

DRIVELINE COMMERCIAL/ FLEET INSURANCE:

- COMPREHENSIVE COVER
- OWN DAMAGE ONLY COVER
- THIRD PARTY PROPERTY DAMAGE ONLY COVER

Target Market Determination (TMD)

Effective Date: 5 October 2021

About this document

This TMD applies to the **comprehensive cover (loss or damage cover and third party property damage cover)**, **own loss or damage only cover** and **third party property damage only cover** described in the Product Disclosure Statements listed in Appendix 1 (**PDSs**) that have been issued by Allianz Australia Insurance Limited ABN 15 000 122 850 AFS Licence No. 234708 (the Issuer) through its underwriting agent Global Transport & Automotive Insurance Solutions Pty Ltd ABN 93 069 048 255 AFS Representative No. 240714 (**GT**).

The purpose of this TMD is to describe the class of customers for which the products described in the PDSs have been designed, having regard to the likely needs, objectives and financial situation of that class of customers. Examples used in this TMD are illustrative only and are not intended to be exhaustive.

This TMD is not intended to provide any financial product advice, and does not consider any individual customer's personal needs, objectives or financial situation.

This TMD does not replace the terms and conditions, and disclosures made, in the PDSs. A customer should refer to the applicable PDS before making a decision about a product.

A customer may fall within the target market described in this TMD but may not meet the Issuer's underwriting criteria on application.

For further information on the Issuer's approach to the distribution and development of products for appropriate target markets, go to <https://www.allianz.com.au>.

A. Target Market

Product description (including key attributes)

Main cover(s):	Comprehensive cover: This cover provides protection in respect of one or more owned or leased Motor Vehicles (as defined in the PDS) and/or Mobile Plant that are registered/licensed for use on public roads (as defined in the PDS) for: <ul style="list-style-type: none">the cost of the repairs to, or replacement of, those Motor Vehicles and/or Mobile Plant arising from accidental or malicious physical loss or destruction, including theft (loss or damage cover); andthe insured and persons that drive/operate those Motor Vehicles and/or Mobile Plant, or are passengers in those Motor Vehicles, to cover their liability for physical loss or destruction of someone else's property arising out of the use of those Motor Vehicles and/or Mobile Plant (third party property damage cover).
	Own loss or damage <u>ONLY</u> cover: This cover provides protection in respect of one or more owned or leased unregistered Mobile Plant for: <ul style="list-style-type: none">the cost of the repairs to, or replacement of, that Mobile Plant arising from accidental or malicious physical loss or destruction, including theft (own loss or damage only cover), BUT NOT for the liability of the insured, or persons that drive/operate that Mobile Plant, for physical loss or destruction of someone else's property arising out of the use of that Mobile Plant.
	Third party property damage <u>ONLY</u> cover: This cover provides protection in respect of one or more owned or leased Motor Vehicles and/or Mobile Plant that are registered/licensed for use on public roads for: <ul style="list-style-type: none">the insured, and persons that drive/operate those Motor Vehicles/Mobile Plant, or are passengers in those Motor Vehicles, to cover their liability for physical loss or destruction to someone else's property arising out of the use of those Motor Vehicles and/or Mobile Plant (third party property damage cover), BUT NOT for accidental or malicious physical loss or destruction or theft of those Motor Vehicles and/or Mobile Plant.
	A customer may choose whether: (a) all of its Motor Vehicles have either comprehensive cover or third party property damage only cover; or (b) some of its Motor Vehicles have comprehensive cover and some of its Motor Vehicles have third party property damage only cover. A customer may choose whether: (a) all of its registered Mobile Plant have either comprehensive cover or own loss or damage only cover or third party property damage; or (b) some of its registered Mobile Plant have comprehensive cover and some of its Mobile Plant have own loss or damage only cover and/or some of its registered Mobile Plant have third party property damage.
	Own loss or damage only cover is the only cover that is available for Unregistered Mobile Plant. The type of cover that applies to each vehicle will be set out in your documentation.
Optional cover(s):	A customer may add one or more of the following optional cover(s) to the main covers: <ul style="list-style-type: none">- Non-Owned Trailer Liability – to extend the third party property damage cover to a trailer not owned by the Insured if it is towed by an insured Motor Vehicle;- Non-Owned Trailer Comprehensive – to extend loss or damage cover to a trailer not owned by the insured if it is towed by an insured Motor Vehicle.- Dangerous Goods – to increase the liability limit under the third party property damage cover for damage to someone else's property caused by an insured Motor Vehicle and/or Mobile Plant carrying dangerous goods.- Hook Liability – to extend third party property damage cover to any motor vehicle or item of mobile plant not owned by the insured when being towed or carried by an insured Motor Vehicle.- Hired In and Non-Owned Mobile Plant – to extend loss or damage cover and third party property damage cover to Mobile Plant hired or borrowed and for loss of net earnings claimed by any owner of any Mobile Plant borrowed or hired in by the Insured.- Loan Repayment Protection Mobile Plant – to cover financing or ongoing lease payments relating to insured Mobile Plant.- Temporary Hire Mobile Plant – to extend loss or damage cover to include the cost of hiring temporary mobile plant which are needed to replace lost or damage Mobile Plant for which a claim has been accepted. Optional covers are subject to the monetary limitations and exclusions set out in the PDS.

