

PPS MUTUAL TARGET MARKET DETERMINATION



PPS MUTUAL PROFESSIONALS CHOICE INCOME PROTECTION INSURANCE

Issuer of this TMD: NobleOak Life Limited

Issuer ABN: 85 087 648 708 AFSL No. 247302

Date of TMD: 31 July 2025

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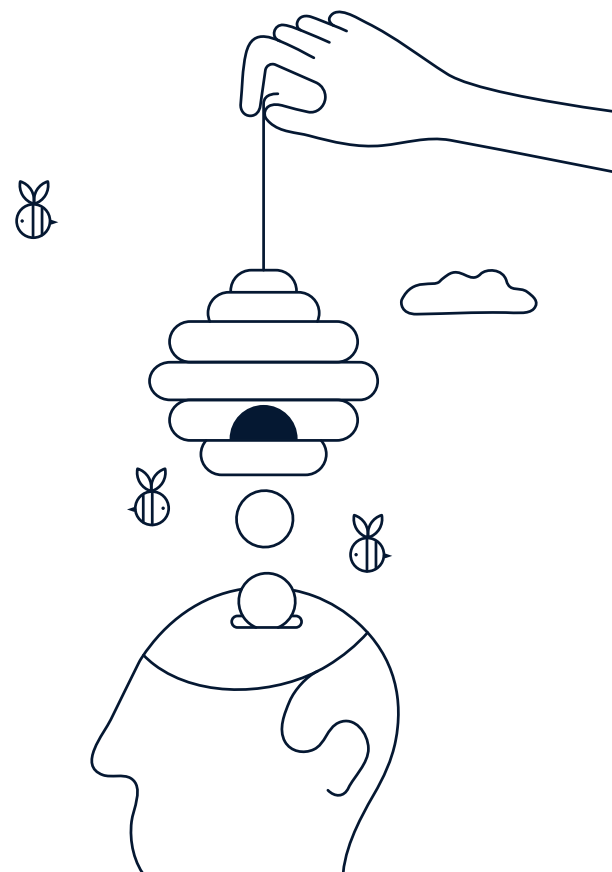
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ABOUT THIS DOCUMENT

This Target Market Determination (TMD) 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 Statement for **PPS Mutual Professionals Choice** before making a decision whether to buy this product.

Consumers taking out PPS Mutual Income Protection Insurance can choose between two cover types - PPS Mutual Professionals Choice Income Protection Select and PPS Mutual Professionals Choice Income Protection Prime 70. These covers have both been designed for the same target market and are both distributed through the same distributors.



CLASS OF CONSUMERS THAT FALL WITHIN THIS TARGET MARKET

The information below summarises the class of consumers that fall within the target market for the PPS Mutual Professionals Choice Income Protection 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 the past), or have acquired a minimum level of tertiary qualification, in a professional field 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, a Permanent Resident of Australia or a Temporary Resident who has applied to be a Permanent Resident of Australia or a Temporary Resident who has applied to be a Permanent Resident of Australia
- Consumers who can tolerate and afford changes in premiums over time, including increases
- Consumers with a health status compatible with the Eligibility Criteria i.e. not exceeding relevant underwriting criteria in respect of smoking, Body Mass Index (BMI) and other lifestyle/medical factors

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 nor do they have a minimum level of tertiary qualification in a professional field 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 an Australian or New Zealand Citizen, a Permanent Resident of Australia or a Temporary Resident who has applied to be a Permanent Resident of Australia
- Can't tolerate and afford 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

- 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 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;
- Has superannuation; or
- Otherwise has financial capacity (e.g. family or other relationships)

to pay variable premiums in accordance with their chosen premium structure in order to retain the product for the period of time it is intended to be held.

When deciding what premium structure may be appropriate (as described under the Key attributes section below):

- Variable age-stepped premiums may suit consumers who prefer lower up-front costs with premiums that increase with age and/or consumers who are uncertain as to how long they wish to hold cover for. Depending on how long consumers hold cover, the amount payable under variable age-stepped premiums may be more than what consumers would pay under variable premiums.
- Variable premiums may suit consumers who prefer higher up-front costs with premiums that do not increase with age, and/or consumers who intend to hold cover for an extended period of time. Depending on how long consumers hold cover, the amount payable under variable premiums may be less than what consumers would pay under variable age-stepped premiums.

