

# Target Market Determination (TMD)

<b>Product:</b>	Protection Plans – Children's Benefit
<b>Issuer:</b>	TAL Life Limited ABN 70 050 109 450 AFSL 237848 ( <b>TAL Life</b> )
<b>Date of this TMD:</b>	1 April 2025
<b>Version:</b>	1
<b>Next TMD review date:</b>	By 1 April 2027

## Important information

This 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 products.

This document is **not** a product disclosure statement, and is **not** a summary of the conditions, features or terms of the products. The terms and conditions of cover provided under the product are set out in the Product Disclosure Statement and Policy Document, along with any policy schedule (if applicable). Consumers interested in acquiring this product should carefully read those documents before deciding to purchase, or to continue to hold the product. The Product Disclosure Statement and Policy Document can be obtained from tal.com.au.

There are a number of terms in this TMD which have a particular meaning. Where a defined term is used in this TMD, the first letter of each word is capitalised (e.g. 'Policy Owner'). These terms are defined in the Product Disclosure Statement and Policy Document.

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

## Product description and key attributes

### Product description

The key product attributes of this product are:

- the product provides a lump sum benefit to cover costs (such as those outlined under 'Needs, objectives and financial situation' below) if an Insured Child dies, becomes terminally ill or suffers a specified children's trauma event,
- premiums can only be paid on a stepped premium structure,
- the product is only available outside superannuation but can be linked to policies inside or outside superannuation,
- the product is no longer on sale, and is only available for consumers who are reinstating, replacing or repurchasing existing insurance cover (e.g. under a buy back or continuation option), as approved by TAL Life.

### Eligibility criteria

The key eligibility requirements to acquire this product are:

- the product cannot be taken as a standalone Policy and must be linked to another Protection Plans Policy owned by the natural parent or legal guardian of the Insured Child, with the following minimum benefit amounts:
  - \$50,000 for Term Life, Term Life as Superannuation, standalone Living Insurance or standalone Total and Permanent Disablement policies, or
  - \$2,500 per month for Income Protection Assured and Income Protection Assured as Superannuation policies, or
  - \$1,000 per month for Income Protection, Income Protection Plus, Business Overheads Assured and Business Overheads policies,
- the Insured Child must be age 2–14 at the time of commencing cover, or age 2–16 for any replacement or reinstatement, and cover expires on the Policy anniversary on or following the Insured Child's 16th birthday,
- if the Policy Owner is an individual, they must be the natural parent or legal guardian of the child insured,
- if the Policy Owner is a trust or business entity, the child's natural parent or guardian must have direct control of that trust or business entity.

If a Policy is being reinstated, replaced or repurchased (e.g. under a buy back or continuation), the consumer may still be eligible for the product if they satisfied the eligibility criteria when the prior Policy first commenced.

### Benefits and definitions

The product's key benefits are outlined in the table below.

Type of cover	Description	Cover amounts available
<b>Children's Benefit</b>	Pays a lump sum benefit on the death or terminal illness of the insured dependent child.	<ul style="list-style-type: none"><li>• Minimum cover is \$10,000.</li><li>• Maximum cover when first applying for cover is \$200,000.</li></ul>

### Exclusions and limitations

Exclusions apply if the specified children's event is caused directly or indirectly by a congenital condition or, for cancer and stroke, the specified children's event occurs within three months of the commencement or last reinstatement of the Policy.

Only sicknesses or injuries that occur after Policy commencement are covered by the Policy.

### Class of consumers

This product is designed for Policy Owners or super fund members who need a lump-sum benefit of between \$10,000 and \$200,000 if the Insured Child dies, suffers a terminal illness or suffers a specified children's trauma event.

### Needs, objectives and financial situation

This product provides insurance to cover the following costs due to the Insured Child dying, becoming terminally ill or suffering a specified children's event:

- personal financial costs (e.g. palliative care costs, medical expenses not covered by Medicare or private health insurance, funeral and final expenses, rehabilitation costs, an overseas holiday for the Insured Child, rental payments), or
- cover for leave (e.g. parental leave or carer's leave) and expenses.

