

Total and Permanent Disablement (TPD) Cover

Target Market Determination (TMD)

TAL

Product:	Protection Plans – Total and Permanent Disablement Cover (the product), offered in the Product Disclosure Statement (PDS) dated 6 November 2025 and Supplementary Product Disclosure Statement (SPDS) dated 1 October 2026 If through <i>superannuation</i> via TAL Super (Term Life as Superannuation, Income Protection as Superannuation, Income Protection Assured as Superannuation), the superannuation interest which holds the product is offered in the TAL Super (Term Life as Superannuation, Income Protection as Superannuation, Income Protection Assured as Superannuation) Product Disclosure Statement dated 1 April 2025.
Issuer:	TAL Life Limited (TAL Life) ABN 70 050 109 450 AFSL 237848 If through superannuation via TAL Super (Term Life as Superannuation, Income Protection as Superannuation, Income Protection Assured as Superannuation) the Issuer of the TAL Super superannuation interest is: Mercer Superannuation (Australia) Limited (MSAL) ABN 79 004 717 533 AFSL 235906
Date of this TMD:	1 October 2026
Version:	1
Last date of review:	Not applicable

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.

Protection Plans:

Protection Plans is an insurance *Policy*, under which consumers can select covers comprising of Term Life Cover, Total and Permanent Disablement Cover, Living Insurance Cover, Children's Benefit Cover, Income Protection Cover, Key Person Income Cover, Needlestick Benefit Cover and Business Overheads Cover. This TMD relates to Total and Permanent Disablement Cover.

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.

Protection Plans is no longer on sale and is only available for reinstatement, replacements, repurchases or buybacks of existing Policies.

If Total and Permanent Disablement cover is through *superannuation*:

Protection Plans through *TAL Super* is a *superannuation* interest providing access to an insurance *policy* through your *superannuation* fund. Consumers can select covers comprising of Term Life Cover, Total and Permanent Disablement Cover and Income Protection Cover. This TMD relates to Total and Permanent Disablement Cover.

Total and Permanent Disablement cover through Superannuation is a superannuation interest providing access to an insurance Policy. The insurance Policy is not a savings plan, which means no financial benefit is payable from the Policy unless claim eligibility conditions are met.

Protection Plans through Superannuation is no longer on sale and is only available for reinstatement, replacements, repurchases or buybacks of existing Policies.

Where the product is structured through *TAL Super*, TAL Life is the issuer of the insurance product but is not responsible for *TAL Super* and does not issue or guarantee the *superannuation* interest described in the PDS. MSAL is the trustee (**the Trustee**) and is not responsible for the product or the payments to be made under the product.

Where the product is held through *TAL Super*, the member accesses the insurance product through their *superannuation* interest in *TAL Super*, a plan within the Mercer Super Trust. TAL Life issues the *Policy* to MSAL, while the member is the *Insured Person*. TAL Life is responsible for the insurance product and *Policy* benefits, and MSAL is responsible for the *superannuation* interest.

Contributions and rollovers made to *TAL Super* are only used for the purposes of paying premiums. The product through *TAL Super* is not a savings plan and therefore members do not have an account balance in *TAL Super* and therefore there is no investment component.

The product listed above 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.

Product description and key attributes

Product description

Pays a lump sum benefit if, because of *sickness* or *injury*, the *Insured Person* becomes *totally and permanently disabled*.

If the TPD Support Option is selected, this option provides one or more partial payments of 20% of the relevant *TPD Benefit Amount* at 12-month intervals (subject to eligibility assessments for each partial payment) when the *Insured Person's* disability is contributed to or caused by a TPD Support Condition. Relevant conditions for this option include mental conditions or disorders, fatigue and functional disorders or conditions, and other specific syndromes and disorders.

Any claim under superannuation, including where the product is structured through *TAL Super*, must fulfil the requirements under *superannuation* law.

Eligibility criteria

- Entry age for stepped premium; 15 – 59;
- Entry age for level 65 premiums; 15 – 59;
- Entry age for level 55 premiums; 15 – 49; and
- Subject to TAL Life's underwriting assessment including relating to health and medical history, occupation, income, lifestyle, pastimes and current and past insurance.

If a *Policy* is being reinstated or replaced, the consumer may still be eligible for the product if they satisfied the eligibility criteria when the prior *Policy* first commenced.

