

PPS MUTUAL TARGET MARKET DETERMINATION (TMD)



PPS Mutual Professionals Choice Income Protection Select Insurance

Issuer of this TMD: NobleOak Life Limited
Issuer ABN: 85 087 648 708 AFSL No. 247302
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ABOUT THIS DOCUMENT

This Target Market Determination (TMD) is required under section 994B of the Corporations Act 2001 (Cth). It sets out the target market for the product, triggers to review the target market and certain other information. It forms part of NobleOak Life Limited's design and distribution framework for the product.

This document is not a product disclosure statement, and is not a summary of the product features or terms of the product. This document does not take into account any person's individual objectives, financial situation or needs. Persons interested in acquiring this product should carefully read the Product Disclosure Document for PPS Mutual Professionals Choice Income Protection Select Insurance before making a decision whether to buy this product.

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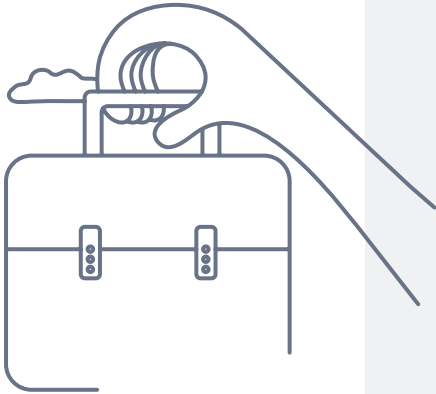
CLASS OF CONSUMERS THAT FALL WITHIN THIS TARGET MARKET

The information below summarises the class of customers that fall within the target market for the PPS Mutual Professionals Choice Income Protection Select Insurance product, based on their likely objectives, financial situation and needs that this product has been designed to meet.

Class of consumers

- Individuals should be eligible to practise (or have been eligible to practise) in a professional occupation recognised by PPSM
- Current age from 18 to 60 for new applicants
- Employment status at application: Gainfully employed and working at least 20 hours per week
- Residency status: Australian or New Zealand Citizen or a Permanent Resident of Australia
- Consumers that can tolerate changes in premiums over time, including increases
- Consumers with a health status compatible with the Eligibility Criteria not exceeding relevant underwriting criteria in respect of smoking, Body Mass Index (BMI) and other lifestyle/medical factors





- Consumers where the following key product exclusions are not applicable to their personal circumstances at the time of application, as no cover is available under the product for claims resulting from:
 - Intentional self-injury or attempted suicide.
 - Normal and uncomplicated pregnancy, childbirth or miscarriage.
 - an illness or injury that occurred before the insurance started or was increased (for the increased amount) or during any period of lapse (except where disclosed and accepted by us), or
 - war or act of war (except in relation to a death benefit payment), or
 - participation in criminal activity or disability that arises directly or indirectly from the consequences of a criminal conviction (e.g. anxiety or stress as a result of a criminal conviction).

This product would not be appropriate for consumers who:

- Are not eligible to practise (or have never been eligible to practise) in a professional occupation recognised by PPSM
- For new applicants are less than age 18 or older than age 60
- Are not gainfully employed and working at least 20 hours per week
- Are not Australian or New Zealand Citizens and are not a Permanent Resident of Australia
- Can't tolerate changes in premiums over time, including increases
- Have a health status that is not compatible with the Eligibility Criteria i.e. they exceed relevant underwriting criteria in respect of smoking, Body Mass Index (BMI) and other lifestyle/medical factors
- Would be negatively impacted by having an exclusion that we won't pay a claim if your claim results from:
 - an intentional self-inflicted act or attempted suicide.
 - Normal and uncomplicated pregnancy, childbirth or miscarriage.
 - an illness or injury that occurred before the insurance started or was increased (for the increased amount) or during any period of lapse (except where disclosed and accepted by us), or
 - war or act of war (except in relation to a death benefit payment), or
 - participation in criminal activity or disability that arises directly or indirectly from the consequences of a criminal conviction (e.g. anxiety or stress as a result of a criminal conviction).
- Do not meet our underwriting requirements.
- Who are unable or unwilling to participate in the required underwriting process.

Likely objectives and needs of consumers in the target market

The objective of consumers in the target market is to reduce their exposure to the following situation:

The consumer (the policy owner) has (or envisages that in future they will or may have) a need to replace their income in the event that they are unable to earn their income (or are only able to earn a lower income) due to an event which causes them to be unable to earn their pre-disability income, whether due to illness or injury.

Financial situation of consumers in the target market

A consumer who:

- Is earning income;
- Has personal savings; or
- Otherwise has financial capacity (e.g. family or other relationships)

to pay premiums (which may vary from time to time) in accordance with the chosen premium structure to retain the product for the period of time it is intended to be held.



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PRODUCT DESCRIPTION AND KEY ATTRIBUTES

Product description

PPS Mutual Professionals Choice Income Protection Select replaces a portion of pre-disability income in the event that they are unable to earn their income (or are only able to earn a lower income) due to illness or injury, in accordance with the terms and conditions outlined in the Product Disclosure Statement (PDS).

