

Woolworths Funeral Insurance Target Market Determination



Woolworths

1. Important Information

Issuer of this TMD: Swiss Re Life & Health Australia Limited (Swiss Re) ABN 74 000 218 306, AFSL 324908

Date of TMD: 27 September 2021

TMD Version: 1

In this TMD, some words or expressions have a special meaning. They normally begin with capital letters and their meaning is explained in the Glossary of Woolworths Funeral Insurance Product Disclosure Statement (PDS), found at insurance.woolworths.com.au/life-insurance

References to 'you', 'your' and 'yours' means the person who is the Policyowner, Life Insured, Partner Life Insured, as the context requires. 'We', 'us, and 'our' means Swiss Re.

Legal disclaimer for issued TMDs

This Target Market Determination (TMD) is required under section 994B of the Corporations Act 2001 (Cth). It sets out the target market for the product, triggers to review the target market and certain other information. It forms part of Swiss Re's design and distribution framework for the product.

This document is not a product disclosure statement, and is not a summary of the product features or terms of the product. This document does not take into account any person's individual objectives, financial situation or needs. Persons interested in acquiring this product should carefully read the PDS for Woolworths Funeral Insurance before making a decision whether to buy this product.

Appropriateness explanation

Broadly, you may be in the target market for Woolworths Funeral Insurance if you have, or expect to have end of life expenses, such as funeral expenses or other financial commitments, that will not be satisfied in the event of your:

- death;
- Terminal Illness, with a life expectancy of less than 12 months;
- Accidental Serious Injury.

It's important to note that premiums are charged for this product and you will need to have the capacity to pay these premiums on an ongoing basis until you reach 90 years of age. There are no premiums charged after you turn 90 years of age.

Please refer to the current PDS for detailed information on what each type of cover provides and how premiums are calculated.

2. Description of Product

In the first 12 months, Woolworths Funeral Insurance provides a benefit amount in the event you:

- die as a result of an Accident; or
- suffer an Accidental Serious Injury resulting in
 - Paralysis;
 - Loss of Sight;
 - Loss of Hearing; or
 - Loss of use of Limbs or Paralysis

in accordance with the terms and conditions outlined in the PDS.

After the first 12 months, Woolworths Funeral Insurance provides a benefit amount in the event you:

- die from any cause; or
- are diagnosed with a Terminal Illness, with a life expectancy of less than 12 months

in accordance with the terms and conditions outlined in the PDS.

Funeral Insurance

Key attributes

Key attributes of Woolworths Funeral Insurance include:

- the payment of premiums – if premiums are not paid when due, the policy will end (subject to the required notice periods), in which case you would no longer be covered and cannot make a claim.
- premium structure – premiums are level and decrease by 5% every 5 years. For example, if your premium is \$50 per fortnight at commencement, it will reduce to \$47.50 per fortnight, after your 5th policy anniversary. There are no premiums charged after you turn 90 years of age.
- higher benefit amount – you may end up paying us more in premiums than your chosen Benefit Amount. We will always pay you at least the amount of premiums you have contributed to your Funeral Insurance cover. For example, if your Benefit Amount is \$5,000, but you have paid \$6,000 in premium, we will pay you or your beneficiaries \$6,000 for an eligible claim.
- eligibility criteria – you may be ineligible for cover if you do not meet the eligibility criteria for this product. Eligibility criteria includes:
 - age; and
 - residency status.
- there are exclusions as follows:
 - during the first 12 months after the Acceptance Date, a benefit will only be paid if the insured suffers Accidental Death or Accidental Serious Injury. We will not pay a benefit during the first 12 months for Death by any other cause or for Terminal Illness.
 - we will not pay the Accidental Serious Injury benefit at any time if you suffer Paralysis, Loss of Sight, Loss of Hearing, or Loss of Limbs or Paralysis as a result of;
 - an intentional self-inflicted bodily injury; or
 - engaging in criminal activities or illegal acts; or
 - suicide or attempted suicide; or
 - the effects of alcohol or the taking of drugs not prescribed by medical professional; or
 - engaging in professional sport; or
 - engaging in any motor sports, as a rider, driver or passenger; or
 - war, riot or civil commotion; or
 - being a pilot or crew member of any aircraft, or engaging in any aerial activity except as a passenger in a properly licensed aircraft.
 - we will not pay an Accidental Serious Injury Benefit Amount where the Accidental Death Benefit Amount has been paid for the same Accident.
 - we will not pay a funeral insurance or Accidental Death Benefit Amount where the Accidental Serious Injury Benefit Amount has been paid for the same Accident.

Please refer to the PDS for further information about what Woolworths Funeral Insurance does and doesn't cover.

3. Description of Target Market

Your objective may be to ensure your end of life expenses, such as funeral expenses or other financial commitments can be satisfied by your estate in the event of your death, Terminal Illness or Accidental Injury.

Target market and eligibility requirements

The target market for Woolworth Funeral insurance is Australian Residents aged between 50 and 79.

Australian Residents between the ages of 45 and 50 are outside the target market but are still eligible to apply for Woolworths Funeral Insurance. You should carefully consider if the product is right for you before applying.

For example, the following groups are outside the target market for this product:

- age: under 50 and over 79.
- residency status: not an Australian Resident.

4. Distribution Requirements

In accordance with the obligations outlined under Part 7.8A of the Corporations Act (product design and distribution obligations):

- this product is authorised for distribution only by Greenstone Financial Services Pty Ltd (GFS) and Woolworths Group Limited acting as GFS's authorised representative. This product cannot be purchased from Swiss Re.
- this product is distributed to consumers by GFS and Woolworths Group Limited pursuant to the provision of general financial product advice. No personal advice is to be provided to a consumer at any point in the distribution process by GFS or Woolworth Group Limited.
- GFS should take reasonable steps to ensure the cover is sold to those within the target market and eligibility requirements.
- GFS must provide a customer with a copy of the PDS.

These distribution conditions and restrictions make it more likely that the consumers who acquire the product are in the target market:

- GFS will set minimum standards of conduct which are documented, operationalised through training and appropriate procedures, and are monitored via quality assurance practices.
- GFS will provide adequate general explanations to consumers of the product's premium structure, how the premiums are expected to change over time, and its exclusions.

5. Target Market Determination Review and Triggers

It is our obligation to review the TMD to aid you make the decision whether Woolworths Funeral Insurance is suitable. Some triggers that can cause a review of the TMD are:

Review Trigger 1: The commencement of a significant change in law, or a significant court ruling, that materially affects the product design and or distribution of the product, or class of products, that includes this product.

Review Trigger 2: Product performance is materially inconsistent with the product issuer's expectations of the appropriateness of the product to consumers having regard to:

- a. product claim ratios;
- b. the number of paid, denied and withdrawn claims;
- c. the number of policies sold; and
- d. policy lapse or cancellation rates.

Review Trigger 3: Significant or unexpectedly high number of complaints regarding product design, product availability, claims, and distribution conditions, that would reasonably suggest that the TMD is no longer appropriate.

Review Trigger 4: The product issuer determines that a significant dealing in the product outside the target market (except for an excluded dealing) has occurred.

Review Trigger 5: The use of Product Intervention Powers, regulator orders or directions in relation to the distribution of this product where the product issuer considers this reasonably suggests that this TMD is no longer appropriate.

Aside from the triggers listed above, the TMD will also be reviewed at least every 3 years.

GFS must report to Swiss Re any complaints relating to the product within 10 business days of the end of the reporting period. Starting from the TMD issue date, the reporting period is 6 months.