

Prepaid Funeral Plan Target Market Determination (TMD)

Name of product	<i>Prepaid Funeral Plan</i>
TMD date	<i>1 July 2023</i>
TMD version	<i>Version 1b</i>
TMD end date	

1. 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 Prepaid Funeral Plan 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.

2. Product Description

The Prepaid Funeral Plan is a funeral expense facility, specifically designed to be used to pay for the costs of the life insured's funeral as agreed with a funeral director under a prepaid funeral contract. 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 their estate if they have passed.

Key product attributes

The Funeral Plan has five investment options; Capital Guaranteed, Sustainable, Balanced, Growth and High Growth. The product provides:

- The requirement to nominate a funeral director to whom the policy proceeds can be paid to pay for your funeral
- No obligation to contribute to the product after the initial contribution of \$100
- The option of either a lump sum investment or regular installments (starting from \$25 per month)
- The option of joint names to ensure you and your spouse are covered
- A default investment in the Balanced fund
- Investment earnings that are not subject to personal tax
- Investments qualify for asset test exemptions for Services Australia (i.e. Age Pension, Carer Payment or Disability Support Pension)

3. Target Market

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 in place a prepaid funeral contract with a funeral director to whom the policy proceeds can be paid to pay for your funeral
- To cover the funeral expenses of their spouse or nominated life insured
- As part of the Plan, you will assign your investment to your funeral director of your choice. Your funeral director will then be responsible for choosing one of the five (5) investment options available. As the funeral director accepts the risk of providing your contracted funeral service at today's prices, they are able to select an investment option that suits their risk appetite to grow your funeral investment to best meet your future funeral service costs.
- Have their investment qualify for income and asset test exemptions for Services Australia (i.e. Age Pension, Carer Payment or Disability Support Pension)
- To have an investment where the earnings are not subject to personal tax

Customer Needs and Financial Situation - Prepaid Funeral Plan						
Age	Suitable for customers 10 years and over					
Customer's (the assigned funeral director) risk and return profile (ability to bear loss)	Capital Guaranteed Option	Sustainable Option	Balanced Option	Growth Option	High Growth Option	As determined by the investment option selection
	Low	Medium	Medium	High	High	
Consumer's access to capital minimum need for	Suitable for customers not needing access to withdrawals any time prior to death					
Investment horizon	Suitable for customers with a short or long-term investment horizon of between 1 – 40 years					
Financial Situation	As there are no minimum contribution requirements, this product is suitable for most individuals that meet the remaining criteria outlined in this TMD					

Foresters has assessed the product and formed the view that the product, including its key attributes, is likely to be consistent with the likely objectives, financial situation and needs of consumers in the target market as described above, as the features of this product are likely to be suitable for consumers with the attributes identified in this TMD.

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

4. Distribution

How is this product distributed?

The product is designed to be distributed by:

- Funeral directors who can offer the Foresters Financial Prepaid Funeral Plan product to their own customers. This product cannot be distributed as a stand-alone policy and must be distributed alongside a prepaid funeral contract.

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"> - complaints received related to the products design, features and distribution, or - dealings outside the TMD and whether acquisition occurred under personal advice.

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 distributed;
- we receive a significant number of complaints regarding the design or distribution of this product in any 12 month period;
- 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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