

# ALLIANZ LIFE INSURANCE

## LIFE COVER (ACCIDENTAL DEATH ONLY)

### Target Market Determination (TMD)

Effective Date: 5 October 2021

#### About this document

This TMD applies to customers who have applied for Life cover and as a result of being ineligible for Life cover have been offered the **Life cover (Accidental Death only)** as described in the Application Process or Policy Schedule. Life cover (Accidental Death only) is available in the Product Disclosure Statements listed below (each a **PDS**), together with any updates, Supplementary Product Disclosure Statements or Summary of Policy Improvements document related to a PDS (each a **Supplemental Document**). Each PDS together with each Supplemental Document are collectively referred to as the **Policy Documentation**:

- Allianz Life Plan (POL268LIF);
- Allianz LifeCover Plus (POL392LIF);
- HSBC Easy Life Insurance (POL401FI/HSBC); and
- TIO LifeCover Plus (POL1033TIO),

that have been issued by Allianz Australia Life Insurance Limited ABN 27 076 033 782 AFS Licence No. 296559 (**Allianz Life**). 'We', 'us', and 'our' are references to Allianz Life.

The purpose of this TMD is to describe the class of customers for which the products described in the Policy Documentation have been designed, having regard to the likely needs, objectives and financial situation of that class of customers. Examples used in this TMD are illustrative only, and are not intended to be exhaustive.

This TMD is general information only and is not intended to provide any financial product advice, and does not consider any individual customer's personal needs, objectives or financial situation.

This TMD does not replace the terms and conditions, and disclosures made, in the Policy Documentation. A customer should refer to the applicable Policy Documentation before making a decision about a product, which are available from <https://www.allianz.com.au/lifeupdate>.

A customer may fall within the target market described in this TMD, but may not meet Allianz Life's underwriting criteria on application.

## A. Target Market

### Product description (including key attributes)

Main cover(s):	<b>Life cover (Accidental Death only)</b> provides financial protection in the form of a lump sum payment for the Life Insured if they die as a direct or indirect result of Accidental Death, which means death as a result of sustaining bodily Injury by accidental, violent, external and visible means while the policy is current.				
Definitions:	The terms Accidental Death, Cover Amount, Expiry Date, Injury, Life cover, Life Insured, Policy Anniversary, Policy Owner and Policy Schedule are described in the Policy Documentation. Other terms such as PDS, Supplemental Document, Policy Documentation, Application Process, and Stepped Premium are defined in this TMD.				
Single/Joint Policy:	Life cover (Accidental Death only) can be held as either: (a) a single policy which covers the person listed as the Life Insured in the Policy Schedule; or (b) a joint policy which covers two persons which are each listed as a Life Insured in the Policy Schedule and insured separately.				
Key eligibility criteria:	Each Life Insured must: <ul style="list-style-type: none"><li>live permanently in Australia at the time of their application and be:<ul style="list-style-type: none"><li>a citizen of Australia or New Zealand; or</li><li>hold an Australia Permanent Residency Visa;</li></ul></li><li>own the policy as an individual;</li><li>be assessed as not suitable for Life cover;</li><li>work in an occupation that is accepted by Allianz Life. Examples of unacceptable occupations include occupations that require diving more than 35 metres, using explosives, dealing with dangerous chemicals or agricultural flyers;</li><li>not meet our health and lifestyle requirements which form part of our Application Process for Life cover, but have met the health and lifestyle requirements for Life cover (Accidental Death only); and</li><li>be within the Age Range applicable to the cover at the time of application as set out below:</li></ul> <table border="1" data-bbox="312 1111 1513 1227"><thead><tr><th>Type of cover</th><th>Age Range</th></tr></thead><tbody><tr><td><b>Life cover (Accidental Death only)</b></td><td>between and including 16 and 65</td></tr></tbody></table>	Type of cover	Age Range	<b>Life cover (Accidental Death only)</b>	between and including 16 and 65
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<b>Life cover (Accidental Death only)</b>	between and including 16 and 65				
Key exclusions (where no benefit is payable):	The key eligibility criteria applies at the time a cover is initially purchased and at the time any application for an increase in cover is made, or application to reinstate the policy (the <b>Application Process</b> ).				
Key exclusions (where no benefit is payable):	<b>Life cover (Accidental Death only)</b> has specific exclusions, including: <ul style="list-style-type: none"><li>It does not cover the Life Insured for any sickness related events.</li><li>If the Life Insured's death is by suicide.</li><li>If the Life Insured's death occurred as a result of a self-inflicted Injury.</li><li>To the extent that the Life Insured does not follow advice issued by the Australian government relating to an overseas location and does not take action to minimise or avoid any potential claim (but only if this exclusion appears in the Policy Documentation).</li></ul> Allianz Life may apply additional exclusions to the Life Insured based on Allianz Life's underwriting assessment of the Life Insured during the Application Process. These additional exclusions are specifically disclosed to, and agreed by, the Life Insured during the Application Process and are set out in the Policy Schedule.				
Limitations:	<b>Sickness related events</b> – sickness related events (including a benefit payment for Terminal Illness) under Life cover (Accidental Death only) are not covered. <b>Maximum Cover Amount</b> – the maximum Cover Amount a Life Insured can apply for or increase their existing policy to is based on their age during the Application Process. The Life Insured's maximum Cover Amount payable under Life cover (Accidental Death only) is set out in the relevant Policy Schedule. If a claim is paid under Life cover (Accidental Death only), the Life Insured's cover will cease. <b>Supporting Evidence</b> – before a claim is payable, the claimant must take reasonable steps to provide proof, at their expense, that the insured event has occurred. For a claim in the event of the Life Insured's Life cover (Accidental Death only), reasonable proof of death and cause of death, such as a death certificate, is required.				

