HOMEOWNER PROTECTION

Target Market Determination (TMD)

Product:	Homeowner Protection (the **product**), offered in the combined Product Disclosure Statement and Policy Document (**PDS**) with issue date 27 November 2025
Issuer:	TAL Life Limited (**TAL Life**) ABN 70 050 109 450 AFSL 237848
Date of this TMD:	27 November 2026
Version:	2
Initial TMD review completed:	27 November 2026
Next TMD review date:	By 27 November 2028

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 product.

This document is **not** a product disclosure statement, 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 PDS, 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 PDS can be obtained from www.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 PDS.

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 contact TAL Life.

The product is an insurance Policy, not a savings plan, which means no financial benefit is payable from the Policy unless claim eligibility conditions are met.

Homeowner Protection is designed for those who seek life insurance cover, and who consider the product features including Decreasing Life Cover (where the Benefit Amount for life insurance cover automatically reduces over the Policy term) as appropriate considering their own individual objectives, financial situation or needs, including any financial commitments such as a home loan they have or seek to obtain. However, the product is not consumer credit insurance, is not linked to any amount outstanding on any home loan or other loan and it does not track or match the amount outstanding from time to time on any home or other loan.

This product is designed for consumers who prefer an easier process to obtain an insurance policy. It is designed to provide consumers with a quick decision on the outcome of their application, based on information provided by the consumer in a short application and consumers are not required to undergo any medical tests or exams to apply for this product.

Product description and key attributes – Decreasing Life Cover

Product description

Decreasing Life Cover provides a lump sum Benefit Amount in the event the Life Insured dies or is diagnosed as Terminally Ill and has a life expectancy of less than 12 months. The Decreasing Life Cover Benefit Amount automatically reduces at each Policy Anniversary by 5% (but will not reduce further if the Benefit Amount reaches $10,000).

The benefit payable for Decreasing Life Cover is the Benefit Amount applicable at the date the Life Insured dies or is diagnosed with Terminal Illness

- This product is not consumer credit insurance.
- The Decreasing Life Cover Benefit Amount over time is not linked to any amount outstanding on any home loan or other loan and does not track or match the amount outstanding from time to time on any home loan or other loan. The annual automatic decreases to the Decreasing Life Cover Benefit Amount are not designed to, and do not, match the actual amount of any outstanding debt on any home loan or other loan over time.
- Benefits are paid to the Policy Owner, their estate or nominated Beneficiary. Benefits are not paid **by TAL** to any home loan lender or other lender. Benefit recipients can choose to use the benefit payments for any purpose, including to contribute to medical or living expenses or to repay debt.
- This product does not automatically end if any home loan or other loan is repaid or ends. You may cancel your Policy at any time, for any reason.
- This product is optional and is not a requirement to obtain a home loan or other loan.

Eligibility criteria

- Entry age: 18 – 55;
- An Australian or New Zealand citizen or Australian permanent resident, currently residing in Australia who has received the PDS in Australia; and
- Subject to TAL Life's Underwriting assessment including relating to health, occupation, income, personal pastimes, lifestyle and current and past insurance.

Maximum Benefit Amount

The maximum Benefit Amount for each life insured, at application is

$1,500,000

The maximum Benefit Amount for each application may be subject to TAL Life's Underwriting assessment and home loan amount.

Minimum Benefit Amount

The minimum Benefit Amount for each Life Insured, at application is

$50,000.

Expiry age

- 30 years from the Policy Commencement Date.

Key exclusions and limitations

- No Benefit is payable if the claim arises directly or indirectly because of an intentional self-inflicted act (including attempted suicide and suicide, whether sane or not) by the Life Insured within 13 months of:
  - the Plan Commencement Date;
  - the date of any Benefit Amount increase applied by the Life Insured, including under the Cover Review Benefit feature, but only in respect of the increased amount; or
  - the most recent date TAL Life agreed to reinstate the Plan or Policy.
- No payments will be made under Decreasing Life Cover, if the event giving rise to the claim is caused by the Life Insured being in a country for which the Australian Department of Foreign Affairs and Trade or any successor government department or agency issued a 'Do Not Travel' warning advice prior to the Life Insured's travel to that country, and which continues to be in force during the time of their stay in that country.
- Special terms determined and agreed to during Underwriting. If applicable, the special terms will be shown in the Policy Schedule.

Premium structure for Decreasing Life Cover

The Decreasing Life Cover premium is based on the Life Insured's age and the Benefit Amount at the Plan Commencement Date. For any increases to the Benefit Amount, premiums for the increased amount are based on the Life Insured's age at the date of increase. This will generally have a higher premium rate than the original cover.

Your premiums will not reduce just because the Decreasing Life Cover Benefit Amount automatically reduces at each Policy Anniversary by 5%.

