Target Market Determination

Life Cover

Purpose of this document

This Target Market Determination (**TMD**) is required under section 994B of the Corporations Act 2001 (Cth) (**the Act**), effective from 5 October 2021.

The TMD for Life Cover was first issued by Hannover Life Re of Australasia Ltd (**Hannover**) on 5 October 2021. It sets out the target market for Life Cover, the triggers to review the TMD and other relevant information. It forms part of Hannover's compliance with its Design and Distribution Obligations for this product.

This document is not a Product Disclosure Statement (**PDS**) and is not a summary of the features or terms of the product. It provides general information only and does not take into account any person's individual objectives, financial situation or needs. Persons interested in purchasing this product should carefully read Hannover's PDS for Life Cover before making a decision to purchase the product.

There are a number of terms in this TMD which have a particular meaning. These terms begin with a capital letter (such as Life Insured), and these are defined in the PDS.

Target Market Determination: Life Cover

Issuer of this TMD: Hannover Life Re of Australasia Ltd ABN 37 062 395 484, AFSL 530811, for handling and settling claims

Current as at: 26 October 2026

TMD version: 7

Product overview

Product description	Life Cover provides a lump sum payment to the estate or nominated beneficiary of the Life Insured, in the event: • the Life Insured dies; or • the Life Insured meets the definition of a Terminal Illness in accordance with the terms and conditions outlined in the PDS. Life Cover also provides optional benefits that can be added to your cover. Optional benefits include Serious Illness Insurance and Children's Insurance. • Serious Illness Insurance – provides a lump sum payment in the event the Life Insured meets the definition of a serious illness, in accordance with the terms and conditions outlined in the PDS. • Children's Insurance – provides a lump sum payment to the Policyowner if: (a) the Child Insured dies; or (b) the Child Insured is diagnosed with a Terminal Illness or a defined serious injury or illness (listed in the PDS) in accordance with the terms and conditions outlined in the PDS. The product is an Insurance Policy, not a savings plan, which means that customers may pay more or less in premiums than the Benefit Amount over the life of the Policy. This product does not acquire a cash value. No premiums or refunds would be payable to the Policyowner in the event the Policy is cancelled; except within the 30-day cooling off period. Please refer to the PDS for further information about what Life Cover does and does not cover.

Key attributes	Key attributes of Life Cover include:
	• the payment of premiums – this product requires continuous payment of premiums to maintain cover. If premiums are not paid when due, the Policy will end (subject to the required notice periods) and the Life Insured will no longer be covered and cannot make a claim for events that occur after the date the Policy ends;
	• premium structure – premiums are structured on a stepped premium basis and will increase every year. Examples where the premium may change include if the Policyowner requests to amend their cover. Premiums are not guaranteed, Hannover may reprice the premiums for Life Cover and change the premium rates applying to all Policyowners.
	• eligibility criteria – certain customers may be ineligible for cover if they do not meet the eligibility criteria for this product. Eligibility criteria include:
	  ◦ the age, and
	  ◦ residency status
	  of the life to be insured.
	  For a full list of eligibility criteria, refer to the table below under 'Demographic and eligibility requirements'. Optional benefits have specific eligibility criteria, and you will need to qualify for Life Insurance in order to add any optional benefits;
	• meeting severity and/or medical treatment requirements as part of the Terminal Illness or serious illness definitions;
	• the following key product exclusions apply and no cover would be available under the product if:
	  ◦ death as a result of suicide or self-inflicted injury occurring within 13 months following the Commencement Date, Reinstatement Date or increase of the Insurance cover (but only to the extent of that increase);
	  ◦ for Serious Illness Insurance –
	  ▪ a serious illness occurring as a result of an intentional self-inflicted bodily injury or attempted suicide;
	  ▪ the condition resulting in the claim first becomes apparent before the Serious Illness Insurance starts or during the first 3 months after the Serious Illness Insurance starts, is increased (only in respect of that increase), or is reinstated.
	  ◦ for Children's Insurance – the Child Insured suffers a defined serious injury or illness as a result of a congenital condition, an intentional act of the Policyowner or person who will otherwise be entitled to all or part of the Benefit Amount or an injury which occurs or an illness which becomes apparent, before the Children's Insurance starts, or during the first 3 months after it starts or, if reinstated, the Reinstatement Date.
	• there are other exclusions applied to this Insurance and these are detailed in the PDS;
	• the underwriting process could result in an increase in the price of the product, limitations to the Benefit Amount, special terms and conditions applied to cover, or a decline to offer cover.
	Please refer to the PDS for further information about what Life Cover does and doesn't cover.