<b>Limitations (cont.):</b>	<p><b>Nominated beneficiary</b> – a Life Insured cannot nominate a named beneficiary to receive a lump sum payment in the event of the Life Insured’s death. Rather, the lump sum payment will be made directly to either the Life Insured’s estate, or the surviving Policy Owner (in the case of a joint life policy, the surviving Life Insured) if this applies.</p> <p><b>Expiry Date</b> – the expiry date for the policy is set out in your Policy Schedule. The Expiry Date is the Policy Anniversary after the Life Insured’s 99th birthday.</p>
<b>Premium:</b>	<p>Cover is subject to the payment of premium which must be paid on or before its due date.</p> <p>Premiums increase each anniversary due to:</p> <ul style="list-style-type: none"> <li>- the Life Insured’s increase in age (<b>Stepped Premium</b>); and</li> <li>- an Inflation Proofing Increase to Cover Amount, unless the Life Insured opts out in accordance with the applicable Policy Documentation.</li> </ul>
<b>Other Key Term(s):</b>	<p><b>Inflation Proofing Increase</b> – Inflation Proofing Increases will continue, even where the maximum Cover Amount is met or exceeded, up until the Life Insured reaches 65 years of age. The Life Insured has the option on each anniversary of the policy to not apply an Inflation Proofing Increase to increase their Cover Amount in a given year.</p>

## Likely needs, objectives and financial situation

### Life cover (Accidental Death only) is designed for:

	<p><b>Likely needs and objectives</b></p> <p>Persons that have (or envisage in future they will or may have) outstanding financial liabilities or other financial commitments that will not be satisfied or met by their estate in the event of their Accidental Death.</p> <p>These financial liabilities and commitments may include (without limitation) mortgage repayments, commitments to dependants such as a spouse or children, school fees, bills, other living expenses and funeral costs.</p>	<p><b>Likely financial situation</b></p> <p>A person who has the financial capacity (whether from income, savings, or other sources) to pay premiums to continue to retain Life cover (Accidental Death only) which increases annually in accordance with the:</p> <ul style="list-style-type: none"> <li>- Stepped Premium Increase; and</li> <li>- Inflation Premium Increase (unless opted out by the Life Insured).</li> </ul>
<p>Based on our assessment of the key terms, features and attributes, Life cover (Accidental Death only) is likely to be consistent with the needs, objectives and financial situation of customers in the target market.</p>		

