

HUf [Yh · a Uf _ Yh · Zc f · A@7 · Di f Y · 9b Xc k a Y

1. Likely objectives of policy owners in the target market

THE TARGET MARKET CONSISTS OF EXISTING POLICY OWNERS ONLY.

Benefit	The objective of consumers in the target market is to reduce their exposure to the following situations
AUhi f] hm' VYb	<p>H\Y' Wc bgi aYf' \Ug' flcf' Ybj] gU[Yg' h\Uh'] b' Zi hi fY' h\Ym' k] ' ' ' cf' aUm' \Uj YŁ' U' bYY Z] bUbW] U' ' cf' Z] bUbW] U' !] b! _] bX' Wc aa] haYbh' flZcf' h\YagY' j Yg' cf' ch\Yf' ZUa] ' m' h\Y' dUmaYbh' cZ' h\Y.</p> <ul style="list-style-type: none"> • AUhi f] hm' 6YbYZ] h"
8YUh\ ' VYbYZ]	<p>H\Y' Dc'] Wm' CkbYf' \Ug' flcf' Ybj] gU[Yg' h\Uh'] b' Zi hi fY' h\Ym' k] ' ' ' cf' aUm' \Uj YŁ' c Wc aa] haYbhg' hc' XYdYbXYbhg' gi W' Ug' gdcigY' cf' W] ' XfYbŁ' h\Uh' k] ' ' ' bch' VY' gUh</p> <ul style="list-style-type: none"> • 8YUh\ ' flXi Y' hc' Ubm' WUi gYŁ • HYfa] bU' ' = ' ' bYgg' flk\YfY' Uj U] ' UV' Yž' h\] g'] g' h\Y' YUf' ' m' dUmaYbh' cZ' h\Y' 8YUh] g' '] _Y' m' hc' X] Y' k] h\] b' %&' aca cbh'
6c bi g' 9Uf b] b	<p>H\Y' Dc'] Wm' CkbYf' \Ug' U' dfYZYfYbWY' Zcf' h\Y] f' dc'] WmDg' 8YUh\ ' 6YbYZ] h' flUbX' HD j U' i Y' hc'] bWfYUgY' k] h\ ' Vc bi g' YUf b] b[g'] b' h\Y' Zi hi fY"</p>
7Yf hU] bh m' cZ	<p>DfYa] i ag' Zcf' A@7' K\c' Y' cZ' @] ZY' df c Xi Whg' Uf Y' Wc bghUbh/ ' UbX' h\Y' Dc'] Wm' CkbYf] bgi f UbWY'] bh c' h\Y' Zi hi fY"</p>
5j U] ' UV] '] hn] bWfYUgYg'	<p>5g' Ub' cdh] cbž' h\Y' Dc'] Wm' CkbYf' \Ug' flcf' Ybj] g] cbg' h\Ym' k] ' ' ' \Uj Y'] b' h\Y' Zi h] bWfYUgYg' 6YbYZ] hgž' Ug' Udd'] WUV' YŁ'] b' '] bY' k] h\ '] bWfYUgYg'] b' 7D= ' cj Yf' h] aY"</p>
<p>H\Y' Z] bUbW] U' ' cf' Z] bUbW] U' !] b! _] bX' Wc aa] haYbhg' fYZYffYX' hc' UVcj Y'] bW' i XYž' Vi h' Uf Y' bch' aYX] WU' ' UbX' fY\UV] '] hUh] cb' Wc ghgž' gW\cc'] b[' UbX' YXi WUh] cb' Wc ghgž' dYfgcbU' ' WUfYž' dU' '] U</p>	

2. Likely financial situation of policy owners in the target market (existing policy holders only)

Premiums for this product are generally fixed for the duration of the policy. Exceptions to this are where the Policy Owner has accepted CPI increases on the premium (which in turn increases their Sum Insured amount), or they make voluntary increase or decreases to their Sum Insured. The Policy Owner should have the financial capacity to pay the premiums over the period they intend to hold the product, or at least for part of the period – whereby the policy may be converted to paid up with no further premiums to be paid, else accrue a premium and interest debt which will reduce the Claim amount payable.

The table below indicates potential relevant sources of financial capacity for the insurance cover offered.

Policy owner attributes (must have at least one)	Maturity benefit	Death benefit
Is earning income	✓	✓
Has personal savings	✓	✓
Otherwise has financial capacity to pay premiums	✓	✓

3. Demographic and eligibility requirements for the primary insurance cover

Requirements	Maturity benefit	Death benefit
Entry age (note: entry ages vary depending on original application terms)	Commonly 1-60	Commonly 1-60
Australian permanent resident	✓	✓

Product description

Cover types – This product is closed to new business and is dedicated only to existing customers.

MLC Pure Endowment provides the full value of a lump sum payment in the event the life insured:

- Survives until the maturity date of the policy.

