

A photograph of an older couple sitting on a beige sofa in a bright, modern living room. The man, on the left, is wearing a light blue polo shirt and is smiling. The woman, on the right, has white hair and is wearing a green and white striped button-down shirt, also smiling. In the background, there is a dining table with white chairs and a blue wall.

Target Market **Determination**

Issue date: 08/08/2024

Target Market Determination.

Product	Life Co-Ownership Arrangement
Issuer	iEXI Pty Ltd (iExtend) ABN 33 654 132 813 AFSL (Australian Financial Services Licence) 555362
Version	V1.0
Implementation date	8/08/2024
First review date	The first review of this TMD will be completed within the first 6 months by 8/02/2025
Ongoing review	Each subsequent review of this TMD will be completed within two years after the completion of the last review unless a review trigger requires a review to be completed earlier.

Important Information

This Target Market Determination (TMD) is required under section 994B of the Corporations Act 2001 (Cth) to provide consumers, distributors and staff with an understanding of the class of consumers for whom this Product has been designed.

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 consider any person’s individual objectives, financial situation or needs. Before any decision is made by a person to apply for the Product, they should carefully read the Life Co-Ownership Arrangement **Product Disclosure Statement**.

Additionally, this Target Market Determination (TMD) provides detailed information on the distribution methods of the Product, the scheduled review periods, specific triggers that may prompt an unscheduled review, and the protocols for reporting and monitoring the TMD’s effectiveness and compliance.

Life Co-Ownership Arrangement Overview Target Market

Below is a description of the key terms, features and attributes that affect whether this Product is likely to be suitable for the target market and a description of the likely objectives, financial situations and needs of consumers in the target market.

Title	Key Attributes
Product Description	<p>This Product is a Life Co-Ownership Arrangement (the Arrangement) that offers a solution for individuals that hold a life insurance policy (Policy) where they wish to cancel or reduce their life insurance. Under the Arrangement, consumers transfer a portion of their beneficial interest in the policy that they would have otherwise cancelled or reduced to iExtend and iExtend funds the premiums on the policy.</p> <p>In the event of a successful claim on the Policy, the consumer, their estate or their designated beneficiaries will receive a portion of the claim benefit, with the remainder being paid to iExtend in accordance with the terms of the Arrangement.</p>

Title	Key Attributes		
Eligibility criteria	Consumers who satisfy the following eligibility criteria:		
	<ul style="list-style-type: none">• The consumer is committed to cancelling or reducing their Policy;• Hold an annually renewable term life insurance Policy that:<ul style="list-style-type: none">o has a minimum expiry age of 90;o is fully underwritten; ando is in an individual ownership structure that allows direct transfer to the Custodian.• The life insured is aged 45 to 85 at the time of application;• The life insured is an Australian or a New Zealand citizen, permanently a resident of Australia;• Satisfy iExtend’s risk assessment, including a health evaluation reflecting changes in the life insured’s health (which may include height, weight, lifestyle, diet, family history and medical history) since the Policy was initially taken out.• The ownership of the Policy is able to be transferred to a custodian chosen by iExtend.		
Portion of the insured benefit that will be received by the consumer if a successful claim is made under the Policy	Claims Scale Payout Schedule		
	% Share of the Policy and any Successful Claim		
	Time since Effective Date	Recipients	iExtend
	Under 1 year	60.0%	40.0%
	Between 1 and 2 years	40.0%	60.0%
	Between 2 and 3 years	20.0%	80.0%
Over 4 years	10.0%	90.0%	

Title	Key Attributes
Premiums and policy features	<p>Under the Arrangement, all the premiums on the Policy are paid by iExtend.</p> <p>On entering the Arrangement, the legal ownership of the Policy will be transferred to a custodian chosen by iExtend who will hold the Policy on behalf of the consumer and iExtend.</p> <p>If there is an Insured Event, and a claim is accepted, the Custodian, under instruction from iExtend, will share the claim benefits between the consumer, their estate or their beneficiaries and us. The share paid depends on the time from the Effective Date to the date of the Insured Event based on a sliding scale as per the Claims Scale Payout Schedule on page two (2).</p>
Product exclusions	<p>The Arrangement is only available for life insurance held directly by the consumer. The Arrangement is not available on other types of insurance such as income protection, total and permanent disability and trauma.</p> <p>The Product has not been designed for consumers who:</p> <ul style="list-style-type: none"> do not wish to cancel or reduce their life insurance; are not aged between 45 and 85; do not have fully underwritten yearly renewable term life cover with a minimum expiry age of 90; are not an Australian or a New Zealand citizen, permanently a resident of Australia; do not meet iExtend's risk assessment criteria.
Likely objectives, financial situation and needs of consumers in the target market	<p>The Arrangement has been designed for consumers who have the following likely objectives, financial situation and needs:</p> <ul style="list-style-type: none"> committed to cancelling or reducing their interest in their Policy; are no longer able to afford to pay the life insurance premiums on the Policy or want to reduce the burden of paying premiums; are willing to receive (or for their beneficiaries or estate to receive) only a portion of the lump sum payment in the event of a successful claim under the Policy; are willing to inform their beneficiaries that they have entered into the Arrangement. <p>Consumers who want to receive 100% of the sum insured under their life insurance policy do not form part of the target market.</p>

