

Target Market Determination

For MetLife ordinary (non-superannuation) Group Life and Group Income Protection

This Target Market Determination (TMD) has been prepared by MetLife Insurance Limited (ABN 75 004 274 882, AFSL 238096) ('MetLife') as issuer of the MetLife ordinary (non-superannuation) Group Life and Group Income Protection products to comply with the Design and Distribution Obligations (DDO) in Pt 7.8A of the Corporations Act 2001.

This TMD describes the class of consumers for which these products have been designed, having regard to the likely objectives and needs of the target market. It is not a Product Disclosure Statement (PDS) or summary of the product features or terms and does not take into account any consumer's individual financial objectives, situation or needs. This TMD is not intended to provide financial advice.

Consumers must refer to the MetLife ordinary (non-superannuation) Group Life PDS and Group Income Protection PDS prepared 1 December 2021 (available by contacting MetLife at ausservices@metlife.com) and supporting guides before making a decision about acquiring, retaining or disposing of these products.

Words that are italicised in the TMD have a specific meaning, including:

- **Financial need** means the consumer (who is a business) either has a responsibility to pay money to, or a desire to financially support an employee (which includes a full-time employee, part-time employee, casual employee, contractor and owner of the business) who dies, becomes terminally ill or is unable to work due to disability. For example, a financial need may arise due to an employment agreement or because the business wants to provide death and/or disability insurance as an employee benefit to their employees.
- **Retail customer** means a customer who is considered a "small business" as defined at s761G (12) Corporations Act 2001 (Cth).

For all other italicised terms, please refer to the definitions section of the PDS or Policy Document.

MetLife Group Life and Group Income Protection (overall)	
TMD effective date	1 December 2021
Product	MetLife ordinary (non-superannuation) Group Life and MetLife Group Income Protection.
Overall target market	MetLife Group Life and MetLife Group Income Protection are financial products suitable for Australian registered businesses who: <ul style="list-style-type: none"> • obtain financial product advice from an Australian Financial Services (AFS) licensee, • have a <i>financial need</i>, • employ at least 20 employees, and • require insurance for at least 25 lives.
Distribution channel	MetLife Group Life and MetLife Group Income Protection is distributed through Australian Financial Services (AFS) licensees who have a distribution agreement in place with MetLife Insurance Limited.
Retail consumers	Yes, available to a "small business" as defined at s761G (12) Corporations Act 2001 (Cth)*. *This financial product is also available to "wholesale" customers as that term is defined under s761G of the Corporations Act 2001 (Cth).
General eligibility for a policy	<ul style="list-style-type: none"> • Australian registered business (with an Australian Business Number); • At least 20 people are employed by the business; • At least 25 people are insured under the policy; • At least 75% of people insured under the policy are <i>Australian residents</i>.

MetLife Group Life and Group Income Protection (overall)- continued

Consumers to be excluded	<ul style="list-style-type: none"> • A business who has fewer than 20 people <i>employed</i> by the business; • A business who want to insure fewer than 25 lives; • A business that is not an Australian registered business (i.e. do not have an Australian Business Number); • Individuals who are not a business (i.e. do not have an Australian Business Number); • A business that wants to insure people who are not <i>Australian residents</i> where they account for more than 25% of the total number of people to be insured; • Consumers listed on the United States Office of Foreign Asset Control (OFAC) Specifically Designated Nationals and Blocked Persons (SDN) list, United Nations sanctions list, Australian Department of Foreign Affairs and Trade (DFAT) list or any other international or local sanction list.
Premium structure	<ul style="list-style-type: none"> • Age based: premium is recalculated on each policy anniversary, based on each <i>insured person's</i> age at that time. • Unit based: premium is calculated on each policy anniversary, based on a single premium rate for each <i>insured person</i> at that time. A different unit rates may apply to different categories of <i>insured persons</i>. • Age based and unit based: For categories with age based premium rates the premium is recalculated on each policy anniversary, based on each <i>insured person's</i> age at that time. For categories with unit based premium rates the premium is calculated on each policy anniversary, based on a single premium rate for each insured person in the category at that time.
Premium payment frequency	<ul style="list-style-type: none"> • Monthly. • Quarterly. • Yearly. <p>Note: There is an additional charge of 3% for paying premiums more frequently than yearly.</p>