Where a policy terminates before the policy maturity date, a reduced lump sum payment will be made for a:

- Death benefit in the case where the Life Insured dies, or the
- Surrender value where the policy is cancelled.

Where the claimable event is in accordance with the terms and conditions outlined in the Product Disclosure Statement (PDS), Customer Information Brochure (CIB), or Policy Document and the insurance cover is specified in the Policy Owner's Policy Schedule.

Key product attributes		Maturity benefit	Death benefit
Premium structure – premiums are fixed for the duration of the policy. However, they can increase with the addition of increased Sum Insured through voluntary, and CPI increases. Premiums may also decrease if the policy’s Sum Insured is reduced.		✓	✓
The payment of premiums – if premiums are not paid when due, and: <ul style="list-style-type: none"> the policy has not yet attained a Cash Value, then the policy will lapse and the Policy Owner will no longer have insurance cover and will not be eligible to make a claim, or the policy has a Cash Value, then the unpaid premium amount will attract an interest charge. Unpaid premium and interest together become a debt against the policy’s Cash Value and will reduce any benefit payable. Unless paid, this debt can lead to the policy lapsing, at which time the Policy Owner will no longer have insurance cover and will not be eligible to make a claim. 		✓	✓
Eligibility criteria – certain persons may be ineligible for cover if they do not meet the eligibility criteria for this product. Eligibility criteria of the life to be insured could include: <ul style="list-style-type: none"> the age; employment status; and residency status. 		✓	✓
There may be exclusions including but not limited to:	Suicide or Self-Inflicted injury with 13 months of policy commencement or reinstatement.	-	✓

Why the product attributes will make it more likely that the consumers who acquire the product are in the target market

Maturity benefit

The target market comprises existing Policy Owners. It includes those who have, or expect to have, outstanding financial commitments or goals to meet at the specified maturity date. Policy Owners must have the capacity to pay a fixed premium amount on an ongoing basis. As the product pays a lump sum on upon claim, it is therefore likely to meet the needs, or go towards meeting the needs, of those in the target market.

Distribution conditions

For distribution via personal advice

- Distributor must not allow increases for a customer who does not satisfy the demographic factors and eligibility requirements in the Target Market as set out above;
- Distributor must have attained a licensee and adviser code and accepted the MLCL Distribution Agreement.

Why these distribution conditions and restrictions will make it more likely that the consumers who acquire the product are in the target market

For distribution via personal advice

Policy Owners of life insurance are more likely to be in the target market if distributors refrain from allowing conversions into this product where customers do not meet the relevant demographic and eligibility requirements.

Review triggers and information to assess whether a review trigger has occurred

Review triggers	Assessment information	Timeframe	Who is responsible
<p>1 The commencement of a significant change in law that materially affects the product design or distribution of the product or class of products that includes this product. Note: This trigger is a mandatory review. The product issuer may choose to undertake a review even if the above review trigger is not met.</p>	<p>Any relevant regulation, legislation and/or ASIC instruments relating to the change in law.</p>	<p>As new changes are introduced.</p>	<p>MLC Limited with information supplied.</p>
<p>2 Product performance is materially inconsistent with the product issuer's expectations, having regard to policy lapse rates.</p>	<p>During the review period, the expected and actual number of policies lapsed where the Life Insured is under age 65.</p>	<p>Aligned to TMD Review Period.</p>	<p>MLC Limited.</p>
<p>3 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>Complaints (as defined in section 994A(1) of the Act) and the nature of the complaints regarding product design, product availability, claims and distribution condition.</p>	<p>As soon as practicable, or in any event, within 10 business days after the end of each calendar quarter.</p>	<p>MLC Limited and our Distribution Partners.</p>
<p>4 Material change to key product design, features, and/or fees that would reasonably suggest that this TMD is no longer appropriate.</p>	<p>Notification of proposed material change to key product design, features, and/or fees.</p>	<p>As material changes are made.</p>	<p>MLC Limited.</p>
<p>5 Significant Dealing in the product which the regulated person becomes aware is not consistent with the TMD.</p>	<p>A dealing in the product which the distributor (as the regulated person) becomes aware is not consistent with this TMD.</p>	<p>As a significant dealing is identified.</p>	<p>MLC Limited and our Distribution Partners.</p>

TMD review periods

The maximum initial period before this TMD is reviewed (initial review period)

Subject to intervening review triggers, no more than three years.

The maximum period before this TMD is reviewed (after initial review period)

Subject to intervening review triggers, no more than three years.

Distributor reporting requirements

- Complaints and the nature of the complaints regarding product design, product availability, claims and distribution conditions. Complaints must be reported as soon as practicable, or in any event, within 10 business days after the end of each calendar quarter.
- A significant dealing in the product which the regulated person becomes aware of is not consistent with the TMD. These should be reported as they are identified.