

# Target Market Determination

## Income Insurance

Effective date: 5 October 2021

AMP Elevate insurance consists of several separate financial products referred to as plans. The Target Market Determination (TMD) is specific to the plan, referred to as the product in this document. References to consumer in the TMD refer to the policy owner. In many cases the policy owner is the same person as the insured person, but a policy owner can apply to take out insurance on a different person. Where the information is specific to the insured person, the term 'insured person' will be used.

<b>Product</b>	The TMD applies to the following income insurance plans: <ul style="list-style-type: none"> <li>– Income Insurance plan</li> <li>– Income Insurance Plus plan</li> <li>– Income Insurance Premier plan</li> </ul>
<b>Issuer</b>	AMP Life Limited ABN 84 079 300 379 (AMP Life) is the issuer of the TMD
<b>Effective date</b>	5 October 2021
<b>Version number</b>	1
<b>PDS</b>	AMP Elevate insurance PDS and plan document. Please refer to this PDS for more information about the product before deciding whether to buy the product or continue to hold the product.
<b>Product description and key attributes</b>	The Income Insurance, Income Insurance Plus and Income Insurance Premier plans provide an ongoing monthly benefit while the insured person is unable to work because of injury or sickness. This cover is intended as an ongoing income replacement of up to 75% of the insured person's income.  A benefit will not be paid if the insured person's injury or sickness was caused by the insured person or the consumer on purpose, an intentional criminal act, uncomplicated pregnancy, miscarriage, or childbirth, or an act of war. Other exclusions or limitations may apply, depending on the insured person's individual circumstances.

## Product description and key attributes (continued)

### Premium type

The product offers the following premium types:

- **Stepped premiums.** Change each year on the plan extension date according to the age of the insured person. Generally, premiums increase as the insured person gets older.
- **Level premiums.** Don't increase each year due to the insured person getting older. Level premiums change to stepped premiums from the first extension date after the insured person turns 70 (or earlier if nominated).

Premiums (and any applicable fees or government charges) can change, regardless of the premium type. If AMP Life review premium rates, any change in the premium rate will apply to all plans of the same type.

### Eligibility criteria

- The consumer is an existing AMP Life customer which is any individual or entity that is a policy owner or an insured person under a life policy insured by AMP Life and has an income protection policy with AMP Life but requires a new plan for the purpose of reinstatement, change of ownership or other administrative reason.
- The consumer is an Australian citizen, permanent Australian resident, New Zealand citizen, or the holder of an eligible visa.
- The insured person is in regular paid work for at least 20 hours per week when applying for the product.
- The minimum and maximum entry age of the insured person when cover is applied for depends on the benefit period. Refer to the following table:

Benefit period	Minimum and maximum entry age of the insured person when cover is applied for	Premium type
Age 60	17 – 54	Stepped and level
Age 65, Age 70, 2 year, 5 year	17 – 59	Stepped and level

- The availability and combination of certain plans/options, benefit periods and waiting periods is dependent on the insured person's occupation.
- There is no minimum monthly benefit, however total cover for the insured person is subject to the minimum yearly premium of \$250 (including the plan fee).
- The maximum monthly benefit is up to \$30,000 (including superannuation contribution amounts insured).
- The insured person meets AMP Life's underwriting criteria.
- The policy expiry age of the insured person is dependent on the benefit period selected.

The product is generally underwritten, which means full details about the insured person's health, medical history, occupation, income, sports, and pastimes must be provided in the personal statement. The product is not suitable for consumers who do not meet AMP Life's underwriting criteria or want cover specifically for a pre-existing condition.