PRODUCT DESCRIPTION AND KEY ATTRIBUTES

Product description

PPS Mutual Professionals Choice Income Protection Select and PPS Mutual Professionals Choice Income Protection Prime 70 both replace a portion of pre-disability income in the event that the life insured is unable to earn their income (or is 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 and PPS Mutual Professionals Choice Income Protection Prime 70 include the following:

- *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 may either be variable age- stepped (previously known as “stepped”) or variable (previously known as “level”). Variable age-stepped premiums are based on the insured person’s age at each plan anniversary, meaning premiums will generally increase each year as the insured person gets older. Variable premiums are based on the insured’s person age when cover first commenced and will not increase with level their increase in age each year (premium cost is spread over the life of the policy). Variable premiums are therefore generally higher than variable age-stepped initially and lower than variable age-stepped in later years. Both variable age-stepped and variable premiums are not guaranteed to remain the same and can change over time to take into account changes in factors such as claims experience, economic conditions and expenses.
- Choice of Premium with Phasing or Phasing Removed - premiums with phasing will be lower in earlier years (and higher in later years) compared to premiums with phasing removed. Under phasing, a larger discount will be applied in earlier years that reduces over time to reflect the recency of underwriting. With phasing removed, a smaller discount will instead be applied over the lifetime of the policy.
- 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 does not have to be resident in Australia but must be an Australian or New Zealand Citizen or a Permanent Resident of Australia or a Temporary Resident who has applied to be a Permanent Resident of Australia
- There are customisable benefits
- *Eligibility criteria* – certain consumers may be ineligible for cover if they do not meet the key eligibility criteria at the time of application, including the
 - health status
 - employment status (including income)
 - financial status
 - residency status
 - occupation type
 - pursuits and pastimes
 of the life to be insured.
- *Underwriting process* – This is a fully-underwritten product. The underwriting process may require additional financial and 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

- Exclusions*:
 - 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, except increases under the Indexation for Professionals benefit) 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).
 - permanent or temporary banning, deregistration, suspension, disqualification or restriction being placed on the life insured from performing all or some of the duties of their occupation, unless the restriction is a result of an accidental infection.
 - expenses which are restricted for reimbursement under health insurance or other laws.

* This is a summary. Please refer to the PDS for the full wording on cover exclusions. Any specific exclusions applying to your cover will also be outlined on your Plan Schedule.

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 some of their income should they suffer an illness or injury that causes them to be unable to earn the income they were earning prior to the illness or injury, and who have a capacity to pay variable premiums on an ongoing basis in accordance with their chosen premium structure. As the product pays a monthly benefit to replace a portion of the life insured's income in the event the life insured is unable to earn their income (or is only able to earn a lower income) due to illness or injury*, it is therefore likely to meet the needs, or go towards meeting the needs, of those in the target market.

* All required criteria for payment of a monthly benefit are set out in the PDS.

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.

Underwriting and consumer disclosure ensures that target market eligibility criteria are met prior to the consumer acquiring a PPS Mutual Professionals Choice product.

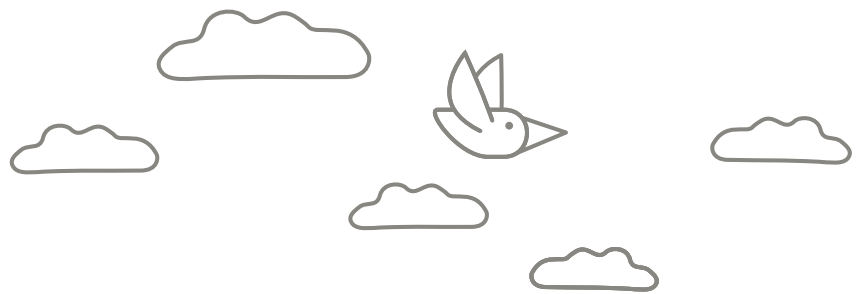
Distributor:

- 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 the TMD in providing personal advice and meeting their statutory best interest duty.

