



Target Market Determination

Product: AHI Group Personal Accident and
Sickness Insurance

TMD effective date: 19012024

Product Disclosure Statement (PDS): AHI Group Personal Accident and Sickness Product
Disclosure Statement

Issuer: Tokio Marine & Nichido Fire Insurance Co., Ltd, ABN 80 000 438 291, AFS Licence No.
246548

1800 618 700
ahiinsurance.com.au

AHI Target Market Determination

This Target Market Determination (TMD) is effective from 19/01/2024 and relates to the Group Personal Accident and Sickness Product Disclosure Statement.

This TMD is required under Section 994B of the Corporations Act 2001 (Cth). The purpose of this TMD is provide the following information in respect of the Product:

- class of consumers that comprises the target market;
- conditions and restrictions on distribution;
- events and circumstances that will trigger TMD review and review period;
- distributor's obligations relating to reporting.
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This TMD:

- is not intended to be a consumer facing disclosure document;
- does not form part of the PDS/Policy for this Product, and
- does not provide any financial product advice and does not take into consideration the objectives, financial situation and needs of individual customers.

This TMD is designed to provide customers, insurance brokers, distributors and Accident and Health International Underwriting Pty Limited (AHI), AFSL No. 238261, staff with the appropriate information to understand who this Product has been designed for and the approach to determining that the Product is likely to be consistent with the likely objectives, financial situations and needs of the target market customer and the distribution conditions.

AHI is an underwriting agency specifically created to provide Personal Accident, Medical and Travel insurance. AHI acts on behalf of Tokio Marine & Nichido Fire Insurance Co. Ltd, ABN 80 000 438 291, AFS Licence No. 246548 (TMNF) who are the issuer of this insurance, and AHI have full authority to quote and issue contracts of insurance, collect premiums and pay claims on TMNF's behalf.

Class of consumers that comprise target market

This Product is suitable for:

This Product is personal accident and sickness insurance distributed to Australian based businesses and organisations, designed to provide cover for a group of eligible Australian domiciled individuals in respect of an insured event resulting from an injury or sickness, which is covered under the policy.

The most common example of this would be employees of an employer, although there are other valid situations where a group policy could be used to provide cover.

Some of the characteristics of "Groups" are:

- The insured must be a legal entity with whom a contract of insurance can be entered into, e.g. a company, registered association, etc.;
- The collection of individuals covered by the policy must be easily and unambiguously identifiable, e.g. a specific category of employee or common interest group;
- The collection of individuals covered by the policy should be defined by a common trait other than a common desire to obtain insurance protection.

Typical examples of "Groups" who might seek insurance cover are:

- All employees of an employer.
- A specific category of employees (e.g. all executives, all staff in a certain location, etc.).
- Members of a sporting team or sporting club/association.

- Members of an association or club (e.g. Industry Association, Common Interest Groups, Golf Clubs, Craft Clubs, Book Clubs, etc.).
- Educational Institutions, Religious Bodies/Organisations.

AHI and TMNF’s assessment of the key terms and attributes of the insurance benefits available under the policy is that they are likely to be consistent with the likely needs, objectives and financial situation of customers in the target market for this Product.

This Product is not suitable for the following:

- Groups wanting coverage for death or disability by sickness.
- Groups seeking benefits offered under life insurance policies, such as guaranteed renewal policies or death benefit under a policy with a term greater than 12 months.
- Groups wanting cover for medical expenses resulting from an injury or sickness.

This Product is not suitable for Groups seeking coverage for matters that are policy exclusions set out in the PDS.

This Product is not intended to be a replacement or alternative to private health insurance or workers’ compensation scheme.

Key eligibility criteria:

Age limits apply to this policy and can vary. No cover is provided for insured persons who have not attained the minimum age limit, or who have attained the maximum age limit at the time of an event claimed under the policy. The minimum age limit and maximum age limit are stated in the policy schedule. Please refer to PDS for full details.

Limitations:

This Product provides several benefits. An insured person is only covered for the benefits outlined in the policy schedule. If a benefit within the policy schedule is stated to be \$0.00, no cover is provided under this Policy for that benefit. This policy is not suitable for persons seeking coverage beyond that provided.

There is a maximum amount payable under each benefit of the policy with respect to each insured person, and with respect to all claims payable under this Policy during each Period of Insurance. The limit of AHI’s liability is the Sum Insured against each benefit as shown in the policy schedule and is subject to the overall maximum amount in any one Period of Insurance as also shown in the policy schedule against “Aggregate Limit of Liability”.

Excess and other deductions

Claims are subject to the payment of any excess, deferral period and co-payment as specified in the policy schedule, and deduction of an amount covered by a regulated compensation schemes such as workers’ compensation scheme or traffic accident compensation scheme.

Key benefits and exclusions

Key benefits *

- Death and Capital Benefits
- Weekly Injury Benefit
- Weekly Sickness Benefit
- Broken / Fractured Bones Benefits
- Accidental HIV Infection Lump Sum Benefit
- Bed Care Benefit
- Childcare Benefit
- Coma Benefit
- Corporate Image Protection Benefit
- Dependent Child Supplement Benefit
- Driver Services Benefit

- Education Fund Benefit
- Family Accommodation and Transport Expenses Benefit
- Financial Advice Benefit
- Home and Vehicle Modification Benefit
- Orphaned Benefit
- Partner Training Benefit
- Retraining and Rehabilitation Expenses Benefit
- Unexpired Membership Benefit
- Workplace Assault Benefit
- Workplace Trauma Benefit

* These items are only Insured if selected and shown on the policy schedule and PDS for an insured amount.