Distribution Channels

This Product is distributed through the following channels:

- (a) iExtend contact centre
- (b) Financial advisers

Distribution Conditions

The following distribution conditions apply:

Title	Key Attributes
Distribution via personal advice	Distribution conditions are not applicable when providing advice or when arranging for a consumer’s application for an acquisition of a Product as part of implementing that personal advice.
Distribution through general advice	<div><ul style="list-style-type: none">• The distributor must have processes in place in relation to scripts, training, monitoring and quality assurance designed to ensure the appropriate distribution of the Product.• The distributor must obtain information from the consumer sufficient to determine whether the consumer is eligible for the Product.• The distributor must draw the consumer’s attention to the key features of the Product to enable the consumer to determine if the Product is likely to be consistent with their objectives, financial situations and needs.• The distributor must provide the PDS, FSG and Privacy Policy to consumers.</div> <div>The distribution conditions will ensure the Product is only issued to consumers who are likely to be in the target market because:</div> <div><ul style="list-style-type: none">• the requirement for the distributor to determine whether a consumer is eligible for the Product means that consumers who are not eligible for the Product cannot be issued with the Product;• the requirement of the distributor to inform the consumer of the key features of the Product means the consumer will determine whether the Product is consistent with their likely objectives, financial situation and needs.</div>

Review Triggers and Reporting Obligations

Review triggers	Information needed to enable iExtend to assess if the review trigger has occurred	Responsible party
Review trigger 1 Portfolio composition <ul style="list-style-type: none"> Substantial variation in the number of consumers qualifying (deviating from iExtend's anticipated benchmarks). A material alteration in the Product's eligibility requirements or risk assessment eligibility criteria. 	iExtend iExtend must monitor the volume and details of consumers qualifying and not qualifying for the Arrangement to its intended demographic. iExtend must monitor through the risk control framework the eligibility and concentration risks of the Product every 6 months.	iExtend
Review trigger 2 Changes in Law <ul style="list-style-type: none"> A change in law which results in a notable change in the Product design or distribution conditions. 	iExtend iExtend must monitor changes to relevant regulations and legislation considering any significant relevant change.	iExtend
Review trigger 3 Risk management <ul style="list-style-type: none"> Substantial changes to iExtend's internal risk management policies which result in a notable change to the Product's distribution arrangements or alignment with the target market. 	iExtend iExtend must consider any changes to internal policies or strategies as and when they are undertaken and will review the TMD's appropriateness where necessary.	iExtend
Review trigger 4 Complaints and feedback <ul style="list-style-type: none"> Higher than expected complaints or negative feedback relating to the Product, including its features, benefits, availability, performance or ability to be understood by the target market. 	iExtend iExtend must regularly monitor the volume, nature and resolution of complaints or negative feedback regarding the Product and its performance. Distributors Any regulated person who distributes the Product must report complaints to iExtend.	iExtend Distributors

Review triggers	Information needed to enable iExtend to assess if the review trigger has occurred	Responsible party
<p>Review trigger 5 Significant dealing with a retail consumer outside the target market</p> <ul style="list-style-type: none"> A significant dealing of the Product which is not consistent with this TMD. 	<p>iExtend</p> <p>iExtend actively monitors whether consumers are in the target market.</p> <p>Distributors</p> <p>Any regulated person who becomes aware of a significant dealing in the Product that is not consistent with this TMD must report that dealing to iExtend as soon as practicable, or within 10 business days.</p>	<p>iExtend</p> <p>Distributors</p>
<p>Review trigger 6 Market, technology or regulatory conditions</p> <ul style="list-style-type: none"> Changes in market conditions, technology, digital advancements and regulatory or legal conditions that have a significant impact on the Product's suitability for the target market. 	<p>iExtend</p> <p>As part of its strategic planning and ongoing research functions, iExtend regularly monitors substantial changes relevant to its operating environment, including Product Intervention Powers by the Australian Securities and Investments Commission.</p>	<p>iExtend</p>
<p>Review trigger 7 General product review</p> <ul style="list-style-type: none"> Proactive product adjustments based on the outcomes of ongoing reviews and market changes. 	<p>iExtend</p> <p>Making proactive Product adjustments based on the outcomes of ongoing reviews and market changes.</p> <p>Distributors and Policyholders</p> <p>Mechanism for collecting and incorporating feedback from both consumers and distributors into Product evaluations and modifications.</p>	<p>iExtend</p> <p>Distributors Policyholders</p>

The occurrence of any of these triggers would suggest that the Product, including its key attributes, may no longer be consistent with the objectives, financial situation and needs of consumers in the target market. In the event of any review trigger, a review of the Product, policies, target market and TMD will occur.

After the first review of the TMD, and subject to intervening review triggers (frequently if a risk of detriment to a consumer is identified), this TMD will be reviewed initially within six (6) months and then **every two (2) years** or as needed as part of our general Product review process. Where a review trigger has occurred, this TMD will be reviewed within ten (10) business days.