

# PROTECT SUPER PLAN FOR ENCOMPASS PROTECTION TARGET MARKET DETERMINATION



This target market determination (TMD) is for the Protect Super Plan for Encompass Protection (Risk Only Insurance Product), a division of OneSuper ABN 43 905 581 638 RSE R1001341, issued by Diversa Trustees Limited ABN 49 006 421 638. The insurance referred to in this TMD is issued by MLC Limited ABN 90 000 000 402.

## 1. About the document

This TMD is required under section 994B of the *Corporations Act 2001* (Cth) and seeks to provide consumers, distributors (e.g. financial advisers), and employees with an understanding of the class of consumers for which this product is designed, having regard to the financial situation and needs of the target market. It sets out the target market for the product, triggers to review the target market and certain other information. The TMD forms part of the design and distribution framework that Diversa Trustees Limited (Trustee) has adopted, as trustee for the Protect Super Plan for Encompass Protection.

This TMD is not to be treated as a full summary of the product features or terms of the product, and does not take into account any person's individual objectives, financial situation, or needs. This TMD is not intended to provide financial advice. If you are interested in acquiring this product, you should carefully read the Product Disclosure Document (PDS) and any supplementary documents for the Protect Super Plan for Encompass Protection, available from [www.encompassprotect.com.au/PDS](http://www.encompassprotect.com.au/PDS) before making a decision whether this product is suitable for you.

## 2. Important dates

Date when this target market determination is effective	1 July 2025
Date when this target market determination was last reviewed	1 July 2025
Date when this target market determination will be next reviewed	1 July 2026

## 3. Class of members that fall within this target market

**The information below summarises the overall class of consumers that fall within the target market for the Protect Super Plan for Encompass Protection.**

- The Protect Super Plan for Encompass Protection has been designed for consumers who:
- are seeking Life Cover and/or Total and Permanent Disability cover specifically inside superannuation in the event they are unable to meet financial commitments to themselves or their dependents which may include:
    - mortgage and other debt servicing costs, final expenses, and income replacement; or
    - medical costs, transportation and accommodation costs, and personal palliative care,in the event of death, terminal illness, or the member is unable to engage in any occupation due to total and permanent disablement; and/or
  - are seeking Income Protection Cover to replace a portion of their income in the event they are unable to earn their pre-disability income due to permanent or temporary incapacity (sickness, illness or accident);
  - have an accumulation superannuation account, and the financial capacity to pay for insurance premiums via a rollover from their superannuation fund;
  - seek insurance cover across a broad range of insurance benefits tailored to their individual objectives, financial situation and needs; and
  - have received general or personal advice from a Distributor to obtain insurance cover.

**The Protect Super Plan for Encompass Protection has not been designed for consumers who:**

- are looking to contribute and invest in a superannuation fund to provide for their retirement;
- want to receive a retirement or transition to retirement income stream;
- have not received general or personal advice from a Distributor to obtain insurance cover;
- do not meet our underwriting requirements;
- are not aware that they must meet a condition of release under superannuation law to access their benefit amount;
- do not want to spend their potential retirement savings on insurance premiums;
- do not have the financial capacity to pay their ongoing premium; and
- are unable to comply with their duty to take reasonable care not to make a misrepresentation, resulting in their cover potentially becoming void or declined or benefits reduced as a result.

## Product description and key attributes

### Key eligibility requirements

The key eligibility requirements of the Protect Super Plan for Encompass Protection are for consumers who:

- are aged between 18 and 60 (except for Life Cover which is up to 70 years old) when they join this product;
- are employed at the time of application (for Total and Permanent Disability cover and Income Protection cover only);
- are able to satisfy underwriting requirements;
- are Australian residents (as defined in the PDS); and
- have received general or personal advice from a Distributor to obtain insurance cover.

### Key attributes

The key attributes of the Protect Super Plan for Encompass Protection include the following:

- provides members with access to the Encompass Protection life insurance product through superannuation;
- allows life insurance premiums to be paid via an annual rollover from a complying superannuation fund;
- allows Distributors to manage the application process through the adviser portal;
- the ability for the Trustee to claim a tax deduction for premiums paid, which may be passed onto the member in the form of a 15% rebate; and
- the ability to make binding and non-binding death benefit nominations.

Please refer to the **Encompass Protection TMD** for the key attributes, eligibility requirements and product description of the Encompass Protection insurance product.

### Risks associated with holding insurance inside superannuation

The risks that consumers should consider before deciding to hold insurance inside superannuation are:

- that premiums paid for insurance cover will reduce their retirement savings so that they may have less available to them on retirement than otherwise may have been the case;
- that taxation or superannuation law may change in the future, altering the suitability of holding insurance cover in superannuation;
- that if they become unable to pay their premium in the future, their cover may be cancelled;
- that if they don't comply with their duty to take reasonable care not to make a misrepresentation, their cover could potentially be voided, declined or benefits reduced as a result;
- that insurance cover held inside super cannot be accessed unless they meet a condition of release under superannuation law; and
- that should an exclusion apply to their insurance cover, a benefit may not be paid to them.

## Objectives, financial situation, and needs

The table below sets out the class of consumers that each insurance option within the Protect Super Plan for Encompass Protection has been designed for.