Key exclusions

The policy contains the general exclusions, which unless otherwise agreed in writing, apply to all benefits under the policy. Other specific exclusions may apply to individual benefits. The PDS should be checked to ensure that the Product is consistent with the likely objectives, financial situations and needs of the target market customer. Some of the key exclusions which apply to this Product include:

- an insured person who has attained the age shown in the policy schedule against "Maximum Age Limit (sub limits may apply)" at the time of an event claimed under the policy.
- any benefit payment that would result in breach of any of the following:
 - the Private Health Insurance Act 2007 (Cth) and the Private Health Insurance (Health Insurance Business) Rules,
 - the Health Insurance Act 1973, or
 - the National Health Act 1953 (Cth),
 as amended from time to time
- any claims arising from the insured person being under the influence of intoxicating liquor or any other drug unless it was prescribed by a Medical Practitioner and taken in accordance with the Medical Practitioner's advice.
- an insured person engaging in or taking part in naval, military or air force service or operations.
- racing and/or time trials of any form, other than on foot.
- any deliberate self-inflicted harm or injury, caused or committed by the insured person, including suicide or attempted suicide, reckless misconduct or any criminal or illegal act.
- an insured person engaging in or taking part in or training for Professional Sports of any kind.
- an insured person engaging in air travel except as a passenger in any registered and licensed aircraft that carries passengers.
- any claim in relation to or in connection with a pre-existing condition, unless the pre-existing condition had been declared to and accepted by TMNF in writing.

Distribution conditions

This Product may be distributed by insurance brokers and their representatives that are authorised, and licensed to the extent required, by law, under an Australian Financial Services Licence.

Distribution conditions and restrictions include underwriting rules as amended from time to time by AHI and TMNF, terms of AHI and TMNF's distribution arrangements, Industry code, and legal and regulatory requirements.

This Product can only be distributed through an underwriting system approved by AHI and TMNF, and in accordance with the eligibility and underwriting rules, including restrictions relating to age and pre-existing conditions. Any quoting outside of such system(s) must be referred to an authorised representative of AHI and TMNF.

AHI and TMNF will make risk-based decisions to determine its acceptance criteria about insurance cover that they can offer and the costing that will be applied. Some of the key acceptance criteria relating to this target market determination may include:

- Age of insured persons

- Occupation of insured persons
- Activities undertaken during the cover period
- Previous claims experience for this type of risk
- Risk location
- The benefits and sum insured required

The cost of the policy is made up of premium, administration fees and government taxes (such as Goods & Services Tax [GST] and Stamp Duty), where applicable.

Reviewing this TMD

AHI and TMNF will review this TMD within 2 years from the effective date to ensure it remains appropriate.

AHI and TMNF will also review this TMD if any event or circumstances (called 'review triggers') occur that would reasonably suggest that the determination is no longer appropriate, such as:

- a material change to the Product,
- A change in product governance framework;
- A change in underwriting rules and guidelines, pricing or reinsurance arrangements, such as a change in the acceptance criteria that impacts on the suitability of the Product for the target market,
- A material change to the distribution of the Product, including a change in the terms of broker or distribution partner arrangements or how AHI and TMNF distribute the Product
- A change in the law or regulatory guidance or industry code that materially affects the terms of cover or the receipt of feedback from distributors, regulators or the General Insurance Code Governance Committee that suggests the TMD is no longer appropriate.,
- Systemic complaints and claims issues which indicate that the Product is no longer suitable for the described target market,
- Material and relevant changes in the key product suitability metrics such as:
 - Customer feedback,
 - Product acceptance,
 - Sales and loss ratios,
 - Cancellations,
- An external event such as relevant court proceedings, political and global events or adverse media coverage;
- Significant dealing/s in the Product outside the target market as defined in this TMD.

AHI and TMNF will review this TMD within ten (10) business days of the occurrence of any review trigger. Other than when review is triggered as set out in this TMD, this TMD is to be reviewed within twelve (12) months from the date TMD was first determined for this Product. Thereafter, TMD is reviewed at least every twenty-four (24) months on an ongoing basis.

Reporting

AHI and TMNF will record all complaints received about this Product as received and collate to review on a monthly basis.

All staff and representatives are required to provide regular and incident-based reporting on key metrics (see the heading "Reviewing TMD") to allow AHI and TMNF to review this TMD.

Distributors and brokers are required to report to AHI and TMNF, as set out in the table below:

| Information required to be reported | Who is required to report | Reporting period |
|---|---------------------------|---|
| Breach of distribution condition or distribution outside of target market | Distributors and brokers | As soon as practicable after becoming aware of the matter and within 10 business days |

| | | |
|--|--------------------------|---|
| Significant dealings that are not consistent with this TMD | Distributors and brokers | As soon as practicable after becoming aware of the matter and within 10 business days |
| Complaints – number and details of complaints relevant to this TMD | Distributors and brokers | As soon as practicable after becoming aware of the matter and within 10 business days |
| Information indicating that the Product may not be appropriate for the target market | Distributors and brokers | As soon as practicable after becoming aware of the matter and within 10 business days |

AHI and TMNF also review sales data including number of policies issued, renewed and cancelled on a monthly basis.

Record keeping

AHI and TMNF will maintain records of the reasonable steps they have taken to ensure that this Product is sold in a manner consistent with this TMD.

AHI and TMNF will also prepare and maintain complete and accurate records of our decisions, and the reasons for those decisions, in relation to:

- All target market determinations for this Product,
- Identifying and tracking review triggers,
- Setting review periods, and
- The matters documented in this TMD.

Contact Us

To find out how AHI can help you protect what matters most, please get in touch.

Sydney | Melbourne | Brisbane | Perth

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ahiinsurance.com.au