

Target Market Determination (TMD)

Product:	Protection Plans – Income Protection Protection Plans – Income Protection Plus Protection Plans – Reserve Income Protection Protection Plans – Reserve Income Protection Plus Protection Plans – General Cover Income Protection
Issuer:	TAL Life Limited ABN 70 050 109 450 AFSL 237848 (TAL Life)
Date of this TMD:	1 April 2025
Version:	1
Next TMD review date:	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 monthly benefit to cover costs (such as those outlined under 'Needs, objectives and financial situation' below) if the Insured Person is unable to work at full capacity due to total or partial disability,
 - the product provides a Total Disability Benefit, which is the lesser of the insured monthly benefit and a maximum of 80% (including Superannuation Contribution Option) of annualised pre-disability monthly earnings of the Insured Person,
 - the product provides a Partial Disability Benefit based on the Insured Person's proportionate loss of pre-disability earnings times the monthly total disability benefit.
- this product is only available for alterations and replacements of existing policies,
- 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 Insured Person must be age 17–59 at the time of commencing cover (or age 17–70 for any replacement or reinstatement) or age 17–69 for general cover income protection (or age 17–80 for any replacement or reinstatement),
 - for ages 17–49 at the time of commencing cover, the Policy Owner can choose to pay premiums by:
 - level premiums up to age 55, or
 - stepped premiums up to age 55, or
 - for Reserve Income Protection, level premiums for the life of the cover,
 - for ages 17–59 at the time of commencing cover, consumers can choose to pay premiums by:
 - level premiums up to age 65, with stepped premiums thereafter for the life of the cover, or
 - stepped premiums for the life of the cover, or
 - for Reserve Income Protection, level premiums for the life of the cover.
- the Policy may be owned by individuals, trustees (superannuation and non-superannuation) or business entities,
- the Insured Person must be an Australian citizen, a permanent resident of Australia or holder of an eligible work visa or spouse/partner work visa,
- the Insured Person must be working at least 20 hours per week,
- the Insured Person must be working in an eligible occupation (for occupation eligibility please speak to a financial adviser or contact TAL Life customer contact centre),
- the Insured Person must not be an undischarged bankrupt.

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 is available as an indemnity, agreed value or endorsed agreed value benefit, described in the tables below.

Benefit type	Description
Indemnity	Means the amount of the Severe Disability Benefit is the insured monthly benefit amount, which may be reduced if the Insured Person's monthly earnings have reduced since the insurance commenced.
Agreed value	Means the amount of the Total Disability Benefit (which is relevant to calculating the benefit payable in the event of total disability and/or partial disability) or Severe Disability Benefit is an agreed amount and will not reduce when the Insured Person is disabled because their monthly earnings have reduced since taking out the insurance, provided income details were correctly disclosed at that time.
Endorsed agreed value	Means the amount of the Total Disability Benefit (which is relevant to calculating the benefit payable in the event of total disability and/or partial disability) or Severe Disability Benefit will be a guaranteed amount.