TPD definition options

- *Any occupation TPD**
- *Own occupation TPD***
- *Home Duties TPD^*
- *General cover TPD*

* If you do not qualify for the TPD Continuation Benefit, from the *review date* following the *Insured Person's* 65th birthday, we will only pay the TPD Benefit if the *Insured Person* meets the *General cover TPD* definition.

^ From the *review date* following the *Insured Person's* 65th birthday, we will only pay the TPD Benefit if the *Insured Person* meets the *General cover TPD* definition.

#Please note *Own occupation TPD* is not applicable inside super.

Maximum Benefit Amount

Up to \$2.5 million: *Home duties TPD*. (Minimum cover when applying is \$25,000.)

Up to \$5 million: *Own occupation TPD, Any occupation TPD or General cover TPD*. (Minimum cover when applying is \$25,000.)

Up to \$10 million: *Any occupation TPD (Reserve)*

Up to \$15 million: *General cover TPD (Reserve)*

(Specified occupations may be subject to different maximum benefit amounts).

The Maximum Benefit Amount may be exceeded due to the standard application of indexation, or if a *Policy* is reinstated, replaced or repurchased (e.g. under a buy back or continuation), and had previously been indexed above these amounts under the prior *Policy*.

Expiry age

At the *review date* following the *Insured Person's* 99th birthday.

(Some of the benefits may have an earlier expiry age.)

Key exclusions and limitations

We will not pay a TPD Benefit, TPD Partial Benefit or TPD Support Option if the *sickness* or *injury* giving rise to the claim was caused by an intentional self-inflicted *injury* or attempted suicide (whether sane or insane).

Additional exclusions for Reserve Total and Permanent Disablement also apply if the *sickness* or *injury* giving rise to the claim was caused by:

- Alcohol abuse;
- Alcohol dependence;
- Drug use;
- Mental illness; and
- Fatigue symptoms.

Any exclusions or special conditions may be determined and agreed to during *underwriting*. If applicable, the special condition will be shown in the *Policy schedule*.

Premium structures

The premium structures available are stepped premiums or level premiums.

Stepped premiums are calculated each year and will change based on the *Insured Person's* age and the sum insured at the *review date*. The premium will generally increase every year.

Level premiums are calculated based on an age-based premium rate determined at the commencement of cover. If there is an increase to *your* sum insured due to *CPI* increases or because *you* have requested to change *your* sum insured, the premium for the increased portion of cover will be calculated based on the *Insured Person's* age at the time of the increase.

Both stepped and level premiums are not guaranteed to remain the same each year. For both stepped and level premiums, *your premiums* will change if:

- There is a change to *your* sum insured due to *CPI* increases, or because *you* have requested to change *your* sum insured;
- there is a change due to an increase in *your* age (for level premiums, this relates to *CPI* increases only);
- there is a change to the premium discounts and/or loadings on *your Policy*
- *you* vary *your Policy*, including changing *your* premium frequency; or
- we change the premium rates or discount factors applicable to *your Policy*

Level premiums are not guaranteed to stay the same for the life of the *Policy*, and there is a real chance they may increase in the future. Level premiums can increase if:

- the *insurer* decides to increase premiums for a group of similar policies, for example if there are more claims than expected, or
- the sum insured increases (including *CPI* increases), or
- the *Policy* fee increases.

Insurance through Superannuation

Where *superannuation* contributions or rollovers are used to pay for premiums, this will reduce the superannuation balance *available* to consumers in retirement and consumers should consider whether payment of premiums via *superannuation* will inappropriately erode their retirement income.

Insurance through *superannuation* has certain legislative restrictions that impact the product, this includes:

- Premiums must be paid from a superannuation fund or by making a contribution to a superannuation fund.
- Any insurance benefit will be paid via the trustee of the *superannuation* fund, who must also independently review and approve payment of the benefit.
- If the consumer dies and has not made a valid binding death benefit nomination, the trustee of the *superannuation* fund will determine the *beneficiary* or beneficiaries who will receive the death benefit.
- The qualifying definitions under which an insurance benefit can be paid to the consumer from the *superannuation* fund must be consistent with legislated *superannuation* rules called 'conditions of release'.
- A 'condition of release' must be satisfied before an insurance benefit can be released by the trustee of the *superannuation* fund to the consumer.
- Taxation may apply to benefit payments paid to the consumer or *beneficiary*.

