

Target Market Determination Loan facility with whole of life and endowment policies

Effective date: 5 October 2021

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 take out insurance on a different person. Where the information is specific to the insured person, the term 'insured person' will be used.

Product	<p>The TMD applies to the loan facility offered with the following plans issued by AMP Life:</p> <ul style="list-style-type: none"> – Whole of Life Plan – Premier Plus Lifestyle Protection Plan – Permanent Life Plan – Open Ended Lifestyle Protection Plan – Investment Only Lifestyle Protection Plan – Endowment Plan – Defined Period Lifestyle Protection Plan – Business Whole of Life Plan – AMP Whole of Life Insurance Plan – AMP Pure Endowment Plan – AMP Endowment Insurance Plan – AMP Children's Whole of Life Insurance Plan – AMP Children's Endowment Insurance Plan – AMP Business Insurance Plan <p>These plans are closed to new business. However, consumers who hold these policies and meet the eligibility criteria below are eligible to apply for a loan (referred to as the product in this document).</p>
Issuer	AMP Life Limited ABN 84 079 300 379 (AMP Life) is the issuer of the TMD
Effective date	5 October 2021
Version number	1
Documents for further information	<p>Please refer to the following documents for more information about the product before deciding whether to exercise the product:</p> <ul style="list-style-type: none"> – Loan on Policy Agreement Details (application form to exercise the loan facility) – Loan on Policy Agreement Standard Terms, and – Information Statement and Credit Guide.

<p>Product description and key attributes</p>	<p>The product allows the consumer to borrow against their life policy if the policy has a positive surrender value. AMP Life will lend up to 70% of the cash value of the policy at the point of loan application.</p> <p>Loan availability is not guaranteed, and AMP Life regularly review interest rates.</p> <p>Under this agreement, AMP Life may, without the consumers consent, change the annual percentage rate, or change the amount and/ or frequency of fees and charges (if applicable).</p> <p>The consumer is not obliged to make loan payments regularly however, making regular payments of the recommended amount (at a minimum) will reduce the outstanding balance and increase the net benefits of the consumer's policy.</p> <p>If the consumer does not repay the loan:</p> <ul style="list-style-type: none"> – Interest will accrue on the loan amount – The total death benefit may be significantly reduced, and – If the loan amount (plus interest) exceeds the value of the policy, the policy will terminate, and the total death benefit will cease. <p>Eligibility criteria</p> <ul style="list-style-type: none"> – The consumer is the policy owner of an eligible whole of life or endowment policy, with a positive surrender value. – The policy is not being used as collateral at the time the product is applied for. – The policy has a positive cash value at the time the product is applied for. The cash (surrender value) is the amount payable should the consumer cancel their policy before the maturity date.
<p>Class of consumers</p>	<p>The product is designed for a class of consumers who meet the eligibility criteria listed above.</p> <p>Likely objectives, financial situation and needs</p> <p>The product is designed for a class of consumers who have a positive surrender value on their existing life policy which they can access by means of the product, and thereby obtain funds on a basis that offers flexible repayment choices, or, if not repaid, are met by the surrender value of the policy.</p> <p>Appropriateness of the product for the class of consumers</p> <p>Broadly, the only class of consumers in the target market are those who already have a life policy with a positive surrender value and who seek access to funds on that basis. The product was a feature of the policy from inception. The policy surrender value secures repayment of the funds that are borrowed if repayments are not made or maintained as agreed. AMP Life has assessed the product and formed a view that because the product has a very limited target market it is likely to meet the likely objectives, financial situation and needs of consumers in the target market.</p>

<p>Distribution conditions and restrictions</p>	<p>The product is designed to be distributed by:</p> <ul style="list-style-type: none"> – Financial advisers, who are authorised representatives of an Australian Financial Services Licensee (AFSL) authorised to distribute the product. – 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. <p>Distribution conditions and restrictions</p> <ul style="list-style-type: none"> – The product may only be distributed to the policy owner of an eligible whole of life or endowment policy with a positive surrender value. – The consumer must meet the eligibility criteria for the product. <p>Appropriateness of the distribution conditions and restrictions</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>Review triggers</p>	<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"> – The commencement of a significant change in the law that materially affects the design and/or distribution of the product. – The use of a regulator’s Product Intervention Powers in relation to the design and/or distribution of the product. – Significant or unexpectedly high number of complaints (as defined in section 994A(1) of the Act) regarding product design, product availability and/or distribution of the product. – AMP Life determines that a significant dealing in the product has occurred.
<p>Review period</p>	<p>Subject to intervening review triggers, 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>
<p>Distribution reporting</p>	<p>Complaints</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>Note: The first report is due 30 June 2022 and will cover the period from 5 October 2021 to 30 June 2022.</p> <p>Significant dealings</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, 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 (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 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 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.