Cover Type	Consumer needs	How the product meets consumer needs
<b>Life Cover</b>	Consumers that may have outstanding financial debts and financial commitments (including financial commitments to dependents such as spouse or children) that will not be satisfied by their estate in the event of their death or terminal illness.	Life Cover pays a lump sum on death or terminal illness. It is therefore likely to meet the needs, or go towards meeting the needs, of those in the target market.
<b>Total and Permanent Disability (TPD) Cover</b>	Consumers seeking to protect their financial position to cover potential debt, cost of living, medical, transport and housing expenses should they become totally and permanently disabled.	TPD Cover pays a lump sum on total and permanent disablement. It is therefore likely to meet the needs, or go towards meeting the needs, of those in the target market.
<b>Income Protection Cover</b>	Consumers that need to replace their income in the event they are unable to earn their income (or are only able to earn a lower income) due to sickness, illness or an accident.	Income Protection Cover provides a monthly benefit if the insured person is unable to work due to total or partial disability for longer than the waiting period.

## Consistency between the target market and the product

The Trustee believes that the Protect Super Plan for Encompass Protection is likely to be consistent with the objectives, financial situation and needs of the members in the target market.

To ensure this, the Trustee regularly reviews:

- the eligibility requirements of members who join the Protect Super Plan for Encompass Protection;
- the insurance products to ensure they provide members with suitable insurance benefits;
- the number and themes of member complaints;
- the appropriateness of the premiums paid by members; and
- the product design to ensure it is simple for members to understand and accessible for members in the target market.

## 4. How this product is to be distributed

### Distribution channels

The Protect Super Plan for Encompass Protection is designed to be distributed through the following means:

- Distributors operating under an Australian Financial Services Licence with appropriate authorisations who provide general or personal advice to consumers seeking insurance cover in the event they are unable to meet their financial commitments to themselves or their dependents in the event of death, illness, severe injury or sickness.

### Distribution conditions

The Protect Super Plan for Encompass Protection is an intermediated product, which must be distributed to consumers by Distributors providing general or personal advice.

### Adequacy of distribution conditions and restrictions

- Consumers that obtain personal advice are likely to be in the target market for this product because the Distributor has a duty to act in their best interest when providing personal advice by considering the consumer’s personal circumstances, needs and objectives.
- Consumers that obtain general advice are likely to be in the target market provided they have been given a general advice warning, satisfy the eligibility requirements in the TMD, provided a PDS and have been assisted through an application process. Distributors who distribute via general advice must keep accurate and complete records of the steps they have taken in accordance with this TMD.

## 5. Reviewing this target market determination

Periodic review	Ongoing assessment in line with the review triggers and events outlined below. A detailed review is conducted annually.
Review triggers or events	<p>Any event or circumstance arising that would suggest the TMD is no longer appropriate. This may include (but not limited to) where the issuer of the TMD has determined that any of the following has occurred:</p> <p><b>Review trigger 1:</b> The commencement of a significant change in law that materially affects the product design and/or distribution of the product or class of products that includes this product.</p> <p><b>Review trigger 2:</b> Changes to product features that require an update to the Product Disclosure Statement or a Significant Event Notice.</p> <p><b>Review trigger 3:</b> Product performance is materially inconsistent with the product issuer’s expectations of the appropriateness of the product for consumers having regard to:</p> <ul style="list-style-type: none"><li>a. the number of policies cancelled</li><li>b. the conversion rate</li><li>c. the policy lapse rate</li><li>d. the number of claims denied; and</li><li>e. the number of claims withdrawn.</li></ul> <p><b>Review trigger 4:</b> The use of Product Intervention Powers in relation to the distribution or design of this product where the product issuer considers that this reasonably suggests the TMD is no longer appropriate.</p> <p><b>Review trigger 5:</b> Significant or unexpectedly high number of complaints regarding product design, product availability, claims, and distribution conditions that would reasonably suggest that the TMD is no longer appropriate.</p> <p><b>Review trigger 6:</b> The product issuer determines that a significant dealing in the product outside the target market (except for an excluded dealing) has occurred having regard to customers outside the eligibility criteria.</p>

## 6. Reporting and monitoring this target market determination

We may collect the following information from our distributors in relation to this TMD:

Complaints	<p>Distributors must record and report all complaints that relate to the product or its distribution. The record should include the nature and substance of complaints in relation to the product covered by this TMD.</p> <p>The reporting period for complaints is half-yearly (within 10 business days of the end of the reporting period).</p>
Significant dealings	<p>Distributors must report if they become aware of a significant dealing in relation to this TMD within 10 business days.</p> <p>A significant dealing includes:</p> <ul style="list-style-type: none"><li>• proportion of consumers who acquired the product who are outside the target market;</li><li>• actual or potential harm caused to those consumers;</li><li>• the nature of distribution that led to those consumers being outside the target market;</li><li>• proportion of revenue from those consumers; and</li><li>• the time period when consumers outside the target market acquired the product.</li></ul>
Monitoring of members	<p>Distributors must report on the number of members issued policies outside the target market on a quarterly basis within 20 business days of each reporting period.</p> <p>Distributors must report on the Review Trigger 3 on a half-yearly basis within 10 business days of each reporting period.</p>



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Encompass Protection is issued by MLC Limited (MLC Life Insurance, the Insurer) ABN 90 000 000 402 AFSL 230694. Protect Super Plan is a division of OneSuper ABN 43 905 581 638 RSE R1001341, issued by Diversa Trustees Limited (Diversa, the Trustee) ABN 49 006 421 638 AFSL 235153 RSE L0000635. NEOS Life (NEOS, the Administrator) is a registered business name of Australian Life Development Pty Ltd ABN 96 617 129 914 AFSL 502759. NEOS provides superannuation administration services in relation to the Protect Super Plan on behalf of the Trustee and insurance administration services (excluding the administration of claims) in relation to Encompass Protection on behalf of the Insurer.