

TARGET MARKET DETERMINATION – PRORISK COMMERCIAL FLEET

Product Disclosure Statement (PDS)	ProRisk Commercial Fleet Insurance Policy V5 – 1 October 2021
Commencement Date	This Target Market Determination (TMD) applies to the product from 05/10/2021 and will continue to apply until this TMD is withdrawn.
Product Issuer:	HDI Global Specialty SE – Australia, ABN 58 129 395 544, AFS Licence No 458776 (“HDI Global Specialty”).
Product Distributor:	Professional Risk Underwriting Pty Ltd (“ProRisk”) ABN 80 103 953 073 AFS Licence No. 308076

ABOUT THIS DOCUMENT

This Target Market Determination (TMD) applies to the Commercial Fleet described in ProRisk Commercial Fleet Insurance Policy Product Disclosure Statement and Policy Wording Document dated 1 October 2021 and any applicable Supplementary Product Disclosure Statement (together the PDS).

ProRisk acts under a binding authority as agent for the insurer of this product.

WHAT IS A TARGET MARKET DETERMINATION?

This TMD provides HDI Global Specialty SE’s distributors and customers information about:

- the customers for whom this product is appropriate (being the target market);
- the customers for whom this product is NOT appropriate;
- any distribution conditions and/or restrictions attaching to the product;
- the reporting obligations of the distributors; and
- the review period(s) and events which may trigger a review.

This TMD is not intended to provide any financial product advice to customers on the cover provided. Also, we do not consider any customer’s personal needs, objectives or financial situation in providing any information in this TMD.

Terms used in this TMD that are defined for the purpose of Chapter 7 of the Corporations Act, have the same meaning as under the Act.

Please note that it is the PDS and Policy Wording that sets out the standard terms and conditions of the cover. This TMD does not form part of the terms of the cover. A customer must always refer to the PDS, Policy Wording and any Supplementary Product Disclosure Statement, before making a decision about the product, to ensure the product is suitable for their needs.

WHAT PRODUCT DOES THIS TARGET MARKET DETERMINATION APPLY TO?

This product has three (3) sections of cover as set out below and has been designed for customers in the target market to provide financial protections as follows:

- damage or loss to customers’ vehicle caused by or arising from an accident or theft as per Section 1;
- Customers’ legal liability to third parties arising from use of customers’ registered vehicle as per Section 2;
- additional benefits as detailed in the PDS for losses a customer may suffer consequent upon the loss or damage to their registered vehicle as per Section 3.

The product offers options to enable a customer to tailor the product to suit their individual needs.

ProRisk policy on its approach to the distribution and development of products for appropriate target market distribution is available at

<https://www.prorisk.com.au/globalassets/documents/prorisk-product-design--distribution-policy-2021.pdf>

WHICH CLASS OF CUSTOMERS IS THIS PRODUCT TARGETED TO?

This product is designed for customers who have businesses that own and operate commercial fleet vehicles and require financial protection for:

- loss or damage to their vehicle and/or,
- legal liability for damage to other people’s property

For a customer to be considered within the target market they must meet our key eligibility criteria as outlined in the following.

WHO IS WITHIN THE TARGET MARKET FOR PRORISK COMMERCIAL FLEET?

Customers <u>WITHIN</u> the Target Market (Customers are within the target market if all the following conditions apply)	
✓	Own and operate commercial motor fleets with a minimum of 15 vehicles;
✓	The vehicles may be <ul style="list-style-type: none"> • Sedan type ; • Light goods carrying vehicles up to 10 tonne carrying capacity • Mixed fleets with sedans, vans, utes, light goods carrying vehicles and some light mobile plant
✓	Owners and operators of some types of transports fleets – being short haul – carriage of non-time sensitive goods such as sand & soil;
✓	Owners and operators of commercial motor fleets with good proven claims experience and/or risk management; and
✓	Owners and operators of commercial motor fleets in the following business segments: <ul style="list-style-type: none"> - Manufacturing - Traffic management - Transport – certain sectors only and subject to approval - Construction – light vehicles only - Wholesale Trade - Healthcare - Retail

**Customers NOT within the Target Market
(Customers are NOT within the target market if any of the following conditions applies)**

x	Owners and operators of commercial motor fleet with less than 15 vehicles;
x	Owners and operators of Hired vehicles & dry hire;
x	Owners and operators of courier vehicles;
x	Owners and operators of vehicles used in underground mining;
x	Owners and operators of Taxi fleets / chauffeur driven vehicles/ride-share vehicles such as Uber;
x	Commercial Transport operators including carriage of produce, refrigerated and other time-sensitive goods, stock carriers and long haul operators;
x	Owners and operators of Dangerous goods carrying fleets;
x	Owners and operators of motor vehicle fleets that consist of predominantly prestige (high priced vehicles) and/or high-performance type vehicles; or
x	Owners and operators of Heavy plant & equipment – Civil works.

WHAT DISTRIBUTION CONDITIONS APPLY TO THIS PRODUCT?

The product application process has been designed to guide customers directly to the product most likely to meet their needs and objectives based on their responses to the questions in our product application.

