

# Woolworths Life Insurance Target Market Determination



Woolworths

## 1. Important Information

**Issuer of this TMD:** Swiss Re Life & Health Australia Limited (Swiss Re) ABN 74 000 218 306, AFSL 324908

**Date of TMD:** 27 September 2021

**TMD Version:** 1

In this TMD, some words or expressions have a special meaning. They normally begin with capital letters and their meaning is explained in the Glossary of Woolworths Life Insurance Product Disclosure Statement (PDS), found at [insurance.woolworths.com.au/life-insurance](https://insurance.woolworths.com.au/life-insurance)

References to 'you', 'your' and 'yours' means the person who is the Policyowner, Life Insured, Partner Life Insured, as the context requires. 'We', 'us, and 'our' means Swiss Re.

### Legal disclaimer for issued TMDs

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 Swiss Re'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 PDS for Woolworths Life Insurance before making a decision whether to buy this product.

### Appropriateness explanation

Broadly, you may be in the target market for Woolworths Life Insurance if you have, or expect to have, outstanding financial commitments that will not be satisfied in the event of your:

- death;
- Terminal Illness, with a life expectancy of less than 12 months;
- Total and Permanent Disability, and
  - you suffer a listed condition, for example the total and permanent loss of the use of two Limbs, or the Loss of Sight in both eyes; or
  - you will not be able to work again in any occupation that you are suited to, based on work experience, education or training; or
  - you cannot continue to complete three of the five Domestic Duties you were performing prior to the sickness or injury.

Total and Permanent Disability Insurance is optional cover you can purchase in addition to Life cover.

It's important to note that the premiums charged for this product generally increase each year, so you will need to have the capacity to pay for these premiums on an ongoing basis.

Please refer to the current PDS for detailed information on what each type of cover provides and how premiums are calculated.

## 2. Description of Product

Woolworths Life Insurance provides a benefit amount in the event you:

- die; or
- are diagnosed with a Terminal Illness.

in accordance with the terms and conditions outlined in the PDS.

Optionally, Woolworths Life Insurance provides a benefit amount in the event you meet the definition of Totally and Permanently Disabled, meaning you:

- suffer certain specified permanent physical and cognitive deficits, including loss of certain functions; or
- cannot work again in any occupation you are suited to, based on work experience, education or training; or
- are unable to complete three Domestic Duties you were previously undertaking on a full-time basis.

in accordance with the terms and conditions outlined in the PDS.

Life Insurance

## Key attribute

Key attributes of Woolworths Life Insurance include:

- the payment of premiums – if premiums are not paid when due, the policy will end (subject to the required notice periods), in which case you would no longer be covered and cannot make a claim.
- premium structure – premiums will generally increase with your age each year the policy is held.
- eligibility criteria – you may be ineligible for cover if you do not meet the eligibility criteria for this product. Eligibility criteria includes:
  - age;
  - employment status; and
  - residency status.
- there are exclusions as follows:
  - if you die or have a Terminal Illness as a result of a self-inflicted injury within 13 months of the policy commencing, the policy increasing, or the policy recommencing after it was cancelled.
  - for optional Total and Permanent Disability Insurance, we will not pay a benefit where the condition is as a result of an intentional or deliberate self-inflicted injury.

We will also not pay any benefits where we have agreed with you a special term in respect of your cover that specifically excludes the event or condition leading to the claim.

The underwriting process can also impact the price of your premium, the sum insured available to you and the terms and conditions of the insurance policy, and in some cases may result in us declining to offer you cover.

Please refer to the PDS for further information about what Woolworths Life Insurance does and doesn't cover.

## 3. Description of Target Market

Your objective may be to reduce your exposure to outstanding financial commitments (including to dependents such as spouse or children) that will not be satisfied by your estate in the event of your death, Terminal Illness such as:

- mortgage and other debt servicing costs;
- final expenses;
- medical costs;
- transportation and accommodation costs; and/or
- personal and palliative care.