**Key eligibility
criteria:**

Insured:

- is a business with an establishment in Australia; and
- requires insurance for one or more Motor Vehicles and/or Mobile Plant in connection with its business activities.

Motor Vehicles/Mobile Plant:

- if required to be registered by law, are registered with the relevant transport authority in Australia or New Zealand;
- if a Motor Vehicle, are used primarily on public roads;
- are used primarily in connection with the insured's business activities;
- are located in Australia or New Zealand;
- are of a make and model accepted by the Issuer;
- are roadworthy and safe to drive;
- are not used in an underground mine or mining shaft, tunnelling or on rails or tracks;
- are not used for the transportation of asbestos;
- are not used in or over water except if on or in a vessel or craft made to float or travel on or in water; and
- unless accepted by the Issuer and shown in the Policy Schedule, are not used:
 - for the transportation of infectious substances or radioactive materials;
 - to carry passengers for hire or reward, other than private pooling arrangements;
 - for hire without a driver or operator;
 - for racing or other motor sports events; or
 - other non-permitted purposes.

At the request of a customer, the Issuer may tailor a product covered by this TMD. The key eligibility criteria may be adjusted to reflect the changes made to a product. In such cases, the changes made to a product will be specifically disclosed to, and agreed to by, the Insured and will be set out in the Policy Schedule.

Key exclusions:

The PDS for this cover has specific coverage and exclusions where cover will not apply, including:

(a) at the time of the loss or damage, or accident:

- if required to be registered by law, the insured Motor Vehicle was not registered with the relevant transport authority in Australia or New Zealand;
- the insured Motor Vehicle and/or Mobile Plant was not located in Australia or New Zealand;
- the driver was not licensed for the insured Motor Vehicle, or not following licence conditions;
- the driver/operator of the insured Motor Vehicle and/or Mobile Plant was under the influence of, or exceeded the legal limit for, drugs or alcohol, or refuses a request for a test for drugs or alcohol;
- the insured Motor Vehicle and/or Mobile Plant was used with a number of passengers or a load that exceeds the limits for which the insured Motor Vehicle and/or Mobile Plant was constructed;
- the insured Motor Vehicle and/or Mobile Plant was used in an underground mine, mining shaft, tunnelling or on rails or tracks;
- the insured Motor Vehicle and/or Mobile Plant was being used in an unsafe or un-roadworthy condition which caused or contributed to the loss, damage or liability;
- an insured Motor Vehicle that is a prime mover was driven by a person under the age of 25 unless approved by the Issuer and shown in the Policy Schedule;
- an insured Motor Vehicle that is a rigid was driven by a person under the age of 21 unless approved by the Issuer and shown in the Policy Schedule; or
- the insured Motor Vehicle and/or Mobile Plant was used for a non-permitted purpose unless approved by the Issuer and shown in the Policy Schedule. Some examples include:
 - for hire without a driver or operator;
 - carrying passengers for hire or reward, except private pooling arrangements;
 - transportation of infectious substances or radioactive goods;
 - used in or over water except if being transported as cargo in or on a vessel or craft made to float or travel on or in water; or
 - racing or motor sports events.

The key exclusions set out above that relate to a driver being:

- unlicensed or not following licensing conditions; or
 - under the influence of, or exceeding the legal limit for drugs or alcohol, or refusing a test,
- will not apply to the insured where they can prove that they were unaware of those circumstances. However, those key exclusions will apply to the driver of the vehicle.