ProRisk’s staff have been adequately trained in the product, the customer(s) it is intended for and the underwriting criteria applicable to the product.

Distribution Restrictions	<p>This product can only be distributed if the following conditions are met:</p> <ul style="list-style-type: none"> ■ It can only be sold via an insurance broker and cannot be sold directly to the public. ■ The agreement between the insurance broker and ProRisk sets out the obligations on the broker and ProRisk to distribute products only to customers within the TMD, and the ramification if the product is distributed to customers outside of the TMD. ■ The insurance product distributor must; <ul style="list-style-type: none"> – be authorised to distribute the product and those arrangements must not have been cancelled or suspended; – agree to comply with all underwriting criteria and levels of authority (as applicable); – agree to not distribute the product where they receive notice from Us that this TMD is not up to date and no new TMD has been provided; and
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	<ul style="list-style-type: none"> - where a new TMD has been provided, agree to distribute in accordance with the new TMD. ▪ The TMD is currently not subject to any ASIC action that might suggest that the TMD is no longer appropriate. <p>Where an insurance broker provides personal advice in relation to the product it is that broker's responsibility to ensure that acquiring the product is in the best interests of the customer having regard to the customer's objective, financial situation and needs. Accordingly, when personal advice has been provided in relation to the product the obligation under this TMD do not apply to the insurance broker or ProRisk.</p>
Distribution Conditions	<ul style="list-style-type: none"> - This product can only be sold via an offer of cover and acceptance of cover. - This product can be sold to customers within the target market without the customer being provided with any financial product advice or, general or personal advice.
Distribution Method	<ul style="list-style-type: none"> - This product can only be distributed by an insurance broker through manual quoting under the agreement between the broker and ProRisk. Distribution through brokers via offer and acceptance basis following submissions to ProRisk

INFORMATION REQUIRED FROM DISTRIBUTORS AND REPORTING PERIODS

Distributors of this product are required to provide HDI Global Specialty SE – Australia with information in relation to the product covered by this TMD in the circumstances as set out in the table below. This information the product issuer needs to identify, or the product distributor needs to provide to enable the product issuer to assess if the TMD is no longer appropriate for this product.

Reportable matters	When
The cover is issued to a customer that was ineligible for cover in accordance with the Application Process.	As soon as practicable after you become aware of the matter, and within 10 business days.
<p>Complaints information</p> <ul style="list-style-type: none"> ▪ The number of complaints the distributor has received about this product in the reporting period. ▪ A short summary of the nature of the complaint raised and any steps taken to address the complaints; and ▪ Any general feedback on this product. <p>Distributors should include sufficient details about the complaint that would allow HDI Global Specialty SE – Australia to identify whether the TMD may no longer be appropriate to the class of customers.</p>	<p>Monthly and no later than 10 business days after the agreed complaints reporting date (<i>Complaints Reporting Period</i>).</p> <p>Notification of the complaint within 2 business days after receipt.</p>
There have been any significant dealings by you that are inconsistent with the TMD.	As soon as practicable after you become aware of the matter, and within 10 business days.

Reportable matters	When
Communication from a regulator in relation to the product or TMD.	Same day

SIGNIFICANT DEALINGS

If an actual or possible significant dealing outside of the target market is identified, HDI Global Specialty SE – Australia requires information such as the date (or date range) the dealing occurred, details about the dealing(s) and any steps or actions taken to mitigate.

Distributors should have regard to current ASIC guidelines when determining what may constitute a significant dealing.

ProRisk will notify HDI Global Specialty SE – Australia of any significant dealing in the Product that is not consistent with the TMD as soon as practicable (within 10 business days). This includes but is not limited to a consideration of the nature and degree of harm resulting from the issue of this Product to a retail customer.

WHEN WILL WE REVIEW THIS DOCUMENT?

The initial review of this TMD will occur no later than 12 months from the date this TMD is first published, or within 10 business days if an event or circumstance (Review Trigger) occurs which would reasonably suggest that the TMD is no longer appropriate.

This TMD will then be reviewed at least every 24 months after the end of the previous review or agreed otherwise by HDI Global Specialty SE – Australia.

OTHER CIRCUMSTANCES WHICH MIGHT REQUIRE US TO REVIEW THIS DOCUMENT?

Outside of the identified review period this TMD may be reviewed more regularly if an event or circumstance is identified that may reasonably suggest that the product is no longer suitable to the target class of customers and would trigger a review. These would include, but are not limited to, us becoming aware of:

- an event or circumstance that would materially impact on or change a factor taken into account when making the TMD that would suggest to Us that the TMD is no longer appropriate, such as a change in underwriting requirements;
- the product has materially not been distributed and purchased in a way that is significantly inconsistent with this TMD;
- a material change to the product including Product Disclosure Statement, Policy Wording information or assumptions upon which the TMD was formulated like the Application Process, pricing requirements, underwriting guidelines;
- feedback, such as significant or systemic complaints or claims issues, received from insurance brokers, distributors or customers who purchased the product, which are of a nature that suggest to us that the TMD is no longer appropriate;
- change of relevant law, regulatory guidance, industry code or feedback from regulators such as ASIC, APRA or other interested parties which has a material effect on the terms or distribution of the product.