MetLife Group Life

Consumer characteristics

Policy owner	An Australian registered business that employs at least 20 employees.
Minimum number of lives to be insured	25
Age for insured persons	<ul style="list-style-type: none"> • Minimum entry age is 15. • Where cover ceases at age 65, the maximum entry age is 64. • Where cover ceases at age 70, the maximum entry age is: <ul style="list-style-type: none"> - 66 for <i>total & permanent disability</i> cover, - 69 for death (including <i>terminal illness</i>) cover.
Employment types for insured persons	<ul style="list-style-type: none"> • Employee. • Business Owner (including Partners, Directors, Shareholders).
Employment status for insured persons	<ul style="list-style-type: none"> • Full time. • Part time. • Casual. • Contractor. • Owner (either part ownership or whole ownership).
Occupation type of insured persons	Any occupation.
Objective/financial need of the business	<ul style="list-style-type: none"> • The business has a <i>financial need</i>.
Financial capacity/situation	<p>At the time of obtaining the product, the business is likely to be able to meet the increased cost of the product over time.</p> <p>The business cannot be bankrupt, trading insolvent, under administration or some other form of external control.</p>

MetLife Group Life	
Key attributes of product	
Insurance description	<p>MetLife Group Life provides a lump sum benefit in the event that the <i>insured person</i>:</p> <ul style="list-style-type: none"> dies; or has a <i>terminal illness</i>; or becomes <i>totally and permanently disabled</i> <p>in accordance with the terms and conditions of the MetLife Group Life PDS and policy document.</p>
Overall target market	<p>The target market for MetLife Group Life cover is for businesses who obtain financial product advice from an Australian Financial Services (AFS) licensee. The product is available to Australian businesses who have a <i>financial need</i>, employ at least 20 employees and require insurance for at least 25 lives.</p>
Entry age of insured persons	<ul style="list-style-type: none"> Minimum entry age is 15. Where cover ceases at age 65, the maximum entry age is 64. Where cover ceases at age 70, the maximum entry age is: <ul style="list-style-type: none"> 66 for <i>total & permanent disability</i> cover, 69 for death (including <i>terminal illness</i>) cover.
Expiry age for insured persons	<p>Either:</p> <ul style="list-style-type: none"> 65; or 70, <p>as chosen by the consumer.</p>
Available in superannuation	No.
Eligibility conditions for insured persons	<p>Persons who:</p> <ul style="list-style-type: none"> are <i>employed</i>, or otherwise engaged by the <i>employer</i> are age at least 15 years, and no older than the <i>maximum entry age</i> are an <i>Australian Resident</i> or holder of a temporary work visa subclass 482 (or its predecessor sub-class 457) satisfy any other conditions requested by the <i>policy owner</i>, and agreed to by MetLife.
Persons to be excluded from becoming an insured person	<p>Persons who do not satisfy the <i>eligibility conditions</i>.</p>
Consumer eligibility	<p>An Australian registered business that:</p> <ul style="list-style-type: none"> employs at least 20 employees, and wants to insure at least 25 <i>insured persons</i>, at least 75% of whom are <i>Australian residents</i>.
Consumers to be excluded	<ul style="list-style-type: none"> A business who has fewer than 20 people employed by the business; A business who wants to insure fewer than 25 lives; A business that is not an Australian registered business (i.e. do not have an Australian Business Number) Individuals who are not a business (i.e. do not have an Australian Business Number); A business that wants to insure people who are not <i>Australian residents</i> where they account for more than 25% of the total number of people to be insured; Consumers listed on the United States Office of Foreign Asset Control (OFAC) Specifically Designated Nationals and Blocked Persons (SDN) list, United Nations sanctions list, Australian Department of Foreign Affairs and Trade (DFAT) list or any other international or local sanction list.
Insured persons for whom a consumer is ineligible to claim	<p>Insured persons who would satisfy the:</p> <ul style="list-style-type: none"> Suicide and self-inflicted injury exclusion; War exclusion; Previous terminal illness benefit exclusion, in relation to death (including <i>terminal illness</i>) cover; Sanctions exclusion.