<p><b>Class of consumers</b></p>	<p><b>Class of consumers</b></p> <p>The product is designed for a class of consumers who meet the eligibility criteria listed above and expect to have the financial capacity to pay premiums (and any applicable fees or government charges) when due, to retain the product for the period it is intended to be held, subject to policy expiry.</p> <p><b>Likely objectives, financial situation and needs</b></p> <p>The product is designed for a class of consumers who have a need to replace their income in the event that the insured person is unable to earn their income (or are only able to earn a lower income) because of an injury or sickness.</p> <p>The objective of consumers in the target market is to reduce their financial burden in the event of the insured person’s total or partial disability.</p> <p><b>Appropriateness of the product for the class of consumers</b></p> <p>Broadly, the class of consumers in the target market have a need to replace their income in the event that the insured person is unable to earn their income (or are only able to earn a lower income) because of an injury or sickness. AMP Life has assessed the product and formed a view that because the product pays an ongoing monthly benefit while the insured person is totally or partially disabled, it is likely to meet the likely objectives, financial situation and needs of consumers in the target market.</p>
<p><b>Distribution conditions and restrictions</b></p>	<p>The product is designed to be distributed by:</p> <ul style="list-style-type: none"> <li>– Financial advisers, who are authorised representatives of an Australian Financial Services Licensee (AFSL) authorised to distribute the product.</li> <li>– AMP Life, for consumers who no longer have a financial adviser and come direct to AMP Life via the contact centre or website. This will only occur where the consumer has initiated contact with AMP Life and the consumer falls within the target market for the product.</li> </ul> <p><b>Distribution conditions and restrictions</b></p> <ul style="list-style-type: none"> <li>– The product may only be distributed to AMP Life customers. This is defined as any individual or entity that is a policy owner or an insured person under a life policy insured by AMP Life.</li> <li>– The consumer must meet the eligibility criteria for the product.</li> </ul> <p><b>Appropriateness of the distribution conditions and restrictions</b></p> <p>AMP Life is of the view that the distribution conditions and restrictions will make it more likely that the consumers who acquire the product are in the target market.</p> <p>Consumers who obtain personal advice via a financial adviser are more likely to be in the target market for the product because financial advisers consider the consumers individual objectives, financial situation and needs.</p>

<b>Review triggers</b>	<p>The specific events and circumstances (review triggers) that may reasonably suggest that the TMD is no longer appropriate include:</p> <ul style="list-style-type: none"> <li>– The commencement of a significant change in the law that materially affects the design and/or distribution of the product.</li> <li>– Product performance is materially inconsistent with AMP Life’s expectations having regard to sales, policy lapses and cancellation, claims and loss ratios.</li> <li>– The use of a regulator’s Product Intervention Powers in relation to the design and/or distribution of the product.</li> <li>– Significant or unexpectedly high number of complaints (as defined in section 994A(1) of the Act) regarding product design, product availability, claims, and distribution of the product.</li> <li>– AMP Life determines that a significant dealing in the product has occurred.</li> </ul>
<b>Review period</b>	<p>Subject to intervening review triggers above, the TMD will be reviewed at least every three years from the effective date of the TMD and then from the date of the last review.</p>
<b>Distribution reporting</b>	<p><b>Complaints</b></p> <p>Distributors must report all consumer complaints (as defined in section 994A(1) of the Act) about the product to AMP Life every six months. The report must be submitted within 10 business days following the end of the calendar half year.</p> <p><b>Note:</b> The first report is due 30 June 2022 and will cover the period from 5 October 2021 to 30 June 2022.</p> <p><b>Significant dealings</b></p> <p>Distributors must report any significant dealing in the product to AMP Life in writing within 10 business days of becoming aware of the dealing.</p>

## Contact us

If you would like to know more about how AMP Life can help you, please visit [amplife.com.au](http://amplife.com.au), or contact one of the following:

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### What you need to know

This document is issued by AMP Life Limited ABN 49 079 354 519, AFSL No. 233671 (AMP Life) the product issuer. The Target Market Determination 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 AMP Life’s design and distribution framework for the product. This document is not a product disclosure statement (PDS) and is not a summary of the product features or terms of the product.

Any advice or information in this document is general in nature and is provided by AMP Life. It does not consider your personal objectives, financial situation or needs. Therefore, before acting on this advice or information, you should consider the appropriateness of the advice or information having regard to those matters as well as the relevant PDS, available from AMP Life at [amplife.com.au](http://amplife.com.au) or by calling 133 731, before making a decision about the product. Consider speaking to a financial adviser if you have any concerns. If you decide to purchase or vary a financial product, AMP Life and/or other companies within the Resolution Life Group will receive fees and other benefits, which will be a dollar amount or a percentage of either the premium you pay or the value of your investments. You can ask us for more details.