

Chubb Target Market Determination

Equipment Insurance Policy - Direct

CHUBB®

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Important Information

This Target Market Determination (**TMD**) is required under section 994B of the Corporations Act 2001 (Cth) and has been prepared by the product issuer Chubb Insurance Australia Limited (**Chubb**) AFSL 239687 ABN 23 001 642 020. The TMD is designed to assist customers, distributors and Chubb staff to understand who this product has been designed for and who it is not suitable for. The TMD identifies triggers for Chubb to review the target market and sets out the conditions and restrictions on distribution of the product described below. It also sets out the reporting obligations of Chubb's distributors. This document is not a Product Disclosure Statement (**PDS**) and is not a summary of the product features or terms of the product. This document does not take into account any person's individual objectives, financial situation or needs and is not intended to constitute personal advice. Persons interested in acquiring this product should carefully read the PDS before deciding whether to purchase this product.

This TMD is effective from the date of publication until its replacement or withdrawal.

Where a word is capitalised in this TMD and not otherwise defined, the definition of the word can be found in the policy wording/PDS.

Target Market Determination

1. Details

Product Name/s:	Equipment Insurance Policy - Direct [PDS: DIRECT 20190701] (the Product)
Publication Date of TMD:	August 2021
Initial Review Date:	August 2023 (2 years from date of publication)
Frequency of Product Reviews:	Every 2 years from date of publication, subject to intervening review triggers as outlined in section 4 of this TMD

2. Product Target Market

What is the Product?

This Product provides insurance coverage against theft of, or accidental damage to personal equipment owned by individuals as described in the corresponding policy schedule or certificate of insurance.

Key covers/attributes

- ✓ The Product provides insurance cover for personal equipment against:
 - Accidental damage; and
 - Theft.
- ✓ Worldwide cover for mobile equipment (subject to international sanctions).
- ✓ Repair or replacement of the equipment.
- ✓ Sum insured up to the purchase price of the equipment, as stated in the policy schedule or certificate of insurance.
- ✓ Broad range of equipment categories eligible for cover, such as:
 - firearms;
 - golf carts;
 - hearing aids;
 - insulin pumps;
 - mobile electronic equipment (laptops and mobile phones);
 - musical instruments;
 - photographic equipment;
 - scuba diving equipment;
 - sports equipment;
 - wheelchairs (motorised and non-motorised).

Key Exclusions

This Product excludes claims arising from (among other things):

- × Terrorism;
- × war and confiscation (for example, nationalisation of assets);

- × wear and tear;
- × loss due to:
 - theft where items are left unattended;
 - accidental loss;
 - mugging;
- × damage caused by variations in temperature, climatic conditions;
- × damage caused by corrosion, contamination, pollution, rust, vermin, moths, termites or other insects;
- × damage or loss caused by inherent defects in the equipment;
- × loss of data (other than a standard manufacturer installed operating system);
- × consequential loss of any kind.

Customers the Product was designed for

- ✓ This Product was designed for existing Protecsure customers who are individuals or businesses that require cover for their equipment, with cover including:
 - Accidental Damage;
 - Theft;
 - Accidental Loss.

Classes of Customers

The class of customers for whom this Product is targeted can be categorised as customers who are:

- ✓ individuals or businesses who want insurance coverage against Theft, or Accidental Damage for their equipment.

Customer's likely objectives, financial situation, and needs

Objectives	The likely objective of individuals and businesses is to financially protect their equipment from a range of insurable losses (theft and accidental damage).
Financial situation	The likely financial situation for consumers in this target market is broad and would include individuals and businesses from all socio-economic levels within the community who can afford to pay the premium and any applicable excesses and would suffer a financial loss in the event of theft or accidental damage to their equipment.
Needs	The likely needs of the target market includes individuals and businesses who wish to have their equipment repaired or replaced in the event of: <ul style="list-style-type: none"> • Accidental Damage; and • Theft.

Customers the Product was not designed for

This Product is not suitable for persons who are:

- × parents of school students (primary and secondary) who wish to insure their child's school-used mobile IT equipment;
- × education providers who own IT equipment that is used by school students (primary and secondary);
- × individuals who have an existing home contents insurance policy which provides the same type of cover for the equipment.

Why Product is consistent with the Target Market

Chubb views that the Product is consistent with the target market as the target market comprises individuals and businesses seeking insurance cover for equipment and the Product provides cover for general equipment used for either personal or business use. It is therefore likely that the Product will meet the needs, or go towards meeting the needs, of those in the target market.

