

Target Market Determination



Industrial Special Plant (ISP)

Issuer: QBE Insurance (Australia) Limited ABN 78 003 191 035 AFSL 239 545

Product Name this TMD relates to	Industrial Special Plant (QM2003)
Effective date of this TMD	01.11.2023
First publication date of the TMD	05.10.2021
How often we will review this TMD	Two years from the date this TMD is first published and every two years thereafter.
Information included in this TMD:	
This TMD describes: <ul style="list-style-type: none">• the customers within the target market, their likely needs, objectives and financial situation• key attributes of the product and cover offered within it• classes of customers this product is not suitable for• how this product must be distributed including conditions and restrictions• how often we will review this TMD and what events and circumstances would cause us to review it sooner. It doesn't consider a customer's personal needs, objectives, and financial situation.	

A customer should always refer to the Industrial Special Plant Product Disclosure Statement (PDS), and any Supplementary Product Disclosure Statements (SPDS) that may apply, to ensure the product is right for them.

Likely need	Likely objective	Key Product Cover
Cover for damage to, or theft of a motor vehicle with a carrying capacity of less than 2 tonnes when being used for personal or business use	Reducing the unexpected financial burden of: <ul style="list-style-type: none"> • repair costs; or • the cost to replace their motor vehicle. 	Covers costs to repair or replace the insured vehicle due to sudden and unexpected physical, loss, damage or destruction, or permanent loss by theft.
Additional cover – Road Risk	Reducing the financial burden of costs they are liable to pay for: <ul style="list-style-type: none"> • personal injury; or • property damage. 	Covers Legal Liability for Personal Injury or Property Damage, including Defence Costs, arising from a vehicle being used as a Road Vehicle during the period of Insurance.
Additional cover – Hired-in Plant (Liability to Owner) for motor vehicles with a carrying capacity of less than 2 tonnes when being used for personal or business use	Reducing the financial burden of costs they are liable to pay for: <ul style="list-style-type: none"> • damage to a vehicle hired in by the Insured. 	Covers Liability to the Owner of hired in vehicle due to sudden and unexpected physical, loss, damage or destruction, or permanent loss by theft.
Choice of excess	Either: <ul style="list-style-type: none"> • paying more premium upfront to pay less if they make a claim; or • paying more if they make a claim to reduce the upfront premium. 	A range of excess amounts to choose from
Payment options	Either: <ul style="list-style-type: none"> • paying the initial deposit premium in one payment, with further premium payable for vehicles acquired throughout the policy period; • paying the initial deposit premium in one payment and electing an Annual Adjustment Provision, with any adjustment payable at the expiry of the Period of Insurance. 	Choice of: <ul style="list-style-type: none"> • paying the initial premium in one payment, with additions / deletions throughout the year • paying the initial deposit premium in one payment, with an adjustment payable at the expiry of Period of Insurance.

Likely financial situation of customers in the target market

Have the financial capacity to:	<ul style="list-style-type: none"> • pay the premiums which may increase from year to year • pay the basic excess selected and any additional policy or driver excesses if imposed • pay the premium in full for any vehicle subject to the Annual Adjustment Provision, prior to the payment of a claim • pay an additional \$700 for claims where Damage occurs and the vehicle was being driven by a person who is under the age of 19 • pay an additional \$500 for claims where Damage occurs and the vehicle was being driven by a person who is under the age of 22 but over the age of 19 • pay an additional \$300 for claims where Damage occurs and the vehicle was being driven by a person who is under the age of 25 but over the age of 22 • pay an additional \$700 for claims where Damage occurs and the vehicle was being driven by a person who is aged 25 or more but has not held an Australian driver's licence for two or more years
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	<ul style="list-style-type: none"> • pay 100% of the costs up front for the hire car prior to being reimbursed • pay 100% of the hire car costs exceeding \$5,000 or a 30 day hire period • pay 100% of the additional costs associated with the hire car such as fuel, upgrade, insurance excess reduction.
Customers who wish to include the additional cover 'Road Risk' must have the financial capacity to:	<ul style="list-style-type: none"> • pay the premiums which may increase from year to year • pay the basic excess selected

Key Limits	
Sum Insured	As shown on the Schedule. either the: <ul style="list-style-type: none"> • agreed value amount selected; or • Market Value Plus; or • market value immediately prior to the damage or theft
Legal Liability Limit	As shown in schedule, to a maximum of \$50,000,000

Key exclusions	
Use of Vehicle	<ul style="list-style-type: none"> • Use of Vehicle for unlawful purpose • Reckless disregard of the risk of causing injury or damage to person or property
Acts	<ul style="list-style-type: none"> • Operation of Vehicle by a person who is unlicensed, holding an improperly obtained licence or not complying with licence conditions • Operation of Vehicle by a person under the influence of or affected by drugs or alcohol
Types of Damage	<ul style="list-style-type: none"> • Wear and tear, corrosion, rusting, erosion, fatigue or gradual deterioration
Costs	<ul style="list-style-type: none"> • Employer's Liability • Fines, penalties and exemplary, aggravated or punitive damages

Target Market: Industrial Special Plant (ISP)

Damage: This cover is suitable for customers who:

✓	Customers who own a motor vehicle(s) with a carrying capacity of less than 2 tonnes for personal or business use, primarily driven on the road in Australia
✓	Customers who want financial protection for physical damage occurring to the motor vehicle(s)

This cover is only suitable to customers where **all** of the above describes them.

