

Chubb Target Market Determination

Chubb Mark IV Modified for
Strata & Community Title
Insurance

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.

Target Market Determination

1. Details

Product Name/s:	Chubb Mark IV Modified for Strata & Community Title [PDS: 22ISRSTRATA01] (the Product)
Publication Date of TMD:	30 August 2022
Initial Review Date:	30 August 2024 (2 years from date of original publication)
Frequency of Product Reviews:	Every 2 years from date of original 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 cover for any strata company, strata corporation, owners corporation, body corporate or community corporation comprising the owners of common property included in a strata title scheme, community title scheme, or similar-type property, for physical loss or damage to building and common contents forming common property, and consequential loss resulting from such damage.

Key covers/attributes

The main benefit of this Product is insurance cover for:

- ✓ physical loss or damage occurring to Building and Common Contents forming common property included in a strata title scheme, community title scheme, or similar-type property.
- ✓ Loss of Rent or Temporary and Emergency Accommodation expenses, and Claims Preparation Costs resulting from access or occupancy of a Building, Unit or Volumetric or Stratum Lot being prevented by reason of covered damage.

Key exclusions

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

- ✗ physical loss or damage occurring to property other than Building and Common Contents forming common property in a strata title scheme, community title scheme, or similar-type property.
- ✗ damage caused by insects, vermin, rust, mould, mildew, contamination or pollution, and wear and tear;
- ✗ contract works;
- ✗ any legal liability of whatsoever nature.

Customers the Product was designed for

This Product was designed for:

- ✓ any strata company, strata corporation, owners corporation, body corporate or community corporation comprising the owners of common property included in a strata title scheme, community title scheme, or similar-type property, seeking insurance for:
 - physical loss of, or damage to, building and common contents forming common property, and consequential loss resulting from such damage;
 - Loss of Rent or Temporary and Emergency Accommodation expenses, and Claims Preparation Costs resulting from access or occupancy of a Building, Unit or Volumetric or Stratum Lot being prevented by reason of covered damage.

Classes of Customers

The class of customers that are likely to be within the Product's target market are:

- ✓ customers seeking insurance for physical loss of, or damage to, common property included in a strata title scheme, community title scheme, or similar-type property;
- ✓ customers that would like financial protection for Loss of Rent or Temporary and Emergency Accommodation expenses, and Claims Preparation Costs resulting from access or occupancy of a Building, Unit or Volumetric or Stratum Lot being prevented by reason of covered damage.

Customer's likely objectives, financial situation, and needs

Objectives	The likely objective for customers in this target market is asset protection, and financial protection for Loss of Rent or Temporary and Emergency Accommodation expenses, and Claims Preparation Costs resulting from access or occupancy of a Building, Unit or Volumetric or Stratum Lot being prevented by reason of covered damage.
Financial situation	The likely financial situation for customers in this target market is: <ul style="list-style-type: none">- in the event of physical loss or damage to common property caused by an insurable event, the entities responsible for insuring common property in a strata title scheme, community title scheme, or similar-type property would likely need to recover the financial burden of repairing or replacing such property; and- the Unit Owners or Volumetric or Stratum Lot Owners that would need to recover the financial burden of Loss of Rent or Temporary and Emergency Accommodation expenses, and Claims Preparation Costs resulting from access or occupancy of a Building, Unit or Volumetric or Stratum Lot being prevented by reason of covered damage.
Needs	Customers in this target market need asset protection from physical loss or damage to common property, and financial protection for Loss of Rent or Temporary and Emergency Accommodation expenses, and Claims Preparation Costs resulting from access or occupancy of a Building, Unit or Volumetric or Stratum Lot being prevented by reason of covered damage.

Customers the Product was not designed for

This Product is not suitable for:

- × residential property owners of a unit or lot or volumetric or stratum lot wanting home contents insurance to protect their personal assets, including personal contents, and fixtures, fittings and improvements not forming part of any building or common property;
 - × commercial property owners of a unit or lot or volumetric or stratum lot wanting insurance to protect assets belonging to their business including contents, stock, fit-outs, fixtures, fittings and improvements not forming part of any building or common property;
 - × business owners wanting business interruption insurance;
 - × individuals that conduct a business from home and wish to have business property insurance;
 - × entities responsible for insuring common property in a strata title scheme, community title scheme, or similar-type property wanting multiple types of insurance cover within the one product;
 - × landlords seeking landlord insurance;
 - × any customer wanting insurance for any legal liability.
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Why Product is consistent with the Target Market

Chubb views that the Product is consistent with the target market as the target market comprises entities responsible for insuring common property in a strata title scheme, community title scheme, or similar-type property and the Product provides cover for those assets and for certain specific consequential losses which are likely to arise from loss of, or damage to, those assets. 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	This Product may be distributed via Chubb's approved network of licensed insurance brokers (Distributor/s). In distributing this Product the Distributor/s must only provide general advice.
Underwriting criteria	The Product must be distributed in accordance with underwriting criteria as advised by Chubb.
Promotional Material	Any promotional material which is used by the Distributor/s in relation to the Product must be pre-approved by Chubb and must contain an electronic link to this TMD.
Distribution in accordance with TMD	The Product must only be distributed in accordance with this TMD and the contractual arrangements in place between Chubb and the Distributors.

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 the Distributor/s specialises in the distribution of industrial special risk 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 Chubb.

Type of Report	Description	Reporting Period
Complaints	<p>If the Distributor acts under a binding authority from Chubb, or as an Authorised Representative of Chubb, the Distributor must provide complaints data and information in accordance with the existing contractual terms as agreed to between the parties.</p> <p>If the Distributor acts as a broker (agent for the consumer), the Distributor must provide the following complaints data:</p> <ul style="list-style-type: none"> The number of complaints received regarding the Product during the Reporting Period and the nature and details of the complaints. <p>Complaint is defined in the Australian Securities and Investment Commission (ASIC) Regulatory Guide RG 271.</p>	<p>Quarterly (10 business days after the quarter has closed)</p> <p>Send data to: DisputeResolution.AU@chubb.com</p>
Significant dealings	<p>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:</p> <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; 	<p>Within 1 business day of becoming aware of the significant dealing.</p> <p>Send data to: aus.incidentreporting@chubb.com</p>

	<ul style="list-style-type: none">• 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.	
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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

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