Key exclusions
(cont.):

(b) for the **loss or damage cover**:

(i) no cover for loss or damage for:

- breakage of blades or other work surfaces whilst in use;
- depreciation;
- wear and tear and deterioration from atmospheric conditions;
- rust and corrosion;
- mechanical, structural, electrical or electronic breakdowns or failures;
- faulty design or workmanship;
- guidance equipment such as GPS or laser unless cover for this equipment has been expressly specified in the Policy Schedule;
- use of incorrect fuel or additive, unless the Motor Vehicle is a sedan, station wagon, hatchback, 4WD or other similar passenger vehicle or utilities and vans under 4.5 tonne;
- tyres or wheel rims caused by braking, road punctures, cuts or bursts;
- pre-existing faults or damage;
- the hardening/setting of bitumen or concrete unless all reasonable steps have been taken to mitigate the damage;
- theft by a hirer of an insured Motor Vehicle and/or Mobile Plant;
- immersion in water due to tidal movement unless all reasonable steps taken to minimise loss or damage; or
- consequential loss (such as financial and non-financial loss as a result of loss of use, value or life), or aggravated, exemplary or punitive damage.

(ii) no cover for loss or damage caused in connection with:

- the carrying of asbestos;

(c) for the **third-party property damage cover** – no cover for liability in connection with:

- use whilst parked or operating within an airport or airfield;
- pollution unless arising from a sudden identifiable, unintended and unexpected event;
- asbestos;
- use on rails or tracks;
- liability covered by any statutory or compulsory insurance scheme;
- use of a vehicle as Tool of Trade (as described in the PDS) on a work site or location;
- underground excavation, tunnelling or mining activities;
- unregistered Motor Vehicles or Mobile Plant;
- vibration or overweight vehicles;
- property belonging to the insured, or in the custody of the insured;
- the transportation of infectious substances or radioactive materials unless specified as covered in the Policy Schedule;
- liability that could be claimed under a compulsory or statutory insurance policy or scheme;
- consequential loss (such as financial and non-financial loss as a result of loss of use, value or life); or
- fines, penalties or aggravated, exemplary or punitive damage.



At the request of a customer, the Issuer may tailor a product covered by this TMD. The key exclusions may be adjusted to reflect the changes made to a product. In such cases, the changes made to a product will be specifically disclosed to, and agreed to by, the Insured and will be set out in the Policy Schedule.

See also Limitations and Ineligible Persons below.



<p>Limitations:</p>	<p>Loss or damage cover:</p> <p>Insured Value – Claims are subject to monetary limits. For total loss claims, claims are subject to a monetary limit based on one of the following options selected by the customer and as shown in the Policy Schedule:</p> <p>(a) the lesser of the Market Value or Sums Insured; or (b) the Agreed Value.</p> <p>Operating/Operational Lease – If an insured Motor Vehicle or Mobile Plant is subject to an Operating/Operational Lease, the amount payable in the event of a total loss claim will be the lesser of the amount payable under the Operating/Operational lease, the Market Value or the Sum Insured.</p> <p>Aggregate Limit – The amount that can be claimed for loss or damage (including amounts payable under additional benefits) for any number of insured Motor Vehicles and Mobile Plant from any one event is subject to an aggregate limit of \$10,000,000 unless a higher amount is agreed and specified in the Policy Schedule.</p> <p>Fulfilment options – claims may be fulfilled either by repair, reinstatement, replacement (if applicable) or by a cash settlement payment, depending on the circumstances.</p> <p>Other limitations, conditions and additional benefits are specified in the PDS and the Policy Schedule.</p>	<p>Third party property damage cover:</p> <p>For claims arising from the transportation of certain quantities of Dangerous Goods (as defined under the Australian Dangerous Goods Code) or diesel, are subject to a \$1,000,000 per event indemnity limit.</p> <p>Other claims (including any related additional benefits) are subject to a \$35,000,000 per event indemnity limit.</p> <p>These indemnity limits may be modified, by agreement, and set out in the Policy Schedule.</p> <p>Claims for legal liability do not include liability that could be claimed under any compulsory or statutory policy or scheme.</p>
<p>Premium/Excess:</p>	<p>Claims are subject to the payment of premium and the applicable excess as specified in the Policy Schedule.</p> <p>Excess payable may be different for:</p> <p>(a) different types Mobile Plant/Motor Vehicles for certain types of claims; (b) for certain Motor Vehicles and/or Mobile Plant when driven/operated by a person under a certain ages; and (c) for certain types of Motor Vehicles if accident occurs outside the radius limits shown in the Policy Schedule.</p> <p>Subject to terms and conditions set out in the PDS, waivers of excess apply for certain types Motor Vehicles if driver of the insured Motor Vehicle was not at fault or when only damage was to windscreen or other fixed glass.</p>	
<p>Other key terms:</p>	<p>Other benefits – there are a number of additional benefits available under the main covers. These additional benefits are set out in the PDS and are subject to separate monetary limits and conditions set out in the PDS.</p> <p>Automatic addition and deletion – the loss of or damage cover also covers any replacement or additional vehicles acquired during the cover period provided that the acquired vehicles are of a similar type to the vehicles insured at the commencement of the policy and have been notified to the Issuer in accordance with the PDS. Claims for acquired vehicles are subject to a separate monetary limit set out in the PDS.</p>	

