

# GROUP PERSONAL ACCIDENT & SICKNESS TARGET MARKET DETERMINATION

## 1. ABOUT THIS DOCUMENT

This target market determination (**TMD**) relates to the Allied World Group Personal Accident & Sickness product 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 Group Personal Accident & Sickness product is most suitable for (**target market**). It is not intended to provide financial advice and does not form part of the terms of the Allied World Group Personal Accident & Sickness 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 Group Personal Accident & Sickness 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 This TMD is current as at 12th March 2024 and will continue to apply until it is replaced or withdrawn.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

Group Personal Accident & Sickness Insurance provides financial protection to insured persons against accidental injuries and sicknesses that may prevent them from working on a temporary or permanent basis. This insurance offers benefits such as weekly income benefits and lump sum payments for accidental death or permanent disabilities.

Additional benefits may be available under certain covers, such as fractured bones and dental benefits due to an accident.

Allied World Group Personal Accident & Sickness is subject to limits, sub-limits, terms, conditions and exclusions.

Examples of key exclusions include:

- Pre-existing conditions
- Professional/Amateur sport
- 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

### 2.2 This product is suitable for the following customers:

- Employers: Australian registered companies of all sizes seeking to provide comprehensive insurance coverage to their employees as part of their employee benefits package
- Associations and Organisations: Groups or associations representing specific professions or sectors that wish to offer insurance benefits to their members.
- Industries: Various industries such as mining, construction, manufacturing, retail, healthcare, and hospitality where workplace injuries and illnesses are common.

### 2.3 This product is not suitable for:

- Entities registered outside of Australia
- Customers seeking loss of license insurance
- Professional sport players/organisations
- Amateur sport players/organisations
- 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 – i.e 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:**
  - Customers seeking complementary or supplementary income protection to workers compensation cover for their employees or members.
  - Customers subject to an enterprise bargaining agreement necessitating income protection for employees
  - Customers seeking to provide compensation for permanent injury to their members, students or employees whilst under their duty of care
- **Needs:**
  - Loss of income protection due to unforeseen bodily injury or sickness
  - Lump sum compensation due to unforeseen permanent bodily injury or accidental death

Allied World Group Personal Accident & Sickness is only suitable for a person 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 Allied World Group Personal Accident & Sickness 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 Allied World Group Personal Accident & Sickness is only sold to people in the target market. These conditions include:

- Allied World's Group Personal Accident & Sickness insurance 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 Group Personal Accident & Sickness 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 Group Personal Accident & Sickness insurance 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.