

Target Market Determination

for WFI Commercial Plan

About this document

This Target Market Determination (TMD) applies to WFI Commercial Plan. It covers the retail sections of WFI Commercial Plan products. Other sections may also be available, but as they are not covered by ASIC's Product Design and Distribution Obligations and they do not form part of this TMD. The TMD seeks to offer customers, distributors and employees an understanding of the class of customers for which this product has been designed, considering their needs, objectives and financial situation.

This document is not intended to provide financial advice regarding coverage, nor does it form a part of the terms of cover. In addition to the key eligibility requirements outlined in this document, the product is also subject to acceptance criteria. Customers must refer to the Product Disclosure Statement (PDS) and any supplementary document(s), which outline the relevant terms, conditions, exclusions and insurance cover being provided under the product, when making a decision about this product.

1. Issuer

Insurance Australia Limited, ABN 11 000 016 722, AFS Licence No. 227681

2. Date from which this Target Market Determination is effective

5 October 2021.

This Target Market Determination is effective from the date shown above. This Target Market Determination will apply to policies that are purchased or renewed on or after 5 October 2021. For historical versions of this document, please contact your insurer or distributor, or refer to our website at iag.com.au/tmd.

3. Class of customers that fall within this target market

The WFI Commercial Plan Insurance product is designed to offer choices of cover for a class of customers whose likely needs, objectives and financial situation outlined below, are aligned with the product and its key attributes and eligibility criteria.

3.1 Product description and key attributes

The WFI Commercial plan insurance product can be tailored to suit the individual customer. This can be based on a choice of any combination of the following covers according to their needs: Home Building, Home Contents, Personal Valuables, Motor Vehicle, Boat or Personal Accident. Each cover can be tailored to suit the individual customer, based on the value of the assets they are insuring (for covers other than Personal Accident or Illness), occupation or income (for Personal Accident or Illness), options for excess, certain optional covers and premium payment arrangements.

The key eligibility requirements to purchase this insurance product include:

3.1.1 Home Building Insurance

Key eligibility criteria	This product is appropriate for	This product is not appropriate for
The type of Home you own	Providing cover for a private residential building, including the fixtures and fittings, such as a: <ul style="list-style-type: none">• Free standing house• Townhouse, villa or duplex• Semi-detached house or terrace	Buildings which are, but not limited to: <ul style="list-style-type: none">• Under registered body corporate, or• Houseboats Note: different products may be available for these types of buildings
How you use the Home you own	A private residential building that: <ul style="list-style-type: none">• Is your Primary residence• Is your Holiday home, or• Could be used for occasional short-term rental agreements subject to acceptance criteria	The Home is a business, including but not limited to: <ul style="list-style-type: none">• Hotels, motels, or hostels• Bed & breakfast;• Nursing home• Retirement village• Boarding houses• For the purposes of an exhibition or display, or• Used predominately for commercial or business reasons

The condition of your Home	The Home meets the acceptable dwelling criteria, including being: <ul style="list-style-type: none"> • Secure • Watertight • Structurally sound, and • Well maintained 	The Home fails the acceptable dwelling criteria, including being: <ul style="list-style-type: none"> • Buildings under initial construction, or • Under renovations that cost more than specified in the PDS
----------------------------	--	--

3.1.2 Home Contents Insurance

Key eligibility criteria	This product is appropriate for	This product is not appropriate for
The type of Home you live in as the owner or as a tenant	General Contents you own within a private residence that is a: <ul style="list-style-type: none"> • Free standing house • Townhouse, villa or duplex • Unit, flat or apartment • Semi-detached house or terrace • Retirement village or aged care facility, or • Strata Titled property 	Contents you own and are permanent located within, but not limited to: <ul style="list-style-type: none"> • Caravans • Motorhomes • Houseboats Note: different products may be available to insure contents within these types of buildings
The type of Contents	<ul style="list-style-type: none"> • Household goods or items that you own or are legally responsible for, and • Are items which you or your family keep in and around your Home 	Contents listed as excluded and/or under 'contents do not include' in the PDS such as: <ul style="list-style-type: none"> • A boat over three meters in length • A jet ski • Animals
How you use the Home you live in as the owner or as a tenant	A private residential building that: <ul style="list-style-type: none"> • Is your Primary Residence • Is your Holiday Home, or • Could be used for occasional short-term rental agreements subject to acceptance criteria 	The Home is a business, including but not limited to: <ul style="list-style-type: none"> • Hotels, motels, or hostels • For the purposes of an exhibition or display, or • Used predominately for commercial or business reasons
The condition of the Home you live in as the owner or as a tenant	The Home meets the acceptable dwelling criteria, including being: <ul style="list-style-type: none"> • Secure • Watertight • Structurally sound, and • Well maintained 	The Home fails the acceptable dwelling criteria, including: <ul style="list-style-type: none"> • Buildings under initial construction, or • Buildings under renovation that cost more than specified in the PDS