MetLife Income Protection	
Consumer characteristics	
Policy owner	An Australian registered business that employs at least 20 employees.
Minimum number of lives to be insured	25
Age for insured persons	<ul style="list-style-type: none"> • Minimum entry age is 15. • Maximum entry age 64.
Employment types for insured persons	<ul style="list-style-type: none"> • Employee. • Business Owner (including Partners, Directors, Shareholders).
Employment status for insured persons	<ul style="list-style-type: none"> • Full time. • Part time. • Casual. • Contractor. • Owner (either part ownership or whole ownership).
Occupation type of insured persons	Any occupation.
Objective/financial need of the business	<ul style="list-style-type: none"> • The business has a <i>financial need</i>.
Financial capacity/situation	<p>At the time of obtaining the product, the business is likely to be able to meet the increased cost of the product over time.</p> <p>The business cannot be bankrupt, trading insolvent, under administration or some other form of external control.</p>
Key attributes of product	
Insurance description	<p><u>Standard Benefits</u></p> <p>MetLife Group Income Protection provides a monthly benefit in the event that the insured person is:</p> <ul style="list-style-type: none"> • <i>totally disabled</i>; or • <i>partially disabled</i>, <p>after the <i>waiting period</i> and in accordance with the terms and conditions of the MetLife Group Income Protection PDS and policy document.</p> <p>MetLife Group Income Protection also provides a lump sum in the event that the <i>insured person</i> dies whilst in receipt of a monthly benefit.</p> <p><u>Optional Benefits</u></p> <p>A <i>policy owner</i> may also purchase additional benefits for <i>insured persons</i> as follows:</p> <ul style="list-style-type: none"> • Crisis Benefit: Provides a lump sum in the event that the <i>insured person</i> suffers a <i>crisis benefit medical condition</i> in accordance with the terms and conditions of the MetLife Group Income Protection PDS and policy document. • Specific Injury Benefit: Provides a monthly benefit for a guaranteed payment period in the event that the <i>insured person</i> suffers a specific injury event in accordance with the terms and conditions of the MetLife Group Income Protection PDS and policy document. • Superannuation Contribution Benefit: Provides a monthly benefit paid into the <i>insured persons</i> superannuation fund in the event that the <i>insured person</i> is: <ul style="list-style-type: none"> - totally disabled; or - partially disabled, after the waiting period and in accordance with the terms and conditions of the MetLife Group Income Protection PDS and policy document. • Nursing Care Benefit: Provides a daily benefit in the event an insured person is confined to bed and requires the care of a registered nurse, in accordance with the terms and conditions of the PDS and policy document.

MetLife Group Life	
Key attributes of product - continued	
Insurance description - continued	<ul style="list-style-type: none"> ● Family Care Benefit: Provides a monthly benefit in the event an insured person is totally disabled and requires daily care from a direct family member who has reduced their income to provide the care, in accordance with the terms and conditions of the PDS and policy document. ● Accommodation Benefit: Provides a daily benefit in the event an <i>insured person</i> is <i>totally disabled</i> and has been relocated more than 100kms from their place of residence on the advice of a <i>medical practitioner</i>, and a <i>direct family member</i> chooses to stay in accommodation near the <i>insured person</i>, in accordance with the terms and conditions of the PDS and policy document.
Overall target market	The target market for MetLife Group Life cover is for businesses who obtain financial product advice from an Australian Financial Services (AFS) licensee. The product is available to Australian businesses who have a <i>financial need</i> , employ at least 20 employees and require insurance for at least 25 lives.
Entry age of insured persons	<ul style="list-style-type: none"> ● Minimum entry age is 15. ● Maximum entry age is 64.
Expiry age for insured persons	<p>Either:</p> <ul style="list-style-type: none"> ● 65; or ● 70, <p>as chosen by the consumer.</p>
Available in superannuation	No.
Eligibility conditions for insured persons	<p>Persons who:</p> <ul style="list-style-type: none"> ● are <i>employed</i>, or otherwise engaged by the <i>employer</i> ● are age at least 15 years, and no older than the <i>maximum entry age</i> ● are an <i>Australian Resident</i> or holder of a temporary work visa subclass 482 (or its predecessor sub-class 457) ● satisfy any other conditions requested by the <i>policy owner</i>, and agreed to by MetLife.
Persons to be excluded from becoming an insured person	Persons who do not satisfy the <i>eligibility conditions</i> .
Consumer eligibility	<p>An Australian registered business that:</p> <ul style="list-style-type: none"> ● employs at least 20 employees, and ● wants to insure at least 25 <i>insured persons</i>, at least 75% of whom are <i>Australian residents</i>.
Consumers to be excluded	<ul style="list-style-type: none"> ● A business who has fewer than 20 people employed by the business; ● A business who wants to insure fewer than 25 lives; ● A business that is not an Australian registered business (i.e. do not have an Australian Business Number) ● Individuals who are not a business (i.e. do not have an Australian Business Number); ● A business that wants to insure people who are not <i>Australian residents</i> where they account for more than 25% of the total number of people to be insured; ● Consumers listed on the United States Office of Foreign Asset Control (OFAC) Specifically Designated Nationals and Blocked Persons (SDN) list, United Nations sanctions list, Australian Department of Foreign Affairs and Trade (DFAT) list or any other international or local sanction list.
Insured persons for whom a consumer is ineligible to claim	<p>Insured persons who would satisfy the:</p> <ul style="list-style-type: none"> ● Suicide and self-inflicted injury exclusion; ● War exclusion; ● Previous terminal illness benefit exclusion, in relation to death (including <i>terminal illness</i>) cover; ● Sanctions exclusion.