Premiums are not guaranteed to remain the same each year. The amount consumers pay will change when any of the following events occur:

- TAL Life changes its premium rates;
- the Policy Owner varies the Policy, for example when the Policy Owner adds or removes the optional Major Illness Cover, or the Policy Owner makes changes to the Benefit Amount (including through the Cover Review Benefit);
- a discount no longer applies or changes. This includes because the Policy Owner varies their Policy; or
- government duties or charges change.

If premiums are not paid when due, the Policy will end (provided notice is given as required by law) and the Life Insured will no longer be covered and cannot claim for events occurring after the Policy ends.

Product description and key attributes – optional Major Illness Cover

Product description

Major Illness Cover provides a lump sum Benefit Amount in the event the Life Insured is diagnosed with or experiences an Insured Event. Payment of a benefit under Major Illness Cover will not affect the Benefit Amount of your Decreasing Life Cover.

The following Insured Events are covered:

- Cancer (of a specified criteria);
- Coronary Artery Bypass Surgery;
- Heart Attack (of specified evidence) – partial payment;
- Heart Attack (with specified evidence of severe heart muscle damage) – full payment;
- Major Head Trauma (with permanent neurological deficit);
- Major Organ Failure (of specified organs);
- Major Organ Transplant (of specified organs);
- Paralysis;
- Permanent Major Physical Impairment;
- Severe Burns (of specified severity);
- Stroke (resulting in a new neurological deficit).

In order for a Benefit Amount to be paid, the Insured Event must meet the definition, and specified severity threshold criteria for that condition.

Eligibility criteria

- Entry age: 18 – 55;
- An Australian or New Zealand citizen or Australian permanent resident, currently residing in Australia who has received the PDS in Australia; and
- Subject to TAL Life's Underwriting assessment including relating to health, occupation, income, personal pastimes, lifestyle and current and past insurance.

Maximum Benefit Amount

For each Life Insured, up to:

- $250,000; or
- The Decreasing Life Cover Benefit Amount at the time of application for Major Illness Cover,

whichever is the lower for each Life Insured.

The Benefit Amount for Major Illness Cover **will not** automatically reduce at each Policy Anniversary.

The benefit payable for Major Illness Cover is the Benefit Amount applicable at the date the Insured Event occurred, unless the claim is for Heart Attack (of specified evidence) – partial payment.

For Heart Attack (of specified evidence) – partial payment the benefit payable is as the greater of:

- $10,000; or
- 10% of your total Major Illness Cover Benefit Amount.

The benefit for Heart Attack (of specified evidence) – partial payment is only payable once across all Homeowner Protection plans and policies for which you are the Life Insured.

If a benefit for Heart Attack (of specified evidence) – partial payment is paid, it will reduce the Major Illness Cover Benefit Amount (claimable for other Insured Events) by the amount paid for Heart Attack (of specified evidence) – partial payment. Other than this, the Benefit Amount for Major Illness Cover will remain the same unless a claim for another Insured Condition is paid.

Payment of a benefit under Major Illness Cover **will not** affect your Decreasing Life Cover Benefit Amount.

Minimum Benefit Amount

The minimum Benefit Amount for each Life Insured, at application is

$25,000.

Expiry age

- Policy Anniversary after the Life Insured's 65th birthday; or
- 30 years after the Policy Commencement Date,

whichever is earlier.

The Policy Commencement Date is the date the Homeowner Protection Policy commences. If Major Illness Cover is taken out after the Policy Commencement Date, the Major Illness Cover Plan cannot continue beyond the Decreasing Life Cover Plan Expiry Date.

Key exclusions and limitations

- No Benefit is payable under Major Illness Cover if the Insured Condition was directly or indirectly caused by:
  - an intentional self-inflicted act by the Life Insured (including attempted suicide and suicide, whether sane or not); or
  - the Life Insured's participation in criminal or unlawful activity.
- No payments will be made under Major Illness Cover, if the event giving rise to the claim is caused by the Life Insured being in a country for which the Australian Department of Foreign Affairs and Trade or any successor government department or agency issued a 'Do Not Travel' warning advice prior to the Life Insured's travel to that country, and which continues to be in force during the time of their stay in that country.
- No payments will be made under Major Illness Cover if certain Insured Events (listed below) occurred or were diagnosed, or the signs or symptoms leading to the diagnosis became apparent to the Life Insured or would have become apparent to a reasonable person in the position of the Life Insured, within 90 days after:
  - the Plan Commencement Date;
  - the date of any Benefit Amount increase applied by the Life Insured, but only in respect of the increased amount;
  - the most recent date TAL Life agreed to reinstate the Plan or Policy; or
  - the date a Life Insured was added to the Policy, but only in respect of that Life Insured.