Distribution under a personal advice model:

This product is not available to consumers who do not obtain personal advice from the “Distributor” described above in this TMD.

Consumers who obtain personal advice are more likely to be in the target market for this product because advisers will provide them with personal advice that takes into account their objectives, financial situation and needs.



REVIEWING THE TMD

The target market determination will be reviewed as outlined below:

Periodic reviews – First review of the TMD	Subject to intervening review triggers, no more than 2 years.
Periodic reviews – Subsequent reviews of the TMD	Subject to intervening review triggers, no more than 2 years.
Review triggers	
Review Trigger 1	<p>The commencement of a significant change in law impacting the product design and/or distribution of the product</p> <p>Information required to be reported to the issuer of the product:</p> <p>Relevant regulation, legislation and/or ASIC instruments relating to the change in law</p> <p>Reporting period and review obligation:</p> <p>PPS Mutual must monitor and consider any significant relevant changes, regulatory or otherwise, that materially affect the design or distribution of the product</p>
Review Trigger 2	<p>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 required to be reported to the issuer of the product:</p> <p>A significant dealing in the product which the regulated person becomes aware is not consistent with the TMD</p> <p>Reporting period and review obligation:</p> <ul style="list-style-type: none"> PPS Mutual must review and consider any significant dealing reported to it.

Review Trigger 3	<p>Product performance is materially inconsistent with issuer's expectations of the appropriateness of the product to consumers having regard to:</p> <ul style="list-style-type: none"> • product claim ratio; • the number or rate of paid, denied and withdrawn claims; • the number of policies sold; • policy lapse or cancellation rates; and • percentage of applications not accepted. <p>Information required to be reported to the issuer of the product:</p> <p>During the review period, the expected and actual number of:</p> <ul style="list-style-type: none"> • Claims ratios; • Number or rate of paid, denied and withdrawn claims; • Number of policies sold; • Policy lapse or cancellation rates; and • Percentage of applications not accepted. <p>Reporting period and review obligation:</p> <p>PPS Mutual must collect the reporting information and review these factors every 6 months</p>
Review Trigger 4	<p>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>Information required to be reported to the issuer of the product:</p> <p>Complaints and the nature of the complaints regarding product design, claims, and distribution condition</p> <p>Reporting period and review obligation:</p> <p>PPS Mutual must review and consider complaints every 6 months.</p>
Review Trigger 5	<p>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>Information required to be reported to the issuer of the product:</p> <p>Relevant Product Intervention order</p> <p>Reporting period and review obligation:</p> <p>PPS Mutual must review as promptly as practicable the implications in relation to this TMD if a Product Intervention order has been issued</p>

REPORTING PERIODS

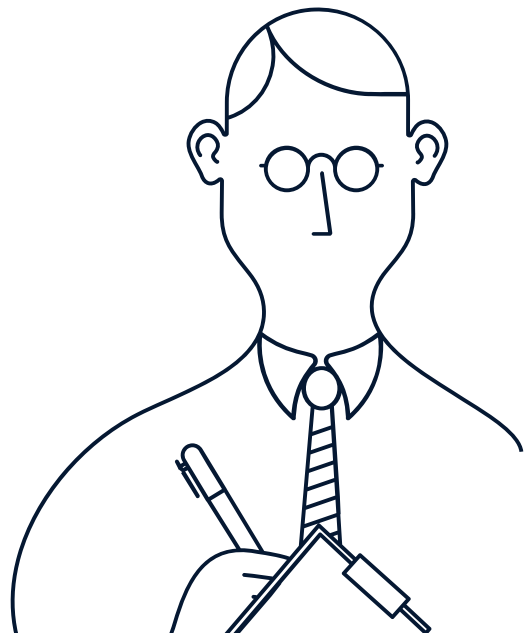
Complaints about product

Reporting period for complaints is half-yearly (1 October to 31 March and 1 April to 30 September).

Distributors must report complaints for the half-year reporting period within 10 business days of the end of the periods.

Significant dealings

Distributors must report a significant dealing within 10 business days of becoming aware that the dealing in the product is not consistent with this TMD.



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