

Target Market Determination (TMD)

Product:	Protection Plans – Income Protection Assured as Superannuation
Issuer:	Mercer Superannuation (Australia) Limited ABN 79 004 717 533 AFSL 235906 (MSAL) and TAL Life Limited ABN 70 050 109 450 AFSL 237848 (TAL Life)
Date of this TMD:	6 November 2025
Version:	1
Next TMD review date:	By 6 November 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 word is italicised (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 totally or *partially disabled* and unable to work at full capacity:
 - the product provides a Total Disability Benefit, which is the lesser of the insured monthly benefit and a maximum of 70% 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,
- the product is only available inside *superannuation*,
- premiums can only be paid on a stepped premium structure,
- 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 15–59 at the time of commencing cover or age 17–65 for any replacement or reinstatement,
- 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's key benefits are outlined in the table below.

Type of cover	Description	Cover amounts available
Indemnity	<p>Means the amount of the Total Disability Benefit (which is relevant to calculating the benefit payable in the event of total disability and/or <i>partial disability</i>) being the lesser of:</p> <ul style="list-style-type: none">• the <i>insured monthly benefit amount</i>, and• a maximum of 70% of the <i>Insured Person's</i> monthly <i>earnings</i> prior to disablement.	<ul style="list-style-type: none">• Minimum cover when applying for cover is \$2,500 per month.• Maximum when first applying for cover is \$30,000 per month.

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

Benefit type	Description
Total Disability Monthly Benefit for the first 2 years of claim for Policies with 30, 90 or 180 day waiting periods	<ul style="list-style-type: none">• Pays a monthly benefit based on the number of days in a month the <i>Insured Person</i> is totally disabled.• Totally disabled means (in broad terms) the <i>Insured Person</i> is, due to <i>sickness or injury</i>, unable to perform one or more of the <i>important income-producing duties</i> of their usual occupation. The insured must not be working, must undertake any suitable rehabilitation program and be under the <i>regular care of a doctor</i>.
Total Disability Monthly Benefit for the remaining years of claim and for Policies with a 2-year waiting period	<ul style="list-style-type: none">• Pays a monthly benefit based on the number of days in a month the <i>Insured Person</i> is totally disabled due to <i>sickness or injury</i>.• Totally disabled means (in broad terms) the <i>Insured Person</i> is, due to <i>sickness or injury</i>, unable to perform one or more of the <i>important income-producing duties</i> of any occupation the insured is suited to by education, training or experience. The <i>Insured Person</i> must not be working, must undertake any suitable rehabilitation program and be under the <i>regular care of a doctor</i>.
Partial Disability Benefit	<ul style="list-style-type: none">• Pays a monthly benefit if the insured is <i>partially disabled</i>.• <i>Partially disabled</i> means (in broad terms) the <i>Insured Person</i> is, due to <i>sickness or injury</i>: unable to perform some or all of the <i>important income-producing duties</i> of their usual occupation, but in a reduced capacity; and their monthly <i>earnings</i> are less than their pre-disability <i>earnings</i>. The insured must undertake any suitable rehabilitation program recommended by their doctor and be under the <i>regular care of a doctor</i>.

Exclusions and limitations

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

- by an act of war;
- by intentional self-inflicted *injury*;
- by attempted suicide; or
- by normal and uncomplicated pregnancy and childbirth.

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 *super fund* members who need a monthly benefit of between \$2,500 and \$30,000 per month if the *Insured Person* is unable to work at full capacity, and are looking at using insurance inside *superannuation* for tax-effectiveness and/or ease of cash flow.

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).

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 *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 60 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 \$2,500 per month, or
- who need cover for more than \$30,000 per month, or
- who need cover for an *Insured Person* age 16 or under, or
- where there is a requirement for an insured monthly benefit of greater than 70% of the annualised pre-disability monthly *earnings* of the *Insured Person*, or
- who need cover for death, *terminal illness*, TPD cover or trauma insurance, or
- who need health insurance.

This product is not designed for consumers who do not want to hold insurance through a *superannuation* fund.

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 *super fund* member meets the relevant eligibility criteria for the product, and
- 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 or Mercer Superannuation (Australia) Limited (MSAL).

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 date of this TMD.

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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