Consumers should consider if they have the financial capacity to fund the costs of cover, in accordance with their chosen premium structure, over the period they intend to hold the cover. This includes periods in which financial capacity will change such as, but not limited to, changing employment circumstances, entering retirement or another change in your financial situation. Consumers will be required to form their own assessment of their capacity to fund premiums.

This product is not designed for Policy Owners, Insured Persons, super fund members, or Insured Children:

- if, when first taking out cover:
  - the Insured Child is age 15 or over, or
  - whose main reason for cover is for a pre-existing condition of the Insured Child, or
  - who need cover for less than \$10,000, or
  - who need cover for more than \$200,000, or
  - who need cover for an Insured Child age one (1) or under, or
  - where the Children's Benefit is not linked to another Protection Plans Policy owned by the natural parent or legal guardian of the Insured Child, or that Policy does not have the required level of cover, or
  - where the Policy Owner, if an individual, is not the natural parent or legal guardian of the child insured, or
  - where if the Policy Owner is a trust or business entity, the child's natural parent or guardian does not have direct control of that trust or business entity, or
  - who need health insurance.

### Alignment to target market

This product is likely to be consistent with the likely objectives, financial situation and needs of the class of consumers in the target market. This is based on an assessment of the key terms, features and attributes of the product and a determination that these are consistent with the identified class of consumers.

## Distribution conditions and restrictions

### Distribution channels

This product is designed to be sold via the following means:

- by financial advisers, who hold or operate under an Australian Financial Services Licence (AFSL), or
- by TAL Life.

### Distribution conditions and restrictions

This product should only be distributed under the following circumstances:

- the Policy Owner, Insured Person, super fund member and Insured Child meet the relevant eligibility criteria for the product, and
- distribution to new consumers is provided by a financial adviser who is appropriately authorised, trained and qualified to provide financial advice about life insurance products, or
- distribution to consumers other than new consumers is provided by TAL Life through its customer contact centre or a financial adviser who is appropriately authorised, trained and qualified to provide financial advice about life insurance products in the following circumstances:
  - the consumer falls within the target market for this product, and
  - either:
    - the consumer previously held this product, or
    - this product is being acquired to replace a product that the consumer holds which had been issued by TAL Life.

Although the product may be advertised or compared on third party comparison websites, consumers may only make an application for the product to the issuer through a financial adviser or TAL Life as described above.

### Appropriateness of distribution conditions and restrictions

The distribution conditions will result in the product being issued to consumers who are likely to be in the target market because:

- The requirement for distributors to determine whether a consumer is eligible for the product and not permit consumers to be issued the product if they do not satisfy the eligibility criteria means the product cannot be issued to consumers who are not eligible for the product; and
- The requirement for distributors to draw the consumer's attention to the key features of the product, including an estimate of the applicable premium (based on the consumer's requested product benefits), is likely to prompt a consumer to either proceed or not to proceed with an application, based on their financial capacity to afford the applicable premiums and determination of whether the product is consistent with their likely objectives, financial situation and needs.

## TMD reviews

We will review this TMD in accordance with the below:

### Periodic reviews

At least every two years from the effective date.

### Review triggers or events

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

- significant changes in metrics. These include complaints, sales, policy cancellations, lapses, claims, and loss ratios,
- a material change to the design or distribution of the product, including an alteration in acceptance criteria or underwriting criteria,
- identified systemic issues across the product lifecycle,
- change in relevant law,
- occurrence of a significant dealing, and
- distribution conditions found to be inadequate.

## Distribution information

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

### Complaints

Distributors will report all complaints in relation to the product(s) covered by this TMD on a 6-monthly basis to TAL Life, with distributors reporting complaint volumes within 10 business days of the end of each reporting period. This will include written details of the complaints.

### Significant dealings

Distributors will report if they become aware of a significant dealing in relation to this product that is inconsistent with the TMD within 10 business days.

#### TAL Life Limited

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