

Investment Bond



Target Market
Determination (TMD)

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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 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 Investment Plan (an investment bond) is a long-term, investment-linked savings product designed to help individuals, families, companies and trusts build and protect wealth over time.

It provides a simple and flexible way to save and invest, with earnings taxed within the bond at a flat rate, reducing the need for personal tax reporting while funds remain invested.

Funds invested in the bond grow within the bond and, if held for at least 10 years and contribution rules are met, withdrawals are generally tax-free. This structure aims to provide certainty and ease of planning for long-term goals, including retirement, personal milestones or supporting loved ones.

Policyholders retain ownership and control of their bond and may contribute or make withdrawals at any time. Withdrawals made within the first 10 years may result in tax on the earnings component, with a 30% tax offset applied.

The investment bond also supports estate and generational planning. Policyholders can nominate beneficiaries, and ownership may be transferred to heirs without resetting the 10-year period, helping ensure funds pass on according to the investor's intentions.

Key product attributes

The product offers four investment options: sustainable, balanced, growth and high growth. Capital guaranteed is not available under this product. The product provides:

- mid to long-term investment with a choice of different investment minimum recommended timeframes – from 3 to 10+ years
- lump sum or regular contribution options available
- 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 for savings or wealth transfer
- 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

- supports structured generational transfer (e.g. Foundation Plus option for children)
- saving for goals such as education, retirement, or wealth accumulation
- building or protecting intergenerational wealth
- simplifying estate management with direct beneficiary nomination
- minimising personal tax obligations through a capped 30% investment tax rate

Customer needs and financial situation

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.

Customer needs and financial situation

Investment bond

Age	Suitable for customers 16 years and over Suitable for adults wanting to assign a policy to a child under 16 (see Foundation Plus in the PDS)			
Customer's risk and return profile (ability to bear loss)	Sustainable option	Balanced option	Growth option	High growth option
	Medium	Medium	High	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	There is a \$500 minimum contribution for this product, making it suitable for most individual who meet the remaining criteria.			

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 (fewer 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
- are under the age of 16 and do not have an adult who will sign the policy as Foundation Plus

4. Distribution

How is this product distributed?

The investment bond 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)	<ol style="list-style-type: none">1. Complaints received related to the product's design, features and distribution, or2. 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: Investment bond

TMD effective date: 16 February 2026

Issued by: Foresters Financial Limited (ABN 27 087 648 842, AFSL 241421)

Version: 4.0

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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.