By choosing to add optional Total and Permanent Disability, your objective may be to reduce your exposure to outstanding financial commitments that will not be satisfied should you become incapable of working in an occupation you are suited for, or complete three Domestic Duties you could previously, ever again. These financial commitments could include:

- mortgage and other debt servicing costs;
- income replacement;
- medical costs;
- transportation and accommodation costs; and/or
- personal and palliative care.

The premium structure of Woolworths Life Insurance is called a stepped premium. This means that it will generally increase each year as you age. As such, you will need to have the capacity to pay current and future premiums.

## Demographic and eligibility requirements

The information below shows the demographic and eligibility requirements of the target market for Woolworths Life Insurance products.

Australian Residents who are within the acceptable range of our health and lifestyle requirements, in the following age brackets:

Age at application	Woolworths Life Insurance Benefit Amount	Woolworths Total and Permanent Disability Insurance Benefit Amount	Woolworths Total and Permanent Disability Insurance Domestic Duties Benefit Amount
18 – 45	\$1,500,000	\$1,000,000	\$500,000
46 – 55	\$750,000	\$750,000	\$500,000
56 – 60	\$500,000	\$250,000	Not available
61 – 65	\$500,000	Not available	Not available

For optional Total and Permanent Disability Insurance, you must be working for at least 20 hours a week on a permanent basis or engaged in Domestic Duties full time.

For example, the following groups are outside the target market for this product:

- All cover types
  - residency status: not an Australian Resident.
- Life Insurance
  - age: over 65.
- Optional Total and Permanent Disability Insurance
  - age: over 60 (55 if Domestic Duties applies).
  - employment status: unemployed and not engaged in Domestic Duties full time.

## 4. Distribution Requirements

**In accordance with the obligations outlined under Part 7.8A of the Corporations Act (product design and distribution obligations):**

- this product is authorised for distribution only by Greenstone Financial Services Pty Ltd (GFS) and Woolworths Group Limited acting as GFS's authorised representative. This product cannot be purchased from Swiss Re.
- this product is distributed to consumers by GFS and Woolworths Group Limited pursuant to the provision of general financial product advice. No personal advice is to be provided to a consumer at any point in the distribution process by GFS or Woolworths Group Limited.
- GFS should take reasonable steps to ensure the cover is sold to those within the demographic and eligibility requirements of the target market.
- GFS must provide a customer with a copy of the Product Disclosure Statement.

**These distribution conditions and restrictions make it more likely that the consumers who acquire the product are in the target market:**

- GFS will set minimum standards of conduct which are documented, operationalised through training and appropriate procedures, and are monitored via quality assurance practices.
- GFS will provide adequate general explanations to consumers of the product's premium structure, how the premiums are expected to change over time, and its exclusions.
- consumers must undergo the underwriting process and satisfy our underwriting criteria.

## 5. Target Market Determination Review and Triggers

It is our obligation to review the TMD to aid you make the decision whether Woolworths Life Insurance is suitable. Some triggers that can cause a review of the TMD are:

**Review Trigger 1:** The commencement of a significant change in law, or a significant court ruling, that materially affects the product design and or distribution of the product, or class of products, that includes this product.

**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:

- a. product claim ratios;
- b. the number of paid, denied and withdrawn claims;
- c. the number of policies sold; and
- d. policy lapse or cancellation rates.

**Review Trigger 3:** Significant or unexpectedly high number of complaints regarding product design, product availability, claims, and distribution conditions, that would reasonably suggest that the TMD is no longer appropriate.

**Review Trigger 4:** The product issuer determines that a significant dealing in the product outside the target market (except for an excluded dealing) has occurred.

**Review Trigger 5:** The use of Product Intervention Powers, regulator orders or directions in relation to the distribution of this product where the product issuer considers this reasonably suggests that this TMD is no longer appropriate.

Aside from the triggers listed above, the TMD will also be reviewed at least every 3 years.

GFS must report to Swiss Re any complaints relating to the product within 10 business days of the end of the reporting period. Starting from the TMD issue date, the reporting period is 6 months.