## B. Ineligible Persons

### Life cover (Accidental Death only) is not designed for persons that:

	<ul style="list-style-type: none"> <li>- are younger than 16 or older than 65 at the time of application;</li> <li>- have been assessed as suitable for Life cover;</li> <li>- seek cover for their death in circumstances other than Accidental Death;</li> <li>- work in occupations not accepted by us. For example, certain occupations are not accepted, such as occupations requiring workers to dive more than 35 metres, use explosives or deal with dangerous chemicals, or an agricultural flyer;</li> <li>- do not meet our health and lifestyle assessment as part of our Application Process;</li> <li>- seek cover owned by a superannuation or self-managed superannuation fund or the trustee of a superannuation or self-managed superannuation fund; or</li> <li>- seek personal advice from Allianz Life in arranging their life insurance.</li> </ul>
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## C. Distribution

### Distribution channels

Products under this TMD may be distributed through any of the following means:

- online through relevant websites
- through our contact centres
- factual information (no advice) model

All of these channels are monitored by Allianz Life with the assistance of Allianz Australia Insurance Limited ABN 15 000 122 850 (**AAIL**) and staffed by persons who have been trained in the distribution of the Products covered by this TMD and the Application Process.

### Distribution conditions and restrictions

Products under this TMD can only be issued to customers that are eligible for that cover in accordance with the application criteria that has been designed by Allianz Life (**Application Process**).

The Application Process has been designed to identify the Target Market described in this TMD and the use of the Application Process would make it more likely that a Product covered by this TMD will be acquired by persons in the Target Market.

Products under this TMD will be distributed directly by Allianz Life with the assistance of AAIL. The distribution systems and processes are assessed and monitored by Allianz Life with the assistance of AAIL, and therefore distribution directly by Allianz Life would make it more likely that the distribution will comply with the terms of this TMD.

### Distribution information

We require AAIL to provide the following information in relation to the products covered by this TMD:

Complaints	All complaints in relation to this TMD, within 10 business days after the end of each calendar quarter. This will include written details of the complaints.
Sales data	Report relevant sales and customer data in relation to this TMD, within 10 business days after the end of each calendar quarter.
Significant dealings	Notification, within 10 business days, if they become aware of a significant dealing in relation to this TMD that is inconsistent with this TMD.

### Other

In addition to the distribution conditions, restrictions and information set out above, Allianz Life may include other conditions, restrictions and information on the distribution of products under this TMD.

## D. TMD reviews

This TMD shall be reviewed as follows:

First review	Within 12 months from the date of this TMD.
Subsequent reviews	At least every three years after the end of the previous review.
Review triggers	<p>Where an event or circumstance is identified by us or is notified to us that would reasonably suggest the TMD is no longer appropriate. This may include (but is not limited to):</p> <ul style="list-style-type: none"><li>• a material change to the design or distribution of a product, including material changes to the Policy Documentation;</li><li>• a material alteration to acceptance criteria or underwriting criteria, and the Application Process;</li><li>• identified systemic issues in the product or the distribution of the product;</li><li>• relevant material external events such as relevant litigation or adverse media coverage;</li><li>• relevant feedback, information or notification received from a distributor, regulator such as ASIC or APRA or other interested parties;</li><li>• significant changes in metrics. These include sales, policy cancellations, claims, complaints and loss ratios; and</li><li>• any significant dealings that are inconsistent with the TMD,</li></ul> <p>to the extent these events or circumstances reasonably suggest the TMD is no longer appropriate.</p>