

Scheme Summary

A notice to owners of life policies issued by TAL Life Insurance Services Limited ABN 31 003 149 157 (TLISL) and TAL Life Limited ABN 70 050 109 450 (TAL Life).

TLISL and TAL Life are making an application to the Federal Court of Australia (**Federal Court**) for confirmation of a Scheme to transfer the life insurance business of TLISL to TAL Life on and from 11:59pm AEDT on 31 March 2025 under Part 9 of the *Life Insurance Act 1995* (Cth) (**Life Act**).

We refer to this transaction as the 'Scheme' throughout this document.

The Federal Court must first confirm the Scheme under the Life Act before the transfer of insurance business from TLISL to TAL Life can go ahead.

This Scheme Summary outlines the key details of the application, and how this will affect you.

About this Scheme Summary

This Scheme Summary explains:

- > the proposed transfer of the life insurance business from TLISL to TAL Life;
- > the transfer process under the Scheme;
- > your rights as a policy owner;
- > how the proposed transfer will affect you; and
- > other aspects of the Scheme that you should know about.

A copy of this Scheme Summary is required to be given to each affected policy owner. It has been approved by the Australian Prudential Regulation Authority (**APRA**) for the purpose of TLISL and TAL Life making an application to the Federal Court for confirmation of the Scheme.

Your rights as a policy owner

As a policy owner affected by the Scheme, you have the right to **attend the Federal Court hearing and to request to be heard on the application for confirmation of the Scheme.**

The Federal Court hearing will be heard in Sydney at the Law Court's Building located at Queen's Square at 9:30 am on 24 February 2025. If you wish to be heard at the hearing, you may contact the lawyers for TLISL and TAL Life, Herbert Smith Freehills (attention: Michael Vrisakis and Tamanna Islam), 161 Castlereagh Street, Sydney, NSW, 2000 (Tel: 02 9225 5000), before the hearing date.

You may also:

- > **View a copy of the Scheme document and the actuarial reports free of charge.** See the "Where can I obtain further information?" section on page 4 for details.
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You are not required to take any action if you have no objection to the proposed Scheme.

It is important that you assess how the Scheme will affect you and you may find it helpful to examine the Scheme document and the actuarial reports to gain a fuller understanding of the Scheme.

Why are we proposing the Scheme?

TLISL and TAL Life are registered life insurance companies under the Life Act. Dai-ichi Life Holdings, Inc is the ultimate parent company of both TLISL and TAL Life.

As both businesses have a similar range of life insurance products, TLISL and TAL Life have agreed that it makes sense economically and practically to combine their life insurance businesses and their statutory funds.

What does the Scheme involve?

The Scheme involves transferring all of TLISL's life insurance business to TAL Life.

When will the Scheme take effect?

If the Scheme is confirmed by the Federal Court, unless the Federal Court selects a different date, it is expected that the Scheme will take effect on and from 11:59pm on 31 March 2025.

Who has considered the Scheme?

The Scheme was considered by several different groups, including the appointed actuaries of TLISL and TAL Life, an independent actuary, and APRA.

The actuaries' opinions

The Scheme is based on a combined actuarial report prepared by Mr Neil Ch'ng and Mr Joshua Corrigan, the appointed actuaries of TLISL and TAL Life (respectively), and an actuarial report by Mr Alan Merten, an independent actuary.

Impact on TLISL policy owners

Mr Ch'ng has formed the opinion that as a result of the Scheme, for the TLISL policy owners:

- > the Scheme will not adversely impact the contractual benefits and rights of the transferring TLISL policy owners;
- > TAL Life's intended basis of determining and implementing the non-contractually specified and discretionary aspects of the transferring TLISL policies will continue to meet the overall reasonable benefit expectations of the transferring TLISL policy owners; and
- > TAL Life will remain in a sound financial position and the transferring TLISL policy owners' benefit security will remain adequate after the Scheme.