Target Market

Eligibility of consumers in the target market

The target market for the product comprises of consumers who:

- Are aged 15 – 59 for Stepped Premiums and Level 65 Premiums;
- Are aged 15 – 49 for Level 55 Premiums;
- Are an Australian Citizen, a permanent resident of Australia or holder of an eligible work visa or *spouse/partner* visa; and
- Meet TAL Life's *underwriting* assessment, including relating to health and medical history, occupation, income, lifestyle, pastimes 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 in the event the *Insured Person* becomes *totally and permanently disabled*.

Depending on the option chosen the TPD benefit payable where eligibility under the *Policy* is met for each payment, is either:

- A single lump sum of the *Insured Person's* TPD Benefit; or
- where the TPD Support Option is selected, and the *Insured Person's* disability is contributed to or caused by a TPD Support Condition, a number of partial payments of 20% of the *TPD Benefit Amount* will be payable at 12-month intervals over a minimum of 4 years (subject to eligibility assessments for each partial payment). Partial payments will be made under TSO if the *Insured Person's* disability is contributed to or caused by a TPD Support Condition.

TPD Support Conditions mean any one or more of the following categories:

- Mental conditions or disorders;
- Fatigue and functional disorders or conditions; or
- Other specific syndromes or disorders.

The TPD Support Option pays partial benefit amounts for each eligible payment, compared to a lump sum payment, where TSO is not chosen or does not apply. A consumer should consider whether a number of partial payments at 12-month intervals for certain conditions would likely suit their objectives, financial situation and needs.

A consumer should consider whether or not the TPD benefit (including where the TPD Support Option is selected), meets the objective of providing a payment that will support expected outstanding financial commitments where the consumer is *totally and permanently disabled*.

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, in accordance with their chosen premium structure over the period they intend to hold the cover.

The premium structures available are stepped premium and level premium. These premium structures are described in the "Premium Structures" section above. In deciding what premium structure may be appropriate, consumers will need to consider what premium structure suits their financial situation.

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 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 future have a need, to pay for outstanding financial commitments in the event the *Insured Person* is *totally and permanently disabled* because of *sickness* or *injury*.

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 *Insured Person* is *totally and permanently disabled* because of *sickness* or *injury*. The target market also comprises of those who have the financial capacity to fund the costs of cover in accordance with their chosen premium structure, over the period they intend to hold cover.

The product pays the entirety of the consumer's TPD benefit where the *Insured Person* is *totally and permanently disabled* unless the consumer has selected the TPD Support Option and the relevant disability is contributed to or caused by a TPD Support Condition. In this case, the consumer will receive a number of partial benefits at 12-month intervals subject to eligibility assessment for each payment.

As the product 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.

Consumers who are outside of the target market

The target market does not include consumers who:

- Do not meet the entry age related eligibility criteria set out in the "Product description and key attributes" and "Target market" section(s) above;
- Do not meet TAL Life's *underwriting* assessment;
- Are an undischarged bankrupt;
- Do not 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; or
- Have the capacity to and are willing to pay for outstanding financial commitments without the cover under this product.

If a *Policy* is being reinstated or replaced, the consumer may still be eligible for the product if they satisfied the eligibility criteria when the prior *Policy* first commenced.

Distribution Conditions

Distribution conditions: Personal advice

Distribution conditions do not apply with respect to the provision of personal advice or to arranging for a consumer to apply for or acquire the product for the purpose of implementing personal advice. This is because regulated persons who provide personal advice have statutory and general law duties with respect to the provision of personal advice which apply instead of the distribution conditions.

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 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 the relevant options and 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 objectives, financial situation and needs;
- Distributors must have in place processes in relation to call scripts, training, monitoring and quality assurance designed to ensure the appropriate distribution of the product (call centres only); and
- Distributors must make the PDS of the product available to consumers.

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 Review Triggers

Review period

Initial review period: The first review of this TMD will be completed by 1 October 2027, unless a review trigger requires a review to be completed at an earlier date.

Ongoing review period: 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 regulations, 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 following reporting information:

- Claim ratios by cover type (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 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.
- 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, that 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.