

Asteron Life Complete – Child Cover Insurance Target Market Determination (TMD)

Product:	Asteron Life Complete – Child Cover (the product), offered in the Product Disclosure Statement (PDS) dated 1 April 2022 and Supplementary Product Disclosure Statements (SPDS) dated 1 June 2023 and 31 March 2025.
Issuer:	TAL Life Limited (TAL Life) ABN 70 050 109 450 AFSL 237848
Date of this TMD:	31 March 2025
Version:	4
Next TMD review date:	By 31 March 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 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.asteronlife.com.au.

There are terms in this TMD which have a particular meaning. Where a defined term is used in this TMD, the word is italicised (e.g., '*Commencement date*'). 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 speak with a financial adviser or contact TAL Life.

Asteron Life Complete through TAL Life is an insurance policy, under which consumers can select covers comprising of Life Cover, Total and Permanent Disablement Cover, Trauma Cover, Child Cover, Income Protection Cover and Business Expenses Cover. This TMD relates to Child 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.

Asteron Life Complete may be acquired via various distributors with or without personal advice. Not all optional benefits and sum insured limits may be available from a distributor. A distributor can inform consumers of any features (such as optional benefits or sum insured limits) that are not available.

The product listed above are 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	Provides a lump sum payment in the event of the insured child's death, <i>terminal illness</i> or being diagnosed with a defined serious medical condition of specified severity.
Eligibility criteria	<ul style="list-style-type: none">• Entry age next birthday for level premiums: 3 – 21;• Where applicable subject to TAL Life's underwriting assessment including relating to health and medical history, lifestyle, pastimes and current and past insurance.
Maximum Benefit Amount	Up to \$200,000.



Expiry age

On the policy anniversary before the child insured's 22nd birthday.

Key exclusions and limitations

- No payments will be made under the death benefit for Child Cover if the claim arises directly or indirectly because of an intentional, self-inflicted act by the Life Insured within 13 months of cover commencement, increase to the Child Cover (increased portion only) or reinstatement of cover.
- We won't pay a benefit if the event giving rise to the claim (including death) was caused directly or indirectly by:
 - a congenital condition; or
 - the intentional act of the policy owner or person who will otherwise be entitled to the benefit payable.

We will not pay a benefit if prior to the date cover for the claimed medical event started:

- symptoms relating to the claimed medical event existed that would cause a reasonable person to seek diagnosis, care or treatment from a *registered doctor*; or
- medical advice or treatment in relation to the claimed medical event was recommended or received from a *registered doctor*.
- A three-month qualifying period applies from when the cover started, cover was increased (but only in respect of the increased portion) or reinstated with respect to certain specified child's medical events. This means a lump sum payment is not paid for those child's medical events that occur during that qualifying period.
- Special conditions determined and agreed to during underwriting. If applicable, the special condition will be shown in the policy schedule.

Premium structures

The premium structure available is level premiums only.

Level premiums are based on the life insured's age at the start of the cover under the policy document. Each additional amount of cover, or if you request to increase the cover, will be priced based on the life insured's age at the date of increase. This additional cover will generally have a higher premium rate than the original cover.

Level premiums are not guaranteed to remain the same each year.

Premiums and the amount consumers pay will change if:

- we're requested to change the benefits or options under the policy;
- we're requested to change the level of cover for any of the benefits or options under the policy;
- we're requested to change the premium payment frequency on the policy;
- Premium discounts no longer apply (e.g. you no longer hold multiple policies with us); or
- we review and change the premium rates.

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.

Insurance through superannuation

The product cannot be held through superannuation.

Target market

Eligibility of consumers in the target market

The target market for the product comprises of parents or legal guardians whose child:

- Is aged 3 – 21 (next birthday) for level premiums; and
- Where applicable meets TAL Life's underwriting assessment, including relating to health and medical history, lifestyle, pastimes and current and past insurance.

Objective of consumers in the target market

The target market comprises of parents or legal guardians who are looking for cover that provides a lump sum payment in the event the child insured is diagnosed with a defined serious medical condition of specified severity.

Financial situation of consumers in the target market

The target market comprises of parents or legal guardians who have the financial capacity to fund the costs of cover, in accordance with the level premium structure. Level premiums which are based on the child insured's age at the cover start date – level premiums are not guaranteed to remain the same each year), over the period they intend to hold the cover.

Parents and legal guardians 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 financial situation. The Parents or legal guardians should form their own assessment of their capacity to fund premiums. The target market comprises of parents or legal guardians who have a need, or may in the future need, to pay for outstanding financial commitments in the event the child insured is diagnosed with a defined serious medical condition of specified severity.

Needs of consumers in the target market

The target market comprises of parents or legal guardians who have or expect to have outstanding financial commitments, that will not be satisfied in the event the child insured being diagnosed with a defined serious medical condition of specified severity. The target market also comprises of parents or legal guardians who have the financial capacity to fund the costs of cover in accordance with the level premium structure, over the period they intend to hold cover.

Appropriateness of the product for the target market

As the product pays a lump sum payment in the event the child insured being diagnosed with a defined serious medical condition of specified severity. It is only available for those parents or legal guardians whose child meets 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 parents or legal guardians:

- Whose child is under 2 years of age;
- Whose child is 21 years of age or older;
- Whose child does not meet TAL Life's underwriting assessment;
- Who do not have the financial capacity to fund the costs of cover, in accordance with the level premium structure, over the period they intend to hold the cover; or
- Who have the capacity to, and are willing to, pay for outstanding financial commitments without the cover under this product.

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 the 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 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

Each 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 following **Reporting Information:**

- Claim ratios by cover type
- 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 at least every 12 months from the date of this TMD (this product is only available for certain transactions for existing customers).

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 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.