Impact on TAL Life policy owners

Mr Corrigan has formed the opinion that as a result of the Scheme, for the TAL Life policy owners:

- > there will be no impact to the contractual benefits and rights of the existing TAL Life policy owners as a result of the Scheme;
- > there will be no impact to the reasonable benefit expectations of the existing TAL Life policy owners as a result of the Scheme;
- > each of the statutory funds of TAL Life, and TAL Life as a whole, will remain in a sound financial position and the existing TAL Life policy owners' benefit security will remain appropriate after the Scheme; and
- > there will be no disadvantages for the existing TAL Life policy owners as a result of the Scheme.

Findings of the Independent Actuary

TLISL and TAL Life has also appointed an independent actuary, Mr Alan Merten of Deloitte, who has concluded that, in respect of the TLISL policy owners and the TAL Life policy owners, the Scheme will not materially adversely affect:

- > the contractual rights of the policy owners of TLISL or TAL Life;
- > the reasonable benefit and other policy owner expectations of TLISL policy owners or the TAL Life policy owners; and
- > the benefit security of TLISL policy owners or the TAL Life policy owners.

The combined actuarial report of Mr Ch'ng and Mr Corrigan, and actuarial report of Mr Merten, are available for you to inspect. Please see the "Where can I obtain further information?" section on page 4 for details.

What happens if the Scheme proceeds?

If the Federal Court confirms the Scheme, then on and from the effective date of the Scheme:

- > the TLISL policies referable to TLISL's Statutory Fund No.1 will become TAL Life policies referable to TAL Life's Statutory Fund No.1;

- > the TLISL policies referable to TLISL's Statutory Fund No.2 will become TAL Life policies referable to TAL Life's Statutory Fund No.2;
- > TAL Life will acquire TLISL's rights and assume TLISL's liabilities and obligations (including the liabilities to pay benefits) in respect of the TLISL policies;
- > the assets and liabilities from TLISL's Statutory Fund No.1 will be transferred to TAL Life's Statutory Fund No.1; and
- > the assets and liabilities from TLISL's Statutory Fund No.2 will be transferred to TAL Life's Statutory Fund No.2.

The TLISL policies that will be transferred under the Scheme include the policies issued under the products listed in the **Annexure** on page 5.

How will my policy be affected?

TLISL policy owners

As a TLISL policy owner, if the Scheme is confirmed by the Federal Court, your TLISL policy will be transferred to TAL Life and become referable either to TAL Life's Statutory Fund No.1 or Statutory Fund No.2.

TAL Life will be responsible for administering your policy and paying any claims and meeting all other obligations arising under your policy. Any premiums will also be payable to TAL Life, but the amount you pay will not change because of the Scheme and you won't have to change your payment arrangements – this will happen automatically.

Your policy's terms and conditions will remain the same, other than:

- > a change to the insurer of your policy (that is, TAL Life will replace TLISL); and
- > a change to the relevant statutory fund (that is, your policy will become referable to TAL Life's Statutory Fund No.1 or TAL Life's Statutory Fund No.2).

TAL Life policy owners

Your policy's terms and conditions will remain the same.

Will my insurance claim or dispute be affected?

For TLISL policy owners, the Scheme will not affect:

- > active insurance claims or insurance claims under assessment;
- > progress, active requests, applications, or complaints submitted;
- > claims decisions that are under internal review or in dispute;
- > how customers and policies are serviced; or
- > any current or ongoing customer remediation programs.

What changes will I notice?

For TLISL policy owners, you may notice a change to the reference that appears on your bank statements, and future communications sent to you about your policy will be issued by TAL Life.

Further, some TLISL products and materials (where relevant) will be rebranded to align with TAL Life branding, including communications, marketing material, disclosure documents (e.g. Product Disclosure Statements) and other collateral. This rebranding will not result in any changes to the relevant terms and conditions of your policy.

Will I be issued a new policy document?

No, your existing policy document will still be valid and your existing policy will remain in-force with TAL Life as the issuer of your policy.

