

## Funeral Bond

### Target Market Determination (TMD)

Name of product	<i>Funeral Bond</i>
TMD date	<i>4 October 2021</i>
TMD Version	<i>Version 1</i>
TMD end date	

### Purpose

A Target Market Determination (TMD) is required under section 994B of the *Corporations Act 2001* (Cth).

The purpose of this TMD is to describe:

- the types of customers that the Funeral Bond is suitable for and not suitable for;
- how it is distributed;
- when this document will be reviewed; and

This TMD is not a Product Disclosure Statement (PDS) and is not a summary of the product terms and conditions. Any advice provided in this document is general advice only. It has been prepared without taking into account any individual customer's particular objectives, financial situations or needs. This product is issued by Foresters Financial. More information about this product can be found in the PDS, which contains full details of coverage, conditions, limitations and exclusions. Consider whether the product is appropriate for you before making any decisions about whether to buy or continue to hold a policy. If you have already purchased this product, you should review the information we have provided you whenever your circumstances change.

### Key product attributes

The Funeral Bond is a funeral expense facility, specifically designed to be used to save for the costs of the life insured's funeral. If the Capital Guaranteed investment option is selected, the policy will receive an annual declared bonus. The product's proceeds can only be used to pay for funeral expenses at the time of death with any excess proceeds being paid to the investor or their estate if they have passed.

The Funeral Bond has three investment options; Capital Guaranteed, Sustainable and Growth.

The product provides

- The option of nominating a funeral director to whom the policy proceeds can be paid (with any excess proceeds paid to the investor or their estate if they have passed).

- No obligation to contribute to the product after the initial contribution of \$100.
- The option of either a lump sum investment or regular instalments (starting from \$25 per month)
- The option of joint names to ensure you and your spouse are covered
- The option for an Applicant to take out a policy on behalf of someone else (such as a family member or close friend)
- A default investment in the capital guaranteed fund, where all capital and declared bonuses are guaranteed
- Investment earnings that are not subject to personal tax
- Investments qualify for income and asset test exemptions for Centrelink and Department of Veterans' Affairs purposes (within government limits).

## Who is this product suitable for?

### Customer objectives

This product is suitable for an individual or joint policy holders with any one or more of the following objectives;

- To have an investment that provides a payment to cover the funeral expenses upon their death
- To cover the funeral expenses of their spouse or nominated life insured
- To invest in a preferred option that aligns with their risk profile and be able to move between investment options as needed
- Have their investment qualify for income and asset test exemptions for Centrelink and Department of Veterans' Affairs purposes (within government limits)
- To have an investment where the earnings are not subject to personal tax.

Customer Needs and Financial Situation - Funeral Bond			
Age	Suitable for customers 10 years and over		
Customer's Risk (ability to bear loss) and return profile	<b>Capital guaranteed Option</b> Low	<b>Sustainable Option</b> Low to medium	<b>Growth Option</b> Medium
Consumer's minimum need for access to capital	Suitable for customers not needing access to withdrawals any time prior to death		

### Who is this product not suitable for?

This product may not be suitable for Customers wanting;

- to access funds prior to the death of the life insured/s
- to have funds paid to cover expenses other than for that of a funeral
- to make an investment from outside Australia
- to independently select underlying investments

### How is this product distributed?

The product is designed to be distributed by:

- Funeral directors who can offer the Foresters Financial Funeral Bond product to their own customers.
- Foresters website by visiting [www.forestersfinancial.com.au](http://www.forestersfinancial.com.au)
- Foresters contact centre by calling 03 8580 4000 or free call 1800 645 326

These distributors understand the market this product has been designed for, and will take reasonable steps to ensure that the product is distributed consistently with the TMD.

### Reviewing this document

We will collect information and prepare reports regarding sales activity, performance, complaints and any occasions where this product has been sold contrary to the TMD on an at least quarterly basis to help improve our products and service.

We will review this TMD if:

- there are amendments to our PDS that change the benefits provided;
- we introduce other ways in which this product can be sold;
- we receive a significant number of complaints regarding the design or distribution of this product;
- the business performance and value provided by this product indicate the TMD is no longer appropriate; or
- we identify that there has been a significant dealing in the product that is not consistent with the TMD.

Our review will occur within 10 business days of any of the above events occurring.

In any event, a review of this TMD will be completed no later than two years from the publication date of this TMD and subsequently at two-yearly intervals.

### **Questions?**

If you have any questions about our products or this TMD, please contact us on 1800 645 326.

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