Likely needs, objectives and financial situation



Comprehensive cover is designed for:

	<p>Likely needs and objectives</p> <p>A business that seeks protection for one or more Motor Vehicles and/or Mobile Plant used in connection with their business activities for:</p> <ul style="list-style-type: none"> the financial detriment or burden resulting from accidental loss or damage to, or theft of, their insured Motor Vehicles and/or Mobile Plant; and itself (and the driver of, and passengers in, their vehicles) against liabilities for accidental damage or destruction to someone else’s property arising from the use of those Motor Vehicles and/or Mobile Plant. 	<p>Likely financial situation</p> <p>A business that is able to pay premiums in accordance with the chosen premium structure, and any excess in the event of a claim in accordance with the chosen excess option.</p>
	<p>Based on our assessment of the key terms, features and attributes, the comprehensive cover is likely to be consistent with the needs, objectives and financial situation of customer’s in the target market.</p>	

Loss or damage **ONLY** cover is designed for:


	Likely needs and objectives <p>A business that would like protection for one or more Mobile Plant used in connection with its business activities for:</p> <ul style="list-style-type: none">the financial detriment or burden resulting from accidental loss or damage to, or theft of, that Mobile Plant, <p>BUT NOT for liability for loss or damage to someone else's property arising from the use of their vehicles.</p>	Likely financial situation <p>A business that is able to pay premiums in accordance with the chosen premium structure, and any excess in the event of a claim in accordance with the chosen excess option.</p>
	Based on our assessment of the key terms, features and attributes, the loss or damage only cover is likely to be consistent with the needs, objectives and financial situation of customer's in the target market.	

Third party property damage **ONLY** cover is designed for:

	Likely needs and objectives <p>A business that would like protection for one or more Motor Vehicles and/or Mobile Plant used in connection with its business activities for:</p> <ul style="list-style-type: none">themselves/itself (and the driver/operator of, and passengers in, those Motor Vehicles/Mobile Plant) against liabilities for accidental damage or destruction to someone else's property arising from the use of those Motor Vehicles and/or Mobile Plant, <p>BUT NOT loss or damage to, or theft of, those Motor Vehicles and/or Mobile Plant.</p>	Likely financial situation <p>A business that is able to pay premiums in accordance with the chosen premium structure, and any excess in the event of a claim in accordance with the chosen excess option.</p>
	Based on our assessment of the key terms, features and attributes, the third party property damage only cover is likely to be consistent with the needs, objectives and financial situation of customer's in the target market.	

B. Ineligible Persons

Comprehensive cover is not designed for:

	<p>A business entity:</p> <ul style="list-style-type: none">that does not have an establishment in Australia;whose Motor Vehicles and/or Mobile Plant, if required to be registered by law, are not registered with the relevant transport authority in Australia or New Zealand;whose Motor Vehicles and/or Mobile Plant are not primarily used in connection with its activities;whose Motor Vehicles are not primarily used on public roads;whose Motor Vehicles and/or Mobile Plant are not located in Australia or New Zealand;whose Motor Vehicles and/or Mobile Plant are unsafe or not roadworthy;whose Motor Vehicles and/or Mobile Plant are of a make or model that is not accepted by the Issuer;whose Motor Vehicles and/or Mobile Plant are used:<ul style="list-style-type: none">in an underground mine or mining shaft, in tunnelling or on rails or tracks;for the transportation of infectious substances or radioactive goods;in connection with asbestos;in or over water, except if a vessel or craft made to float or travel on or in water; orunless accepted by the Issuer and shown in the Policy Schedule, whose vehicles are used:<ul style="list-style-type: none">for hire without a driver or operator;to carry passengers for hire or reward; orfor racing or other motor sports events.
---	---

Own damage cover only is not designed for:



A business:

- that does not have an establishment in Australia;
 - that seeks cover for Motor Vehicles or registered Mobile Plant;
 - that wants protection for liabilities for damage or destruction to someone else's property arising from the use of their Mobile Plant;
 - whose Mobile Plant is not primarily used in connection with its activities;
 - whose Mobile Plant is not located in Australia or New Zealand;
 - whose Mobile Plant is unsafe;
 - whose Mobile Plant is of a make or model that is not accepted by the Issuer;
 - whose Mobile Plant is used:
 - in connection with asbestos;
 - in or over water, except if a vessel or craft made to float or travel on or in water; or
 - unless accepted by the Issuer and shown in the Policy Schedule, whose Mobile Plant are used:
 - for hire without a driver or operator;
 - to carry passengers for hire or reward; or
 - for racing or other motor sports events.
-