Product type	Benefit types available	Cover amounts available
Home Duties Income Protection Assured	<ul style="list-style-type: none"> • Indemnity, endorsed agreed value and agreed value benefits with an own occupation definition. 	<ul style="list-style-type: none"> • Minimum cover when applying for cover is \$1,000 per month. • Maximum cover when first taking out cover is \$60,000 per month (any benefit above \$30,000 per month is limited to a 2-year benefit period).
Income Protection Plus	<ul style="list-style-type: none"> • Indemnity, endorsed agreed value and agreed value benefits with an own occupation definition. • Provides a greater range of support benefits than Income Protection. Refer to Protection Plans PDS (PP PDS) for details. 	<ul style="list-style-type: none"> • Minimum cover when applying for cover is \$1,000 per month. • Maximum cover when first taking out cover is \$60,000 per month (any benefit above \$30,000 per month is limited to a 2-year benefit period).
Reserve Income Protection	<ul style="list-style-type: none"> • Indemnity benefit with an own occupation definition. • Endorsed agreed value with an own occupation definition for up to \$40,000 monthly benefit, indemnity cover for any additional insured monthly benefit above \$40,000. • Provides a number of included and optional benefits. 	<ul style="list-style-type: none"> • Minimum cover is \$30,000 per month. • Maximum cover when first taking out cover is \$60,000 per month.
Reserve Income Protection Plus	<ul style="list-style-type: none"> • Indemnity cover with an own occupation definition, with a greater range of inbuilt support benefits. • Endorsed agreed value cover available with an own occupation definition for up to \$40,000 monthly benefit. • Provides a greater range of support benefits than Reserve Income Protection. Refer to Protection Plans PDS (PP PDS) for details. 	<ul style="list-style-type: none"> • Minimum cover is \$30,000 per month. • Maximum cover when first taking out cover is \$60,000 per month.
Benefit type	Description	
Total Disability Monthly Benefit	<ul style="list-style-type: none"> • Pays a monthly benefit if the Insured Person is totally disabled. • Totally disabled (in broad terms) is defined as the Insured Person being, due to sickness or injury, unable to perform one or more of the important income-producing duties of their usual occupation. The Insured Person must either be not working or not working for more than 10 hours per week in their usual occupation and under the regular care of a doctor. 	
Partial Disability Monthly Benefit	<ul style="list-style-type: none"> • Pays a monthly benefit if the Insured Person is partially disabled. • Partially disabled means (in broad terms) the Insured Person is, due to sickness or injury, unable to perform some or all of their important income-producing duties of their usual occupation or is able to perform all of the important income-producing duties of their usual occupation but in a reduced capacity, and their monthly earnings are less than their pre-disability earnings and they are under the regular care of a doctor. 	
Severe Disability Monthly Benefit	<ul style="list-style-type: none"> • Pays a monthly benefit if the Insured Person is severely disabled. • Severely disabled means (in broad terms) the Insured Person is, due to sickness or injury, unable to perform, without assistance, any two of the defined activities of daily living or is suffering from significant cognitive impairment. 	

Exclusions and limitations

Exclusions apply if the sickness or injury giving rise to the claim is caused:

- by an act of war (except for the Death Benefit where the Insured Person dies on war service);
- by intentional self-inflicted injury;
- by attempted suicide; or
- by normal and uncomplicated pregnancy and childbirth.

Additional exclusions for Reserve Income Protection and Reserve Income Protection Plus are:

- alcohol abuse;
- alcohol dependence;
- drug use;
- mental illness; and
- fatigue syndromes.

(These exclusions apply to the insured monthly benefit amounts exceeding \$40,000 and only after the insured monthly benefit has been paid for 24 months).

Exclusions may also apply depending on individual circumstances, which will be notified in writing.

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

Class of consumers

The product is designed for Policy Owners and super fund members who need a monthly benefit between \$1,000 and \$60,000 if the Insured Person is totally or partially disabled, or suffers a severe disability.

Needs, objectives and financial situation

This product provides insurance cover for the following costs as a result of the Insured Person suffering total or partial disability:

- personal financial costs (e.g. regular household expenses, including mortgage repayments and rental payments, utilities and other regular bills, costs to cover out-of-pocket medical expenses not covered by Medicare or health insurance), or
- business costs (e.g. replacement income for a business owner, or other expenses not covered by business expenses insurance).

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 and super fund members:

- if, when first taking out cover:
 - the Insured Person is not working in an eligible occupation, or
 - the Insured Person is not working more than 20 hours per week, or
 - the Insured Person is age 70 or over, or
 - the Insured Person is an undischarged bankrupt, or
 - the Insured Person is not an Australian citizen, a permanent resident of Australia or holder of an eligible work visa or spouse/partner work visa, or
- whose main reason for cover is for a pre-existing condition of the Insured Person, or
- who need cover for less than \$1,000 per month, or
- who need cover for more than \$60,000 per month, or
- who need cover for an Insured Person age 16 or under, or
- who need term life, terminal illness cover, TPD cover, trauma insurance, or business expenses insurance, 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 or super fund member meet the relevant eligibility criteria for the product, and
- distribution to 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.

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