3. Conditions/Restrictions on product Distribution

Restriction/ Condition	Description
Method of distribution	<p>This Product may be distributed by:</p> <p>Protecsure Pty Ltd ABN 26 094 997 163 ACN 094997163 AFSL 238815 (Protecsure)</p> <p>1300 268 374</p> <p>info@protecsure.com.au</p> <p>Protecsure acts under its own AFSL, as agent of Chubb under a binding authority.</p> <p>In distributing this Product on behalf of Chubb, Protecsure can only provide general advice.</p>
Underwriting criteria	<p>The Product must be distributed in accordance with underwriting criteria as advised by Chubb.</p> <p>Consumers who fall outside the underwriting criteria will not be able to be insured.</p>
Promotional Material	<p>Any promotional material which is used by the Distributors in relation to the Product must be pre-approved by Chubb and must contain an electronic link to this TMD.</p>
Distribution in accordance with TMD	<p>The Product must only be distributed in accordance with this TMD and the contractual arrangements in place between Chubb and the Distributors.</p>

Explanation

Customers that obtain the Product in accordance with the distribution conditions set out above are more likely to be in the target market for this product because this Product can only be distributed by the distributor who specialises in equipment insurance.

4. Product Review

Periods of review:	Mandatory periodic reviews of the TMD will occur at least every 2 years subject to intervening review triggers (see below).
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Review triggers:

Review triggers are events that suggest the TMD may no longer be appropriate and may trigger a review **prior** to periodic review as set out above. The review triggers for this Product are set out below.

1.	Any material change to the Product, including a change to the PDS.
2.	Changes to relevant laws, regulatory guidance, or industry codes.
3.	Any determination of or feedback from regulators, the Australian Financial Complaints Authority, a court or a tribunal suggesting that the target market may no longer be appropriate (including the use of Product Intervention Powers).
4.	The nature of feedback regarding the Product, including whether complaints have increased significantly from consumers or distributors.
5.	Distribution or purchasing of the Product in a manner significantly inconsistent with the TMD.

5. Reporting Obligations

Chubb's third party distributors must report the following information to tmd.reporting@chubb.com in order to ascertain whether or not the TMD remains appropriate to assist us in improving our product for our customers.

Distributor Reporting Obligations

Type of Report	Description	Reporting Period
Complaints	The number of complaints received regarding the Product during the reporting period and the nature and details of the complaints. Complaint is defined in the Australian Securities and Investment Commission (ASIC) Regulatory Guide RG 271.	Quarterly (10 business days after the quarter has closed) <i>(even when the number of complaints received is zero)</i>
Significant dealings	A significant dealing in the Product which is not consistent with this TMD must be notified to ASIC. What amounts to a "significant dealing" will be determined by the circumstances of each case but generally regard should be had to:	Within 10 business days of becoming aware of the significant dealing.

	<ul style="list-style-type: none"> • the proportion of consumers purchasing the product who are not in the target market; • the actual or potential harm to those consumers; • the nature and extent of the inconsistency of distribution with the TMD; and • current ASIC guidelines when determining what may constitute a significant dealing. <p>If in doubt, Distributors must report the dealing to Chubb, so that Chubb can undertake the necessary assessments.</p> <p>The report must include:</p> <ul style="list-style-type: none"> • date(s) of the significant dealing; • description of the significant dealing; • why the dealing is considered significant; • how the significant dealing was identified; • what steps, if any, have been taken in relation to persons affected by the significant dealing; and • steps which have been, or will be, taken to ensure that the significant dealing does not occur again. 	
Sales data	The number of sales of the Product (only if Distributor has binding authority).	In accordance with contractual agreements in place.

6. Appropriateness

The issuer has assessed the Product's key attributes and formed the view that it is likely to be consistent with the likely objectives, financial situation and needs of consumers in the target market as described within this TMD.

About Chubb in Australia

Chubb is the world's largest publicly traded property and casualty insurer. Chubb, via acquisitions by its predecessor companies, has been present in Australia for 100 years. Its operation in Australia (Chubb Insurance Australia Limited) provides specialised and customised coverages including Business Package, Marine, Property, Liability, Energy, Professional Indemnity, Directors & Officers, Financial Lines, Utilities as well as Accident & Health, to a broad client base, including many of the country's largest companies. Chubb also serves successful individuals with substantial assets to insure and consumers purchasing travel insurance.

More information can be found at www.chubb.com/au.

Contact Us

Chubb Insurance Australia Limited
ABN: 23 001 642 020 AFSL: 239687

Grosvenor Place
Level 38, 225 George Street
Sydney NSW 2000
O +61 2 9335 3200
www.chubb.com/au

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Chubb Target Market Determination, Equipment Insurance Policy - Direct, Australia. Published 08/2021.
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