Key attributes

Key attributes of PPS Mutual Professionals Choice Income Protection Select include:

- The payment of premiums – if premiums are not paid when due, the policy may lapse in which case the policyowner would no longer be covered and cannot make a claim
- Premium structure – premiums can change over time. Premium rates may either be age-based (stepped) or set at the outset (level).
- Life insured must be accepted by PPSM as a Member on application for their first cover.
- Life Insured's Age range at entry 18 to 60 (or older at the insurer's discretion)
- Life Insured must be employed for at least 20 hours per week
- The Life Insured do not have to be resident in Australia but must be an Australian or New Zealand Citizen or a Permanent Resident of Australia
- There are customisable benefits
- Eligibility criteria – certain consumers may be ineligible for cover if they do not meet the following key eligibility criteria at the time of application, including the
 - health status
 - employment status
 - financial status
 - residency status of the life to be insured.
- Underwriting process – This is a fully-underwritten product. The underwriting process may require additional medical information, including a medical report from the life to be insured's treating doctor(s) and/or medical screening tests. The underwriting process could result in an increase in the price of the product, limitations to the sum insured, special terms and conditions applied to cover, or declining cover. This product is not appropriate for consumers who are unwilling or unable to participate in the underwriting process and related medical requirements.
- Insurance cover can be obtained either inside or outside of the superannuation environment

Product's appropriateness for the target market

Broadly, the target market comprises those who meet the eligibility criteria including the professional occupation eligibility criteria, who have or expect to have a need to replace their income should they be unable to earn an income due to an event which causes them to be unable to earn their pre-disability income, whether due to sickness, illness or accident.

This product provides this type of cover. The amount of payment is linked to their current earnings at claim time and is therefore likely to meet the needs, or go towards meeting the needs, of those in the target market.

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HOW THIS PRODUCT IS TO BE DISTRIBUTED

The following Distribution Conditions apply to this product:

Underwriting and Disclosure:

- Issuing a policy is subject to:
 - full underwriting including medical and financial underwriting assessment, as applicable; and
 - complying with the disclosure requirements under the relevant legislation.

Distributor:

- The product is distributed by a "Distributor" who holds an Australian Financial Services Licence (AFSL).
- The distribution must be in accordance with the agreements relating to distribution of this product, including but not limited to the distribution agreement between the Distributor and the Issuer.
- The "Distributor" must take into account of the TMD, in providing personal advice and meeting their statutory best interest duty.

Distribution under a personal advice model:

Consumer has been provided with personal advice in relation to this product by the "Distributor" described above in this TMD

Consumers that obtain personal advice are more likely to be in the target market for this product because advisers have a duty to act in their best interest when providing personal advice.

This product is not available to consumers who do not obtain personal advice from a financial adviser.



REVIEWING THE TMD

The target market determination will be reviewed as outlined below:

<p>Periodic reviews – First review of the TMD</p>	<p>Subject to intervening review triggers, no more than 3 years.</p>
<p>Periodic reviews – Subsequent reviews of the TMD</p>	<p>Subject to intervening review triggers, no more than 3 years.</p>
<p>Review triggers or events</p>	<p>Review Trigger 1: The commencement of a significant change in law that materially affects the product design and/or distribution of the product or class of products that includes this product.</p> <p>Note: The above triggers a mandatory review. The product issuer may choose to undertake a review even if the above review trigger is not met.</p> <p>Review Trigger 2: Product performance is materially inconsistent with the product issuer’s expectations of the appropriateness of the product to consumers having regard to:</p> <ol style="list-style-type: none"> Product claims ratio The number or rate of paid, denied and withdrawn claims The number of policies sold Policy lapse or cancellation rates Percentage of applications not accepted <p>Review Trigger 3: The use of Product Intervention Powers in relation to the distribution or design of this product where the product issuer considers this reasonably suggests that this TMD is no longer appropriate.</p> <p>Review Trigger 4: Significant or unexpectedly high number of complaints* regarding product design, product availability, claims, and distribution condition that would reasonably suggest that the TMD is no longer appropriate.</p> <p>* For Definition of complaint, please refer to section 994A(1) of the Corporations Act 2001 (Cth).</p> <p>Review Trigger 5: The product issuer determines that a significant dealing in the product outside the target market (except for an excluded dealing) has occurred.</p>
<p>Information needed for review triggers or events</p>	<p>Issuer:</p> <p>Review Trigger 1: Relevant regulation, legislation and/or ASIC instruments relating to the change in law.</p> <p>Review Trigger 2: During the review period, the expected and actual number of:</p> <ol style="list-style-type: none"> Product claims ratio The number or rate of paid, denied and withdrawn claims The number of policies sold Policy lapse or cancellation rates Percentage of applications not accepted <p>Review Trigger 3: Relevant Product Intervention order</p> <p>Distributor:</p> <p>Review Trigger 4: Complaints and the nature of the complaints regarding product design, claims, and distribution condition.</p> <p>Review Trigger 5: A significant dealing in the product which the regulated person becomes aware is not consistent with the TMD.</p>

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REPORTING PERIODS

Complaints about product	Reporting period for complaints: half-yearly (within 10 business days of the end of the half-year period).
Significant dealings	Reporting period for a significant dealing in the product which the regulated person becomes aware is not consistent with the TMD: within 10 business days of becoming aware of the dealing.

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