How/why key product attributes make it likely that this product will meet the likely needs of customers in the target market	Life Cover, including the optional benefit Serious Illness Insurance, is designed to meet the likely objectives, financial situation and needs of the target market to reduce the financial exposure of the Life Insured or their beneficiaries by providing payment in the event of their death, Terminal Illness, or serious illness. Broadly, the target market comprises of those who have or expect to have outstanding financial commitments that will not be satisfied in the event of their own or another person's (i.e. the Life Insured's): • death; • Terminal Illness; • suffering a serious illness and who have a capacity to pay premiums, which will increase each year, on an ongoing basis. As the product pays a lump sum for a covered event, it is therefore likely to meet the needs, or go towards meeting the needs, of those in the target market. The Children's Insurance option is designed to meet the likely objective and need of the target market to reduce the exposure of the Policyowner by providing payment in the event of the child's death, diagnosis of Terminal Illness or serious injury or illness. Broadly, the target market comprises of those who expect to have unforeseen/unplanned expenses or financial commitments as a result of a child's death, Terminal Illness or serious injury or illness that will not be able to be satisfied with funds readily available or will leave the Policyowner out of pocket. As the product pays a lump sum on death or diagnosis of Terminal Illness or serious injury or illness, it is therefore likely to meet the needs, or go towards meeting the needs, of those in the target market. Hannover regularly reviews the performance of this product, with review occurring at least twice per calendar year, this ensures the product remains appropriate for the identified target market. It is important to note that premiums are charged for this product and you will need to have the capacity to pay 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.

Description of the Target Market

The target market for this product is Australian Residents aged 18-64 with a need to meet outstanding financial commitments in the event of death, Terminal Illness, or suffering a serious illness who have the capacity to pay ongoing premiums that will increase on an annual basis.

Likely objectives, financial situation and needs of customers in the target market

The objective of customers in the target market is to reduce their exposure to the following financial situations:

- the customer (either the Policyowner or the Life Insured) has (or envisages that in the future they will or may have) outstanding financial or financial-in-kind commitments that will not be satisfied by their estate in the event of their death, Terminal Illness, or by choosing to add Serious Illness Insurance, the diagnosis of a serious illness, such as (but not limited to):
  - financial commitments to dependents such as spouse or children;
  - mortgage and other debt servicing costs, final expenses, education expenses;
  - medical costs, transportation and accommodation costs, and personal and palliative care; and/or
  - commitments ensuring that their business continues with less financial disruption upon the loss of a key person, or to ensure business succession.

By choosing to add Children's Insurance, the objective of customers in the target market is to reduce their exposure to the following financial situations:

- the customer (either the Policyowner or the Life Insured) envisages that should the insured event occur they will or may have outstanding financial or financial-in-kind commitments that will not be able to be satisfied in the event of a child's death, Terminal Illness or serious injury or illness such as (but not limited to): medical costs, transportation and accommodation costs, or lost income from time away from work.

Financial situation of customers in the target market

This product is suitable for customers who have the financial capacity to pay premiums (which will increase on an annual basis) in accordance with the stepped premium structure to retain the product for the period of time which it is intended to be held. This product is not suitable for customers who cannot commit to or afford payment of stepped premiums for the life of the Policy. Customers will be required to form their own assessment of their capacity to fund premiums.

Demographic and eligibility requirements

The information below shows the demographic and eligibility requirements of the target market for Life Cover.

Cover type	Residency status	Age (when you purchase the cover)	Other
Life Insurance	Australian Residents	18 – 64	Customers who meet the health and lifestyle criteria during the underwriting application process
Serious Illness Insurance		18 – 59	
Children's Insurance – Life Insured		2 – 17	Dependant of the Policyowner
Children's Insurance – Policyowner		18 – 64	Parent or legal guardian of the child to be insured