Third party property damage ONLY cover is not designed for:



A business:

- that does not have an establishment in Australia;
 - that seeks cover for unregistered Mobile Plant;
 - that wants protection for loss or damage to, or theft of, their Motor Vehicles and/or Mobile Plant;
 - whose Motor Vehicles and/or Mobile Plant, if required to be registered by law, are not registered with the relevant transport authority in Australia or New Zealand;
 - whose Motor Vehicles and/or Mobile Plant are not primarily used in connection with its business activities;
 - whose Motor Vehicles are not primarily used on public roads;
 - whose Motor Vehicles and/or Mobile Plant are not located in Australia or New Zealand;
 - whose Motor Vehicles and/or Mobile Plant are unsafe or not roadworthy;
 - whose Motor Vehicles and/or Mobile Plant are of a make or model that is not accepted by the Issuer;
 - whose Motor Vehicles and/or Mobile Plant are used in an underground mine or mining shaft, in tunnelling or rail or tracks; or
 - unless accepted by the Issuer and shown in the Policy Schedule, whose vehicles:
 - are used for the transportation of infectious substances or radioactive materials;
 - are used to carry passengers for hire or reward; or
 - are used for racing or other motor sports events.
-

C. Distribution

Distribution channels

Products under this TMD may be distributed through any of the following means:

- brokers
- general advice model

All of these channels are monitored by GT (on behalf of the Issuer) and staffed by persons who have been trained in the distribution of the Products covered by this TMD and the Application Process.

Distribution conditions and restrictions

Products under this TMD can only be issued to customers that are eligible for that cover in accordance with the application and/or renewal criteria that has been approved in writing by the Issuer and which complies with the law (**Application Process**). The Issuer approves the Application Process.

The Application Process has been tailored to identify the Target Market described in this TMD as part of the eligibility criteria for the Products covered by this TMD, and the use of the Application Process would make it more likely that a Product covered by this TMD will be acquired by persons in the Target Market.

Products under this TMD can be distributed by distributors approved by GT and the Issuer (**Approved Distributors**). Approved Distributors and their systems and processes are assessed and monitored by GT (on behalf of the Issuer) and would therefore make it more likely that the Approved Distributor will comply with the terms of this TMD.

Distribution information

The Issuer requires distributors to provide the following information in relation to their distribution of products covered by this TMD:

Complaints	GT must supply all complaint information to the Issuer on a quarterly basis unless the Issuer has requested GT to report more frequently.
Sales data	GT must supply all sales and customer information to the Issuer on a quarterly basis unless the Issuer has requested GT to report more frequently.
Significant dealings	GT must, within 10 business days, notify the Issuer if it becomes aware of a significant dealing in relation to this TMD that is inconsistent with this TMD.

Other

In addition to the distribution conditions, restrictions and information set out above, the Issuer may include other conditions, restrictions and information on the distribution of products under this TMD.

Any additional conditions and restrictions will be notified (in writing) to an Approved Distributor.

D. TMD reviews

This TMD shall be reviewed as follows:

First review	Within 12 months from the date of this TMD.
Subsequent reviews	At least every three years after the end of the previous review.
Review triggers	<p>Where an event or circumstance is identified by us or is notified to us that would reasonably suggest the TMD is no longer appropriate. This may include (but is not limited to):</p> <ul style="list-style-type: none">• a material change to the design or distribution of a product, including material changes to policy documentation or the PDS;• a material alteration to acceptance criteria or underwriting criteria, and the Application Process;• identified systemic issues in the product or the distribution of the product;• relevant material external events such as relevant litigation or adverse media coverage;• relevant feedback, information or notification received from a distributor, regulator such as ASIC or APRA or other interested parties;• significant changes in metrics. These include sales, policy cancellations, lapses in renewals, claims, complaints and loss ratios; and• any significant dealings that are inconsistent with the TMD, <p>to the extent these events or circumstances reasonably suggest the TMD is no longer appropriate.</p>

Appendix

This TMD applies to the **comprehensive cover, loss or damage only cover** and the **third party property damage only cover** described in the Product Disclosure Statements (**PDSs**) listed below and any related Supplementary Product Disclosure Statements:

- Driveline Commercial/Fleet Insurance Policy (POL553GT 02/21)
- Driveline Transport Package Insurance Policy (POL554GT 02/21)
- Driveline Plant & Machinery Insurance Policy (POL864GT 02/21)
- Driveline Plant & Machinery Package Insurance Policy (POL1069GT 02/21)