MetLife Issuer Obligations			
Distribution channels	MetLife Group Life and MetLife Group Income Protection are distributed via financial product advice (either Personal Advice or General Advice) through Australian Financial Services (AFS) licensees.		
Distribution conditions	<ul style="list-style-type: none"> In order to distribute MetLife’s products, all distributors must: <ul style="list-style-type: none"> Have a Distribution Agreement in place with MetLife; and Have a current AFS licence. MetLife only uses AFS licensees who understand how to provide both Personal Advice and General Advice to distribute MetLife Group Life and MetLife Group Income Protection. MetLife Group Life and MetLife Group Income Protection must only be distributed under General Advice where the consumer is able to confirm a <i>financial need</i>. 		
Rationale as to why these distribution conditions are appropriate	<p>Distribution through distributors with a Distribution Agreement in place Amongst other things, the Distribution Agreement (DA) requires distributors to work with MetLife to ensure compliance with the Design and Distribution Regime, as applicable to that distributor.</p> <p>Distribution through AFS licensees AFS licensees operate under a strict regulatory regime that has been designed with consumer protection in mind and requires the distributor to:</p> <ul style="list-style-type: none"> Act honestly, efficiently and fairly; and Have in place: <ul style="list-style-type: none"> Conflict of interest management arrangements; Compliance arrangements to ensure adherence to financial services laws; and supervisory requirements to ensure those working underneath the licence adhere to financial services laws. <p>Distribution under a Personal Advice model <i>Retail customers</i> that obtain Personal Advice are more likely to be in the target market for this product because the AFS licensee must act in the consumer’s best interests, taking personal circumstances, needs and financial objectives into consideration when providing the advice.</p> <p>The provision of Personal Advice also helps to ensure that consideration is given to the options available when selecting:</p> <ul style="list-style-type: none"> The right type/s of cover for the consumer’s needs; The appropriate amount of cover; and How to structure insurance cost effectively. <p>Distribution under a General Advice model <i>Retail customers</i> are more likely to be in the target market if distributors distribute the product in alignment with the distribution conditions for the General Advice. MetLife has taken reasonable steps to ensure that General Advice distribution is consistent with the TMD by requiring consumers to confirm they have a <i>financial need</i> in order to submit a MetLife Group Life or MetLife Group Income Protection application.</p>		
Review frequency	<ul style="list-style-type: none"> Subject to intervening review triggers and any further guidance issued by ASIC, an initial review will be undertaken within 3 years of the regime effective date (1 December 2021); Subsequent reviews will occur within 3 years of the previous review. 		
Review triggers	Review trigger	Information to be provided by licensee	Frequency in which information to be provided by licensee
	1. MetLife determines that a ‘significant dealing’ in MetLife Group Life or MetLife Group Income Protection has occurred in relation to a consumer who is a <i>retail customer</i> (except for an excluded dealing) outside of the product’s target market.	Details of policy applications submitted for consumers who are consumers to be excluded under this TMD.	As soon as practicable (and within 10 business days of the application being submitted).

MetLife Insurer Obligations

Review trigger	Information to be provided by licensee	Frequency in which information to be provided by licensee
2. The commencement of a significant change in: <ul style="list-style-type: none"> • Law or regulation; or • MetLife’s legal interpretation of the law or regulation, that would reasonably suggest that the TMD is no longer appropriate for a <i>retail customer</i> .	Nil	N/A
3. MetLife Group Life or MetLife Group Income Protection product performance is materially inconsistent with MetLife’s expectations of the appropriateness of the product to consumers having regard to: <ul style="list-style-type: none"> • Accepted, declined and withdrawn claims in relation to <i>retail customers</i>; and • Policy lapse or cancellation rates in relation to <i>retail customers</i>. 	Nil	N/A
4. A significant or unexpectedly high number of complaints in relation to <i>retail customers</i> regarding product design, product availability, claims and distribution that would reasonably suggest that the TMD is no longer appropriate for <i>retail customers</i> .	Number and nature of complaints received by licensee in relation to product design, product availability, claims and distribution.	Every six months following regime commencement (first reporting period six months ending 31 March 2022). No report is required if there have been no complaints for the period.
5. A material change to product design and/ or features that would reasonably suggest that the TMD is no longer appropriate for <i>retail customers</i> .	Nil	N/A

Review triggers - continued

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