Who is paying for the Scheme?

The costs associated with the Scheme will be paid by TAL Dai-ichi Life Australia Pty Limited. Policy owners of TLISL and TAL Life will not incur any of those costs.

Where can I obtain further information?

You can view the Scheme document and the actuarial reports regarding the Scheme on our group websites at:

- > www.btlifeinsurance.tal.com.au/transfer
- > www.tal.com.au/transfer

You can request a copy of the Scheme document and the actuarial reports free of charge by contacting us on 1300 537 699 or transfersupport@tal.com.au.

Do you have any questions?

Please contact us on 1300 537 699 or email us at transfersupport@tal.com.au if you have any questions about the Scheme.

Annexure – List of Products

- Bank of Melbourne Personal Credit Protect
- BankSA Accident Cash Back Plan
- BankSA Accident Protect
- BankSA Everyday Protect
- BankSA Family Protect
- BankSA Flexicover Loan & Lifestyle Insurance
- BankSA Home Loan Protect
- BankSA Injury Protect
- BankSA Life Protect
- BankSA Lifestyle Protect
- BankSA Personal Credit Protect
- BankSA Serious Illness Protection Plan
- BankSA Women's Recovery Care Plan
- BT Complying Income Plan
- BT Income Protection For Mortgages
- BT Protection Plans
- BT Term Life For Mortgages
- Latitude Financial Services Creditline Loan Protection
- Latitude Financial Services Creditsafe
- Latitude Financial Services Mastercard Credit Card Protect
- St.George Accident Cash Back Plan
- St.George Accident Protect
- St.George Easycover Home Loan Protection
- St.George Estate Plan
- St.George Everyday Protect
- St.George Family Protect
- St.George Future Protect (Funeral)
- St.George Home Loan Protect
- St.George Home Loan Protection
- St.George Home Owner Protect
- St.George Income Protection For Mortgages
- St.George Injury Protect
- St.George Life Protect
- St.George Lifestyle Protect
- St.George Lifetime Protect
- St.George Personal Credit Protect
- St.George Personal Loan Protect
- St.George Protection Choices
- St.George Protection Plans
- St.George Quick Cover
- St.George Serious Illness Protect
- St.George Serious Illness Protection Plan
- St.George Term Life For Mortgages
- St.George Vital Protect
- St.George Women's Recovery Care Plan
- Westpac Accident Income Plan
- Westpac Accidental Death Plan
- Westpac Bill Cover
- Westpac Birthday Life Plan
- Westpac Business Loan Insurance
- Westpac Children's Foundation Plan
- Westpac Children's Headstart Insurance Bond
- Westpac Children's Headstart Investment Bond
- Westpac Children's Headstart Plan
- Westpac Credit Card Repayment Protection
- Westpac Easy Life Plan
- Westpac Easy Life Plus Insurance Plan
- Westpac Estate Plan
- Westpac Flexi Loan Repayment Protection
- Westpac Foundation Plan
- Westpac Future Cover
- Westpac Guaranteed Annuity Plan
- Westpac Home Loan Protection
- Westpac Housing Loan Protection
- Westpac Income Cover
- Westpac Income Protection For Mortgages
- Westpac Insurance Bond
- Westpac Investment and Protection Plan
- Westpac Investment Bond
- Westpac Level Term Life Insurance Plan
- Westpac Life Plus Insurance Plan
- Westpac Lifetime Protect
- Westpac Modular Insurance System - Policy 7
- Westpac Mortgage Life Insurance Plan
- Westpac Mortgage Secure
- Westpac No Nonsense Life Plan
- Westpac Permanent Life Insurance Plan
- Westpac Personal Loan Protection
- Westpac Protection Plans
- Westpac Recovery Plus Insurance Plan
- Westpac Rollover Bond
- Westpac Rollover Investment Bond
- Westpac Term Life For Mortgages
- Westpac Universal Life
- Westpac Universal Life Plan
- Westpac Variable Income Plan
- Westpac Well