Hired in Plant: This cover is suitable for customers who:

✓	Customers who have hired a motor vehicle(s) with a carrying capacity of less than 2 tonnes for personal or business use, primarily driven on the road in Australia
✓	Customers who want financial protection for Liability to the vehicle Owner as a result of physical damage occurring to the motor vehicle(s)

This cover is only suitable to customers where **all** of the above describes them.

This cover is **NOT** suitable for customers who:

✗	Customers who do not own a motor vehicle(s)
✗	Customers whose vehicles are not located in Australia
✗	Customers who use their motor vehicle(s) for racing, speed or reliability trials
✗	Customers who want financial protection for third party liability only
✗	Customers who require cover for Compulsory Third Party insurance (CTP) for bodily injury cover as a result of a motor vehicle accident. This cover is available under a CTP policy.

This cover is not suitable for customers where **any** of the above describes them.

This cover is **NOT** suitable for customers who:

✗	Customers who own a motor vehicle(s)
✗	Customers whose vehicles are not located in Australia
✗	Customers who use their motor vehicle(s) for racing, speed or reliability trials
✗	Customers who want financial protection for third party liability only
✗	Customers who require cover for Compulsory Third Party insurance (CTP) for bodily injury cover as a result of a motor vehicle accident. This cover is available under a CTP policy.

This cover is not suitable for customers where **any** of the above describes them.

Road Risk: This cover is suitable for customers who:

✓	Customers who own or have hired a motor vehicle(s) with a carrying capacity of less than 2 tonnes for personal or business use, primarily driven on the road in Australia
✓	Customers who want financial protection for Legal Liability for Personal Injury or Property Damage arising from a motor vehicle(s) being used as a Road Vehicle

This cover is NOT suitable for customers who:

✗	Customers who use their motor vehicle(s) are not located in Australia
✗	Customers who use their motor vehicle(s) for racing, speed or reliability trials
✗	Customers who want financial protection for damage caused to the motor vehicle(s) only
✗	Customers who require cover for Compulsory Third Party insurance (CTP) for bodily injury cover as a result of a motor vehicle accident. This cover is available under a CTP policy.

Distribution Conditions

This product has been appropriately designed to be distributed through Underwriting Agencies of Australia (UAA). The product and the system it is distributed through have been designed for a customer seeking insurance through UAA. UAA, the authorised intermediary or the authorised representative have taken reasonable steps to understand the key product attributes and align distribution to customers in the target market.

Distribution Restrictions	<p>This product can only be sold via the following Distribution Channel/s</p> <ul style="list-style-type: none"> Underwriting Agencies of Australia Pty Limited ABN 86 003 565 302 AFSL 238517
Distribution Conditions	<p>This product can only be sold via a QBE approved application system within the eligibility and underwriting rules.</p> <p>Any quoting outside the system must always be referred to QBE.</p> <p>It can be sold to customers within the target market without the customer being provided with any financial product advice or, with either general or personal advice.</p> <p>Distributors must make the TMD available to customers who wish to refer to it.</p>
Distribution Method	<p>This product can be sold via direct contact between the customer and the insurance broker or agent.</p> <p>This product is not available online for customers to purchase directly.</p>

Reporting Obligations for Distributors

Dealings outside the target market	Obligation:	Distributors of this product need to report to QBE when they become aware a dealing outside the target market that has not been approved by QBE.
	Information required to be reported:	<ul style="list-style-type: none"> the date (or date range) the dealing occurred; details about the dealing(s); and any steps or actions taken to mitigate.
	Reporting Period:	As soon as practicable and, subject to QBE's distribution agreement, no later than 10 business days of the date on which the Distributor became aware of the dealing.
Complaints	Obligation:	Distributors of this product are required to provide QBE with complaints information about this product through the agreed complaints submission process.

	Information required to be reported:	<ul style="list-style-type: none"> the number of complaints the Distributor has received about this product during the reporting period; a brief summary about the nature of the complaint raised and any steps taken to address the complaint; and any general feedback our distributor may have received on this product. <p>Distributors should include sufficient details about the complaint that would allow QBE to identify whether the TMD may no longer be appropriate to the class of customers.</p>
	Reporting Period:	Six monthly or as otherwise agreed with the Distributor and no later than 10 business days after the agreed complaints reporting date.

Events or circumstances that may trigger QBE to review the TMD before the next scheduled review	Information QBE will use to review the TMD
a significant increase in the number of complaints relating to the product received by QBE or reported by distributors	<ul style="list-style-type: none"> Number of complaints Complaints made due to policy coverage
adverse trends in policy and claims data indicating the product is not performing as expected by the customer	<p>Claims data</p> <ul style="list-style-type: none"> Claims frequency Claims acceptance rates Claims withdrawn rates Loss ratios Average claims size <p>Policy data</p> <ul style="list-style-type: none"> Cancellation rates Renewal retention rates
the product being distributed and purchased in a way that is significantly inconsistent with this TMD	<ul style="list-style-type: none"> Number of dealings outside the target market Nature of the reported dealings outside the target market
a change of relevant law, regulatory guidance or industry code which has a material effect on the terms or distribution of the product	Any relevant regulation, legislation and/or ASIC instruments relating to the change in law, expectations or guidance.
a material change to the product including the Product Disclosure Statement, information or assumptions upon which the target market was formulated	Information relating to nature of proposed material changes made to the product's design.