3.1.3 Personal Valuables Insurance

Key eligibility criteria	This product is appropriate for	This product is not appropriate for
The type of Valuables	<ul style="list-style-type: none"> • Personal Valuables as defined in the PDS such as jewellery, photographic equipment, and • Are items that belong to you or a member of your family 	<ul style="list-style-type: none"> • Items not listed in the PDS • Sporting equipment for damage while being used
The location of the Valuables	<ul style="list-style-type: none"> • Items in Australia • Valuable elsewhere in the world for the first 90 days of you or your family trip 	<ul style="list-style-type: none"> • Items in a building unoccupied for at least 90 days

3.1.4 Motor Vehicle Insurance

Key eligibility criteria	This product is appropriate for	This product is not appropriate for
The type of Vehicle you own	<ul style="list-style-type: none"> • Passenger vehicles, including but not limited to sedans, wagons, SUV, utilities and people carriers • Caravans, trailers and horse floats • Commercial vehicles • Farm vehicles including tractors and equipment 	Vehicles with characteristics outside the policy acceptance criteria
How you use the Vehicle	The vehicle is used for Private or Business use or occasional ridesharing	The vehicle is used for deliveries, racing, driver education or hire or solely used for carrying paying customer
The condition of Vehicle	<ul style="list-style-type: none"> • Good repair and condition • Meets the registration requirement to your state or territory 	<ul style="list-style-type: none"> • Not in good repair and condition • Does not meet registration requirements

3.1.5 Personal Accident and Illness Insurance

Key eligibility criteria	This product is appropriate for	This product is not appropriate for
The income you earn	<ul style="list-style-type: none"> • People who are self-employed as a business owner or primary producer and who earn an income from that employment, or • People who earn an income as an employee 	<ul style="list-style-type: none"> • People who do not earn an income
Your employment status	<ul style="list-style-type: none"> • People who are self-employed as a business owner or primary producer and do not have access to sick leave or workers compensation 	<ul style="list-style-type: none"> • People who are employees of a business or company with access to benefits such as sick leave or workers compensation. Unless you have opted for leisure hours only
Your health	<ul style="list-style-type: none"> • People who meet our acceptance criteria including pre-existing medical conditions which have been pre-approved 	<ul style="list-style-type: none"> • People who require cover for a pre-existing medical condition that does not meet our acceptance criteria

3.1.6 Pleasure Boat Insurance

Key eligibility criteria	This product is appropriate for	This product is not appropriate for
The type of Boat you own	<ul style="list-style-type: none"> • Runabouts • Sailboats (single hull and catamarans) • Kayaks • Cuddy cabins (half cabins) • Dinghies • Cruisers • House boats • Ski boats • Canoes, and • Personal watercraft (PWC) e.g. Jet Ski 	Boats including but not limited to: <ul style="list-style-type: none"> • Boats capable of doing speeds of over 50 knots
How the Boat is used	<ul style="list-style-type: none"> • The Boat is used for private purposes • The Boat is not to be used more than 50Km from the Australian mainland or Tasmania 	Boats used for, but not limited to: <ul style="list-style-type: none"> • Boats used for commercial use including hire, charter, or any other business purposes • Customers and/or authorised users who do not have a valid boat licence as required by law
The condition of your Boat	<ul style="list-style-type: none"> • The Boat must be structurally sound • The Boat must be capable of making a safe return from a journey on water 	Boats that are, but not limited to: <ul style="list-style-type: none"> • Unsafe or unseaworthy boats • Boats which have previous damage, or faulty design or workmanship/repairs

Each PDS has specific coverage and limitations

3.2 Needs and objectives

This product has been designed for people who require a choice of different covers as set out in the tables below. The crosses indicate the needs and objectives that each choice of cover has not been designed for.

3.2.1 Home Building and Contents Insurance

Needs and objectives	Choice of cover	
	Classic Home	Standard Home
Level of cover	Highest level of cover	Lower level of cover
Are seeking cover for damage to your Home Buildings and/or Contents	Cover for Accidental Damage and Listed Events with Additional Benefits	Cover for Listed Events with Additional Benefits
Location of where cover is provided if Contents cover is chosen	<ul style="list-style-type: none"> • At your Home • At your Home in the open air and it is in a fully roofed building, and • Away from your Home 	<ul style="list-style-type: none"> • At your Home • At your Home in the open air and it is in a fully roofed building • Away from your Home for limited Listed Events and at locations as listed in the PDS
Are seeking Liability cover – as the property owner or occupier of the property	✓	✓
Are considering Flood cover	✓	✓

3.2.2 Personal Valuables Insurance

Needs and objectives	Personal Valuables cover
Customers seeking cover to replace Personal Valuables for Accidental loss, Theft, or damage.	✓
Customer seeking options to insure Valuable Items as either Specified or Unspecified items.	✓

