****Description:**

Significant change to the design or distribution of the product which the product issuers consider could result in a change to:

- Whether the product is still likely to be consistent with the objectives, financial situation or needs of the target market; or
- The distribution conditions required to ensure that the product is likely to be issued to consumers who are within the target market.

**Reporting information:**

Any significant changes to the design or distribution of the product.

**Reporting period and review obligation:**

The product issuers must monitor and consider any significant change to the design or distribution of the product.

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**Trustee:** Mercer Superannuation (Australia) Limited  
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**Fund:** Mercer Super Trust | ABN 19 905 422 981

**Insurer:** TAL Life Limited

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