  The Insured Events where the 90-day qualifying period applies are:
  - Cancer (of a specified criteria);
  - Coronary Artery Bypass Surgery;
  - Heart Attack (of specified evidence) – partial payment;
  - Heart Attack (with specified evidence of severe heart muscle damage) – full payment; and
  - Stroke (resulting in a new neurological deficit).
- Special terms determined and agreed to during Underwriting. If applicable, the special terms will be shown in the Policy Schedule.

Premium structure for Major Illness Cover

Premiums are based on the Life Insured's age at the Plan Commencement Date. The premium will change if changes are made to the cover. Each additional amount of cover, if requested to increase, will be priced based on the Life Insured's age at the date of increase. This will generally have a higher premium rate than the original cover.

Premiums are not guaranteed to remain the same each year. The amount consumers pay will change when any of the following events occur:

- TAL Life changes its premium rates;
- the Policy Owner varies the Policy, for example when the Policy Owner adds or removes the optional Major Illness Cover, or the Policy Owner makes changes to the Benefit Amount;
- a discount no longer applies or changes. This includes because the Policy Owner varies their Policy; or
- government duties or charges change.

If premiums are not paid when due, the Policy will end (provided notice is given as required by law) and the Life Insured will no longer be covered and cannot claim for events occurring after the Policy ends.

Target market – Decreasing Life Cover

Eligibility of consumers in the target market

The target market for the product comprises of consumers who are:

- aged 18 – 55;
- an Australian or New Zealand citizen or Australian permanent resident, currently residing in Australia who has received the PDS in Australia; and
- Subject to TAL Life's Underwriting assessment including relating to health, occupation, income, personal pastimes, lifestyle and current and past insurance.

Objective of consumers in the target market

The target market comprises of consumers who are looking for cover that provides a decreasing lump sum Benefit Amount in the event the Life Insured dies or is diagnosed as Terminally Ill.

Financial situation of consumers in the target market

The target market comprises of consumers who have the financial capacity to fund the costs of cover, over the period they intend to hold the cover.

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

Consumers should form their own assessment of their capacity to fund premiums.

Needs of consumers in the target market

The target market comprises of consumers who have a need, or may in the future have a need, to pay for outstanding financial commitments (such as a mortgage or any other debt) or want to leave a financial legacy in the event the Life Insured dies or is diagnosed as Terminally Ill.

Appropriateness of the product for the target market

The target market comprises of those who have or expect to have outstanding financial commitments that will not be satisfied or want to leave a financial legacy in the event the Life Insured dies or is diagnosed as Terminally Ill. The target market also comprises of those who have the financial capacity to fund the cost of cover, over the period they intend to hold cover.

As the product provides a lump sum Benefit Amount in the event the Life Insured dies or is diagnosed as Terminally Ill, it is only available for those consumers who meet the eligibility criteria, and who have the financial capacity to fund the costs of cover (having formed their own assessment of such capacity), the product is therefore likely to be consistent with the likely objectives, financial situation and needs of consumers in the target market.

Excluded consumers

The target market excludes consumers who:

- are under 18 years of age;
- are over 55 years of age;
- are not an Australian or New Zealand citizen or Australian permanent resident, currently residing in Australia and who have not received the PDS in Australia;
- do not meet TAL Life's Underwriting assessment;
- do not have the financial capacity to fund the costs of cover, in accordance with the premium structure, over the period they intend to hold the cover; or
- have the capacity to, and are willing to pay for outstanding financial commitments (such as a mortgage or any other debt) or leave a financial legacy without the cover under this product.

Target market – optional Major Illness Cover

Eligibility of consumers in the target market

The target market for the product comprises of consumers who are:

- aged 18 – 55;
- an Australian or New Zealand citizen or Australian permanent resident, currently residing in Australia who has received the PDS in Australia; and
- Subject to TAL Life's Underwriting assessment including relating to health, occupation, income, personal pastimes, lifestyle and current and past insurance.

Objective of consumers in the target market

The target market comprises of consumers who are looking for cover that provides a lump sum Benefit Amount in the event the Life Insured is diagnosed with an Insured Event of specified severity.

Financial situation of consumers in the target market

The target market comprises of consumers who have the financial capacity to fund the costs of cover, over the period they intend to hold the cover.

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

Consumers should form their own assessment of their capacity to fund premiums.

Needs of consumers in the target market

The target market comprises of consumers who have a need, or may in the future have a need, to pay for outstanding financial commitments (such as a mortgage or any other debt) in the event the Life Insured is diagnosed with an Insured Condition of specified severity.

Appropriateness of the product for the target market

The target market comprises of those who have or expect to have outstanding financial commitments that will not be satisfied in the event the Life Insured is diagnosed with an Insured Condition of specified severity. The target market also comprises of those who have the financial capacity to fund the cost of cover in accordance with the premium structure, over the period they intend to hold the cover.