Demographic and eligibility requirements (continued)	Customers should carefully consider if the product is right for them before applying.
	The following groups are outside the target market for this product:
	• All cover types:
	  ◦ residency status – not an Australian Resident; or
	  ◦ customers who do not meet the health and lifestyle criteria during the underwriting application process; or
	  ◦ customers who cannot commit to or afford payment of stepped premiums for the life of the Policy.
	• Life Insurance:
	  ◦ age – below 18 or over 64 (when the Life Insured applies for the Policy).
	• Optional Serious Illness Insurance:
	  ◦ age – below 18 or over 59 (when the Life Insured applies for the Policy).
	• Optional Children's Insurance:
	  ◦ children aged under 2 or over 17; or
	  ◦ not a dependant of the Policyowner.
	This product would not be appropriate for customers who do not meet our underwriting requirements. This product is not appropriate for customers who are unable or unwilling to participate in the underwriting process, or who may require personal advice during the underwriting process.
	This product would also not be appropriate for customers whose objective is to save or invest funds in financial planning for death as the product is not a savings or investment plan.

Distribution Conditions

In accordance with the obligations outlined under the Part 7.8A of the Corporations Act (product design and distribution obligations)	• This product is authorised for distribution by Greenstone Financial Services Pty Ltd (**GFS**) (ABN 53 128 692 884, AFSL 343079) only and cannot be purchased directly from Hannover; • This product can only be purchased via the GFS inbound call centre; • This product may only be distributed to customers under General Advice. No Personal Advice is to be provided to a customer at any point in the distribution process; • GFS should not sell this product to a customer where the underwriting criteria for the product are not met; • GFS should not sell to a customer who does not satisfy the demographic factors of customers in the target market; and • GFS must provide a customer with a copy of the PDS.
These distribution conditions and restrictions make it more likely that the customers who acquire the product are in the target market because they have been designed to check that the customer meets criteria aligned with 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 Call centre distribution must be undertaken in accordance with authorised call scripts and processes; • GFS will provide adequate general explanations to customers of the product's premium structure, how the premiums are expected to change over time, and its exclusions; • Customers must undergo the underwriting process and satisfy the health and lifestyle criteria during the underwriting process; • Marketing activities for Life Cover will be limited to channels that are likely to result in distribution to customers in the target market; • GFS will ensure only Australian Residents aged 18-64 are able to purchase the Policy; • GFS will ensure only customers who meet the health and lifestyle criteria of the underwriting process are able to purchase the Policy; and • GFS will provide Hannover with the information and data Hannover requires in order to promptly identify if a review trigger has occurred. This includes but is not limited to information in regard to sales, lapses, underwriting outcomes, claims, and complaints.

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

Review triggers	Information needed to enable Hannover to assess if the review trigger has occurred	Responsible party for providing information
Review trigger 1: The commencement of a significant change in law, including taxation, that materially affects the product design or distribution of the product or class of products that includes this product.	Hannover will monitor relevant regulations, legislation and/or ASIC instruments relating to the change in law during the review period.	Hannover
Review trigger 2: The use of Product Intervention Powers in relation to the distribution or the design of this product, where Hannover, as the product issuer, considers that this reasonably suggests the TMD is no longer appropriate.	Hannover will monitor 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.	Hannover
Review trigger 3: Product performance is materially inconsistent with Hannover's expectations having regard to: • claim ratios; • the volume of paid, denied and withdrawn claims; • the volume of policies sold; • the volume of applications declined at underwriting; and • Policy lapse or cancellation rates.	Hannover will monitor the expected and actual number of the product performance metrics during the review period, reported by GFS or Hannover at least twice per calendar year.	GFS & Hannover
Review trigger 4: Significant or unexpectedly high number of complaints regarding product design, product availability, claims and any distribution condition that would reasonably suggest that this TMD is no longer appropriate.	Complaints and the nature of the complaints regarding product design, product availability, claims and any distribution condition, reported by GFS to Hannover monthly.	GFS
Review trigger 5: Hannover, the product issuer, determines that a significant dealing in the product outside the target market (except for an excluded dealing) has occurred.	A significant dealing in the product which either GFS or Hannover becomes aware is not consistent with the TMD (within 10 business days of becoming aware of the dealing).	GFS & Hannover

The occurrence of any of these review triggers would reasonably suggest that the product, including its key attributes, may no longer be consistent with the likely objectives, financial situation and needs of customers in the target market. In the event of the occurrence of any review trigger, a review of the product, its target market and target market determination will occur.

The maximum period before this TMD is reviewed

Subject to intervening review triggers, this TMD will be reviewed at least once every two years. Reviews are to occur more frequently in the event risk, of detriment to a customer is identified necessitating an earlier review.