

## Investment Bond Target Market Determination (TMD)

Name of product	<i>Investment Bond</i>
TMD date	<i>1 July 2023</i>
TMD version	<i>Version 2a</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 Investment 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 considering 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

Foresters Financial Investment Bond is an investment bond featuring four investment options: Balanced, Sustainable, Growth and High Growth.

### The product provides

- Lump sum or partial withdrawals after 10 years with no additional tax
- Payment upon death of the life insured to a nominated beneficiary tax free
- Unlimited investment amount in the first year and contributions up to 125% of the previous year ongoing
- Choice of four investment options to suit different risk and reward profiles



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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 invest in a tax paid (capped at the life insurance rate of 30%) investment that:

- has no additional tax after 10 years (with investors benefiting from a 30% rebate where earnings are withdrawn within 10 years)
- no contribution caps in the initial year of investment
- allows for additional contributions (subject to the 125% rule)
- allows beneficiaries to be nominated outside an investor's estate to provide certainty for estate planning
- allows investors to establish a long-term regular savings plan, helping them reach a long-term savings goal for a key event

Customer Needs and Financial Situation					
	Investment Bond				Foundation Option
Age	Suitable for customers 16 years and over				Suitable for adults wanting to assign a policy to a child under 16
Customer's Risk (ability to bear loss) and return profile	Balanced option Medium	Sustainable option Medium	Growth Option High	High growth Option High	As determined by the investment option selection
Consumer's minimum need for access to capital	Suitable for customers wanting access to withdrawals any time after 10 years without having to pay additional tax				
Investment horizon	Suitable for customers with a long-term investment horizon of between 10 – 40 years				

Who is this product not suitable for?

This product may not be suitable for Customers wanting;

- a short-term, tax-free savings solution with an investment horizon of under 10 years.
- to make unrestricted annual contributions above 125% of the previous year's contributions.
- to make an investment from outside Australia to independently select underlying investments.



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How is this product distributed?

The product is designed to be distributed by:

- Financial advisers who can offer the Investment Bond product to their own customers
- Foresters website by visiting [www.forestersfinancial.com.au](http://www.forestersfinancial.com.au)
- Foresters Member Services Team either by emailing [service@forestersfinancial.com.au](mailto:service@forestersfinancial.com.au) or by calling 1800 645 326 (free call)

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.

Distributor reporting requirements:

All distributors are required to report relevant details and outcomes to Foresters:

As soon as practicable	Where there are instances of significant dealings in the product that are not consistent with the TMD
Quarterly  (Due 10 business days after the end of the March, June, September, December quarters)	Where there are any: <ul style="list-style-type: none"><li>- complaints received related to the products design, features and distribution, or</li><li>- dealings outside the TMD and whether acquisition occurred under personal advice.</li></ul>

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 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.



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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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