

# BUSINESS TRAVEL TARGET MARKET DETERMINATION

## 1. ABOUT THIS DOCUMENT

This target market determination (**TMD**) relates to the Allied World issued by Allied World Assurance Company, Ltd (Australia Branch) ABN 54 163 304 907 AFSL 548668 (**AWAC**). References to “we”, “our” and “us” in this document means AWAC as the insurer of this policy.

This TMD has been designed to help our customers, representatives and our staff understand who the Allied World Business Travel Product is most suitable for (**target market**). It is not intended to provide financial advice and does not form part of the terms of who the Allied World Business Travel Product. In addition to the key eligibility requirements outlined in this TMD, the product is subject to acceptance criteria as determined by us from time to time.

This TMD also describes:

- Who our product is not suitable for;
- How the product can be distributed to our customers;
- How often we will review this TMD and when the next review will be;
- The events and circumstances that could mean we need to review whether this TMD is still appropriate;
- The information we would need in order to decide that this TMD is no longer appropriate; and
- How we record information related to the product and how this information is reported.

If you are considering whether to purchase the Allied World Business Travel Product, please refer to the Product Disclosure Statement (**PDS**) (and any Supplementary Product Disclosure Statement (**SPDS**) that may apply) to decide whether the product is right for you. Please use the PDS (and SPDS, if any) to understand the meaning of any capitalised terms used in this TMD which are not defined in this document. They can be found here [alliedworldinsurance.com/Australia](http://alliedworldinsurance.com/Australia)

This TMD is current as at 1st May 2024 and will continue to apply until it is replaced or withdrawn. We may review this TMD at any time.

## 2. DESCRIPTION AND TARGET MARKET OF PRODUCT

### 2.1 Product description

Allied World Business Travel offers coverage to employees, students or members of a Policyholder who meet the target market, whilst travelling for activities on behalf of or in the service of the Policyholder.

This product has been designed to provide protection against various travel-related risks such as trip cancellations, medical emergencies, lost luggage, and other unforeseen events.

The Allied World Business Travel product is subject to limits, sub-limits, terms, conditions and exclusions.

Examples of key exclusions include:

- An insured person participating, training or taking part in professional sport of any kind
- Any local or federal government enforced border closure
- Any claim partially or fully covered under Medicare

Refer to the PDS (and SPDS, if any) for this product for full details.

## 2. DESCRIPTION AND TARGET MARKET OF PRODUCT CONTINUED

The Allied World Business Travel product has been designed for Australian registered entities who wish to have financial protection for:

- Overseas Medical and Evacuation Expenses
- Cancellation, Curtailment and Loss of Deposit Expenses
- Luggage and Personal Effects
- Personal Accident and Sickness
- Motor Vehicle Excess Waiver
- Personal Liability and Identity Theft
- Kidnap, Ransom and Detention
- Political and Natural Disaster Evacuation
- Alternative Employee or Resumption of Journey
- Extra Territorial Workers Compensation
- Recovery and Assistance Benefits

### 2.2 This product is suitable for:

- Australian registered entities of all sizes who have employees, students or members travelling overseas on behalf of or in service or care of the registered entity.

### 2.3 This product is not suitable for:

- Non-Australian registered entities and Individuals
- People who are seeking cover for types of losses that are excluded under the terms of the policy.
- People who cannot afford to pay the applicable premium or other costs payable under the policy or who do not consider there is value in having the insurance – they are happy for the loss to be uninsured.

### 2.4 Likely objectives, financial situation and needs

This product has been designed to meet the likely objectives and needs of consumers as outlined below.

#### • Objectives:

- Financial protection and travel emergency services in the event of a crisis or unforeseen inconvenience for insured persons whilst travelling.

#### • Needs:

- Insured Persons on international or domestic assignment for a duration of less than 365 days
- Insured Persons who frequently travel domestically or internationally for business

The Allied World Business Travel product is only suitable for a customer with the objectives, financial situation and needs described above because:

- It provides cover for the types of loss or damage events that people in the target market are seeking to be insured against; and
- It is designed for people who require insurance with the key attributes described above.

Each person will need to consider whether the Allied World Business Travel product meets their own objectives, financial situation and needs.

### 3. HOW THIS PRODUCT IS TO BE DISTRIBUTED

We have designed this product, so it is distributed by insurance intermediaries who act on behalf of the customer.

We have conditions in place to help ensure that the Allied World Business Travel product is only sold to people in the target market. These conditions include:

- Business Travel is only available for purchase from licensed insurance brokers.
- Our underwriters are appropriately trained, understand the market this product is designed for and how to identify people within and outside of the target market; and
- Internal processes and systems are in place to support the distribution of Business Travel to people in the target market.

### 4. REVIEWING OF THIS TMD

#### 4.1 Review process and timeframes

It is important that we review this TMD to make sure it is appropriate for the needs of potential and existing customers. When we review this TMD, we will consider information collected by product distributors or authorised representatives.

This information includes:

- Eligibility for cover;
- Sales information;
- Customer information;
- Claims information;
- Feedback and complaints; and
- Renewals and cancellations.

We will review this TMD no later than 1 year from the publication date to ensure it is still appropriate. We will then review this TMD annually to ensure it remains appropriate. This TMD will also be reviewed earlier if a review trigger occurs as outlined below.

#### 4.2 Review triggers

Certain events and circumstances taking place could mean that a review should take place earlier than the annual review. This is because the TMD could no longer be appropriate or this product is no longer consistent with the likely objectives, financial situation and needs of people in the target market. These events and circumstances are called review triggers. Below is a list of **review triggers** for this TMD:

- We make a significant change to the eligibility criteria for the insurance;
- We make a significant change to the insurance including the benefits or exclusions;
- We make a significant change to the way the insurance can be distributed by the insurance brokers or underwriting agencies that AWAC has partnered with;
- We receive a significant number of complaints or feedback relating to the appropriateness of this product for the target market;
- We receive a significant number of claims, which may suggest the product is not performing appropriately for the target market;
- We note significant changes in other metrics relating to the suitability of the product for the target market, including but not limited to claims ratios, number of policies sold, policy lapse and cancellation rates, average claims duration, claims denied and withdrawn and the nature and number of complaints;
- We become aware of a material defect in the PDS for the product which reasonably suggests that the TMD is no longer appropriate;

## 4. REVIEWING OF THIS TMD CONTINUED

- We identify that the sale of the insurance has been made to someone outside of the target market or in a way that does not meet the distribution conditions for the TMD;
- There is a change in law or regulatory guidance or industry code which may materially affect the terms of the insurance or distribution or regulatory feedback or concerns raised to suggest the TMD may no longer be appropriate; or
- Feedback, orders or directions from a regulator or external dispute resolution body like AFCA that suggests this TMD is no longer appropriate.

Our distributors also consider whether a review trigger has taken place. If they think an event or occurrence is a review trigger, they must tell us within 10 business days.

If we decide we have enough information to identify that a review trigger has occurred, we will review this TMD within 10 business days of our decision.

## 5. REPORTING

We record all complaints that we receive about our Business Travel product. Our representatives must also record any complaints related to the insurance. They must report these complaints to us every three months.

If our distributors believe that the insurance has been sold to person who does not fit with this TMD, they must report this to us within 10 business days.