As the product provides a lump sum Benefit Amount in the event the Life Insured is diagnosed with an Insured Condition of specified severity, it is only available for those consumers who meet the eligibility criteria, and who have the financial capacity to fund the costs of cover (having formed their own assessment of such capacity), the product is therefore likely to be consistent with the likely objectives, financial situation and needs of consumers in the target market.

Excluded consumers

The target market excludes consumers who:

- are under 18 years of age;
- are over 55 years of age;
- are not an Australian or New Zealand citizen or Australian permanent resident, currently residing in Australia and who have not received the PDS in Australia;
- do not meet TAL Life's Underwriting assessment;
- do not have the financial capacity to fund the costs of cover, in accordance with the premium structure, over the period they intend to hold the cover; or
- have the capacity to, and are willing to pay for outstanding financial commitments (such as a mortgage or any other debt) without the cover under this product.

Distribution conditions

Distribution conditions: Personal advice

This product is not to be distributed through personal advice.

Distribution conditions: General advice

The following distribution conditions apply with respect to the provision of general advice:

- Distributors must be authorised by TAL Life to distribute the product;
- Distributors may only distribute this product to consumers under general advice. No personal advice is to be provided to consumers at any point in the distribution;
- Distributors must obtain information required to determine whether the consumer is eligible for the product and must not permit a consumer to be issued the product if the consumer does not meet the eligibility criteria (provided that the consumer has provided all relevant information honestly and completely);
- Distributors must 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), to enable the consumer to determine if the product is likely to be consistent with their likely objectives, financial situation and needs;
- Distributors must have in place documented processes in relation to provision of product information, delivery and timing of such information, and general advice interaction of any distributor or authorised representative with a consumer (such as procedures agreed with TAL Life or any distributor) such as screen displays, and agreed script and customer journey procedure documents, training, monitoring and quality assurance designed to ensure the appropriate distribution of the product (only for call centres or any distributor engaging with consumers by telephone, or in a face-to-face or real-time interaction such as video); and
- Distributors must make the PDS of the product available to consumers.

Distribution conditions: Referrers

Referrers are distributors who may engage in retail product distribution conduct (such as general advice on a website) but have limited or no contact with the consumer.

In these circumstances, the referrers may refer the consumer to TAL Life or another distributor who must comply with the distribution conditions as outlined above.

Appropriateness of the distribution conditions: General advice

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.

Review periods and triggers

Each subsequent review of this TMD will be completed within two years after the completion of the prior review unless a review trigger requires a review to be completed at an earlier date.

Review trigger 1	
Description	• 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.
Reporting information	• Changes to relevant regulation, legislation and instruments.
Reporting period and review obligation	• TAL Life must monitor and consider any significant relevant change in law that materially affects the design or distribution of the product.
Review trigger 2	
Description	• Product performance is materially inconsistent with TAL Life's expectations of the appropriateness of the product for consumers having regard to the reporting information: – claim ratios by cover types (subject to availability of a reliable sample size); – the number of admitted, declined and withdrawn claims; – the number of policies sold; – policy lapse rates; and – the number of applications not accepted.
Reporting information	• Claims ratio by cover type; • Number of admitted, declined and withdrawn claims; • Number of policies sold; • Policy lapse rates; and • Number of applications not accepted.
Reporting period and review obligation	• TAL Life must collect the reporting information and review these factors twice a year at the end of March and September.
Review trigger 3	
Description	• 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.
Reporting information	• The nature of complaints and the total number of complaints received in relation to the product within the reporting period.
Reporting period and review obligation	• TAL Life must review and consider the nature of complaints and the total number of complaints twice a year at the end of March and September; and • Distributors must report the complaints and the total number of complaints to TAL Life, with reports required within 10 business days of the end of March and September.

Review trigger 4	
Description	• Significant change to the design or distribution of the product which TAL Life considers could result in a change to: – whether the product is likely to be consistent with the likely 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	• TAL Life must monitor and consider any significant change to the design or distribution of the product.
Review trigger 5	
Description	• TAL Life determines that a significant dealing in the product outside the target market (except for an excluded dealing) has occurred.
Reporting information	• Any dealing in the product which the regulated person becomes aware of is not consistent with this TMD.
Reporting period and review obligation	• TAL Life must promptly review and consider any significant dealing reported to it; • TAL Life must also consider any dealing it considers to be a significant dealing in the product outside the target market; and • Any dealing outside the target market must be reported by distributors to TAL Life as soon as practicable, and in any case within 10 business days of the distributor becoming aware of the significant dealing.
Review trigger 6	
Description	• The use of a product intervention power under the law in relation to the distribution or design of this product where TAL Life considers this to be a reasonable indication that this TMD is no longer appropriate.
Reporting information	• The making of any applicable product intervention order which affects the distribution or design of the product.
Reporting period and review obligation	• TAL Life must promptly consider any product intervention order which affects the product.