3.2.3 Personal Accident and Illness Insurance

Needs and objectives	Choice of cover	
	Accident cover	Accident and Illness cover
Seeking cover for loss of a portion of income due to an unforeseen accidental injury	✓	✓
Seeking cover for loss of a portion of income due to an illness first diagnosed during the policy period	X	✓
Seeking optional cover for loss of a portion of income due to injury when participating in some sporting activities as specified in the PDS (e.g. football, polo)	✓	✓
Seeking cover that provides a lump sum for certain injuries such as losing a hand or an eye and/or accidental death during the policy period	✓	✓
Seeking a life insurance or non-cancellable insurance product	X	X

3.2.4 Motor Vehicle Insurance

Needs and objectives	Choice of cover		
	Comprehensive	Third Party Fire and Theft Insurance	Third Party Insurance
Level of cover	High level of cover	Mid level of cover	Lowest level of cover
Requiring cover for damage to your Motor Vehicle	✓	✓ If caused by fire or theft only	X
Requiring protection for your Legal Liability in respect of another person's vehicles or property caused by a motor vehicle accident	✓	✓	✓
Requiring choice of additional covers or options	✓	X	X

3.2.5 Pleasure Boat Insurance

Needs and objectives	Pleasure Boat cover
Customers who want to be covered for financial loss where their boat, is destroyed, lost or damaged as a result of a Listed event and/or Accidental damage	✓
Customers seeking protection from financial loss where someone makes a claim or seeks compensation for death or injury to that person or another person and for loss or damage to that person's property	✓
Customers seeking optional covers (e.g. water skiing liability)	✓

Each PDS has specific coverage and limitations.

3.3 Financial situation

A person who is able to pay premiums in accordance with the chosen premium structure, excess, fees and government charges, having regard to personal circumstances and vulnerability or hardship considerations.

Relevant financial situation considerations include	Home	Boat	Motor Vehicle	Personal Valuables	Personal Accident/ Illness
Ability to vary your premium by considering different levels of cover	✓	X	✓	X	✓
Ability to vary your premium level by choosing your excess	✓	✓	✓	✓	✓
Ability to choose to pay your premium annually or by instalment	✓	✓	✓	✓	✓
Ability to potentially vary your premium by choosing to add optional covers to the policy to suit your needs	✓	✓	X	X	✓

3.4 Consistency with the target market

The insurance product including its key attributes is likely to be consistent with the likely objectives, financial situation and needs of the class of customers in the target market, as we consider that it provides the required type of insurance cover for that class of customers. This has been determined based on an assessment of the insurance product including its key attributes. Individual customers will need to consider whether this insurance product meets their specific objectives, financial situation and needs.

4. How this product is to be distributed

The following distribution conditions apply:

This product is designed to be distributed by us or our distributors by any of the following means, where authorised:

- Online through relevant websites
- By contacting a branch or contact centre
- In person (e.g. branch, agency or premises visit)
- This product can only be issued to people where they are eligible for that cover in accordance with the application and/or acceptance/ renewal criteria that has been approved in writing by the issuer and which complies with relevant laws
- This product can only be distributed by us or distributors where we or our distributors have received training and relevant accreditation (if required) and have met annual compliance reviews.

The distribution conditions will make it likely that customers who acquire the insurance product are in the target market, as we consider that the distribution conditions are appropriate and will enable us and our distributors to direct the insurance product to the class of customers who fall within the target market set out above. This has been determined based on an assessment of the distribution conditions and the target market.

5. Reviewing this Target Market Determination

We will review this Target Market Determination in accordance with the below.

Initial review	Within three (3) years of the effective date
Periodic reviews	At least every three (3) years from the initial review
Review triggers or events	Any event or circumstances arise that would suggest the TMD is no longer appropriate. This may include (but not limited to): <ul style="list-style-type: none"> • A material change to the design or distribution of the insurance cover, including related documentation • An alteration in acceptance criteria or underwriting criteria • Systemic issues across the product lifecycle • Distribution conditions are no longer appropriate • We have determined that a significant dealing has occurred • Where applicable, feedback from distributors or customers • External events such as adverse media coverage or regulatory attention, and • Significant changes in metrics including claims, complaints and loss ratios

Where a review trigger has occurred, this Target Market Determination will be reviewed within 10 business days.

6. Reporting and monitoring this Target Market Determination

We will collect and may require our distributors to report on the following information in relation to this TMD:

Complaints	All complaints in relation to this product on a monthly basis. This will include written details of the complaints.
Sales data	Relevant sales and customer data in relation to this product on a monthly basis.
Claims data	Where relevant, claims data in relation to this product on a monthly basis.
Significant dealings	Report if we or they become aware of a significant dealing in relation to the product that is inconsistent with the TMD within 10 business days.

7. PDS to which this Target Market Determination applies

This TMD applies to the following PDS:

PDS Reference	
Commercial Plan	