

Giving Plan (an Investment Bond) Target Market Determination (TMD)

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 Giving Plan (investment bond) is suitable for and not suitable for;
- how it is distributed; and
- when this document will be reviewed.

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 situation or needs.

Foresters Financial issues this product. 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 deciding whether to buy or continue holding 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 Foresters Financial Giving Plan is an Investment Bond designed for structured charitable giving and legacy planning. It enables policyholders to leave a charitable gift that isn't part of the estate, so funds are paid directly to the nominated charity without delay or legal challenge related to your will.

Earnings grow inside the bond, and withdrawals after 10 years are generally tax-free. Policyholders generally retain access to funds if their plans change. If the Giving Plan is held for 10 years and the contribution rules are followed, withdrawals are generally tax-free. It's one of the simplest ways to grow, protect, and pass on what matters most.

Withdrawals can be made at any time. However, if a withdrawal is made in the first 10 years, some of the earnings component may be taxed (with a 30% tax offset applied).

Key product attributes

The product offers four investment options: sustainable, balanced, growth and high growth. The product provides:

- Once your beneficiary is validly nominated, your gift can't be contested through will or estate challenges.
- Policyholders control contributions while alive; when the time comes, the gift goes directly to the nominated recipients or causes.
- Mid to long-term investment with a choice of different investment minimum recommended timeframes – from 3 to 10+ years.
- Unlimited initial investment, with annual contributions permitted up to 125% of the previous year's contribution (the 125% Rule).
- Additional contributions in excess of 125% of the previous year's contribution can be

made; however, the 10-year tax-free period will reset.

- No obligation to contribute to the fund after the initial contribution of \$500
- The option of either a lump sum investment or regular instalments (starting from \$60 a month)
- Withdrawals after 10 years are generally tax-free, provided the 125% Rule is met.
- Earnings taxed within the bond at a maximum rate of 30%, with no personal tax implications while invested.
- Ability to nominate beneficiaries, allowing direct payment outside the estate.
- Option to assign the bond to another person or child (Foundation Plus option) under 16 years of age without any tax consequences for the child, allowing the investor to establish a mid to long-term investment for the child or grandchild.

3. Target market

Who is this product suitable for?

Customer objectives:

This product is suitable for individual or joint policyholders seeking an investment vehicle that may include:

- Provides a tax-effective structure to leave a charitable gift that isn't subject to probate.
- It is designed for a minimum investment horizon of three years, and can be for 10+ years.
- Allows regular contributions within the 125% Rule.
- Provides the flexibility to make partial withdrawals without personal tax obligations after 10 years.
- Enables estate planning flexibility by nominating beneficiaries directly.
- Seeking a simple, flexible way to leave a clear and lasting legacy.
- Nominated funds to be paid directly to the nominated beneficiaries when they pass away. Because the Plan is held outside your estate, it avoids delays and disputes that can arise with traditional wills.
- Seeking the flexibility to update beneficiaries or adjust contributions whenever needed
- The ability to nominate individuals, registered charities, or other incorporated organisations, or a combination of all three, as a beneficiary.
- Seeking privacy, since the details aren't part of the public record.
- Simplifying estate management with direct beneficiary nomination.
- Minimising personal tax obligations through a capped 30% investment tax rate while invested.

Customer needs and financial situation

Customer needs and financial situation						Foundation Plus Suitable for adults wanting to assign a policy to a child under 16	
Investment bond							
Age	Suitable for customers 16 years and over						
Customer's risk and return profile (ability to bear loss)	Sustainable option	Balanced option	Growth option	High growth option	As determined by the investment option selection		
Age	Medium	Medium	High	High	As determined by the investment option selection	High	
Investment horizon	3–5 years	3–5 years	6–10 years	10+ years			
Consumer's minimum need for access to capital	The investment provides the flexibility to access funds at any time, offering a high degree of liquidity. However, tax may be payable on any income withdrawn, whether through partial, regular, or full withdrawals, if the withdrawal is made within the first 10 years of the investment.						
Financial situation	As the product only has a minimum contribution of \$500, it is suitable for most individuals who 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?

The Investment bond may not be suitable for customers who:

- Require access to funds within a short timeframe (less than three years).
- Seek capital guarantees or low-risk fixed return products.
- Wish to make unrestricted annual contributions exceeding 125% of the previous year's amount.
- Want direct control over specific underlying assets.
- Investors seeking regular income distributions.
- Are seeking investments located outside Australia.

4. Distribution

How is this product distributed?

The Giving Plan is distributed through:

- Licensed financial advisers who can recommend the product after assessing client suitability.
- Operators of investor-directed portfolio services (IDPS) and IDPS-like schemes.
- Foresters Financial website: forestersfinancial.com.au
- Foresters Investor Services Team: 1800 645 326 or service@forestersfinancial.com.au

This is designed to enable potential investors to research the product online and purchase it directly through Foresters. Alternatively, they can elect to purchase the product through a licensed financial adviser.

Foresters requires distributors to review the TMD as part of their advice process and ensures that all distributors hold the appropriate AFSL authorisations.

Distributor reporting requirements

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

As soon as practicable	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, and December quarters)	1. Complaints received related to the product's design, features and distribution, or 2. Dealings outside the TMD and whether the 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 commence 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.

For More Information, Contact Foresters

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Product Offering: Giving Plan (an Investment Bond)

TMD Effective Date: 24 November 2025

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Version: 2.0

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Disclaimer:

This information is of a general nature and issued by Foresters Financial ABN 27 087 648 842 AFSL 241421. Please consider the Product Disclosure Statement and this Target Market Determination before considering to acquire a Foresters Funeral Benefit Fund or Bond. Foresters Financial is not a financial adviser. You should consider seeking independent legal, financial, taxation or other advice when choosing investment options.