



# SMART TERM INSURANCE TARGET MARKET DETERMINATION

This Target Market Determination (TMD) describes who this product is designed for and how it's distributed to help customers decide if the product is likely to suit their needs, objectives and financial situation. It also lays out the review and reporting processes we have in place, to make sure the TMD stays up to date.

This document is not a Product Disclosure Statement (PDS) or a summary of the terms and conditions or features of the product. This document does not take into account any person's individual objectives, financial situation or needs, so please read the Combined Product Disclosure Statement, Policy Document and Financial Services Guide available at [hcf.com.au/lifeinfo](http://hcf.com.au/lifeinfo) carefully before making a decision on this product.

## Target Market Determination

Smart Term Insurance

### Issuer of this TMD

HCF Life Insurance Company Pty Ltd,  
ABN 37 001 831 250, AFSL 236 806 (HCF Life)

### Effective date of TMD

5 October 2021

Version 1



## KEY ATTRIBUTES

Smart Term Insurance is designed to pay a cash benefit if the insured person is diagnosed with a terminal illness or passes away, in line with the terms and conditions of the PDS.

## TARGET MARKET

Smart Term Insurance is designed for customers looking for cover that provides financial support through a lump sum benefit, if they're diagnosed with a terminal illness or pass away. It can help reduce the financial stress of terminal illness or death.

## DEMOGRAPHIC AND ELIGIBILITY

To be eligible for this product, customers need to be:

- aged between 18-54 when applying, cover expires at 70
- permanent residents of Australia.



## DISTRIBUTION CHANNELS

We pride ourselves on the Uncommon Care we show our members, and that extends to the distribution channels and conditions we set for them. Our channels are monitored by HCF staff trained in the distribution of the products covered by this TMD.

### This product is distributed through HCF's:

- contact centres, including those operated by HCF Life's authorised representatives
- branch network
- corporate channels
- website and digital channels.



## DISTRIBUTION CONDITIONS

**Any team member who discusses the products covered by this TMD with a customer can only give general advice and must make sure they:**

- only issue this product to eligible customers in accordance with the relevant eligibility requirements
- comply with written processes approved by HCF Life, including authorised conversation tools, which have been tailored to determine if the customer is likely to be in the target market and eligible for the product
- are subject to HCF Life's distribution monitoring and assessment processes and criteria.

Any distributor of this product must also ensure website, promotional and advertising material is accurate, has clear and up-to-date product information, and is approved by HCF Life.

These factors help retail customers understand if the product will suit them before they start an application, which makes it more likely that retail customers who choose to apply for the product will be within the target market.



## REVIEWING THIS TMD AND REPORTING OBLIGATIONS

Certain events or circumstances may happen which reasonably suggest that the TMD isn't appropriate any more or needs to be reviewed.

So, we commit to review this TMD at least every 3 years from the effective date.

It may be reviewed earlier if an intervening review trigger happens. These triggers, and the type of reporting information needed to help with our review, are explained in the table below.



	REVIEW TRIGGER EXPLANATION	REPORTING OBLIGATIONS
<b>1. Regulatory Environment</b>	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.	Relevant regulation, legislation and/or ASIC instruments relating to the change in law, as required. <i>(Product issuer only)</i>
<b>2. Product Performance</b>	The product performance is materially inconsistent with HCF Life's expectations having regard to: <ul style="list-style-type: none"> <li>a. Product claim ratios</li> <li>b. Profitability of the product</li> <li>c. The number or rate of paid, denied and withdrawn claims</li> <li>d. Policy lapse and cancellation rates</li> </ul>	Distributors must report on the product performance metrics on a quarterly basis.
<b>3. Product Intervention Powers</b>	The use of Product Intervention Powers in relation to the distribution or design of this product where HCF Life considers that this reasonably suggests that this TMD is no longer appropriate.	The terms of any Product Intervention Order made or proposed to be made by ASIC which affects the product, as required. <i>(Product issuer only)</i>
<b>4. Complaints</b>	Significant or unexpectedly high number of complaints regarding product design, claims, or distribution where HCF Life considers that this reasonably suggests that the TMD is no longer appropriate.	Complaints and dissatisfactions data from retail customers in relation to the TMD, must be reported by the distributor on a quarterly basis and include: <ul style="list-style-type: none"> <li>• the total number of complaints received by the distributor during the review period; and</li> <li>• the substance of each complaint.</li> </ul>
<b>5. Significant Dealings</b>	The product issuer determines that a significant dealing in the product outside the target market (except for an excluded dealing) has occurred.	Distributors must report any dealing in the product to a retail customer which the regulated person becomes aware is not consistent with the TMD (within 10 business days of becoming aware of the dealing).