



Target Market Determination

Consumer Credit Insurance

LeaseGuard Insurance

1800 618 700

ahiinsurance.com.au

This Target Market Determination (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 objectives, financial situations and needs of the target market customer and the distribution conditions.

This product is administered by Marsh Advantage Insurance Pty Ltd (ABN 31 081 358 303) (AFS license No. 238369) of One International Towers, 100 Barangaroo Avenue, Sydney NSW 2000 acting as agent of Accident & Health International Underwriting Pty Limited (ABN 26 053 335 952 AFSL 238261) ('AHI') for and on behalf of Tokio Marine & Nichido Fire Insurance Co. Ltd (ABN 80 000 438 291 AFSL 246548) ('TMNF').

Marsh Advantage Insurance is a business of Marsh & McLennan Companies (MMC).

This TMD sets out the target market for the following Product Disclosure Statement (PDS):

LeaseGuard Insurance

This Product is suitable for:

- AHI's LeaseGuard insurance policy is a motor vehicle lease protection insurance designed to provide cover to clients of SG Fleet Australia Pty Ltd and NLC Pty Ltd who lease vehicles, in the event of involuntary unemployment (being made redundant, retrenched or the early forced cessation of a Fixed-Term Employment contract), accidental death or accidental permanent disablement.

This product is not suitable for the following:

- Customers wanting coverage for sickness.
- Customers wanting coverage for voluntary unemployment.
- This Policy consists of several Benefits. An Insured Person is only covered for the benefits outlined in the Policy Schedule. 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.

Key Benefits and Exclusions

What is Insured

This LeaseGuard Insurance policy provides cover in the event of involuntary unemployment due to the insured person being made redundant, retrenched or the early forced cessation of Your Fixed-Term Employment contract.

The policy provides the following benefits:

- Monthly Lease Payments up to eleven (11) months of payments or \$15,000 (whichever comes first),
- Or You can choose to Hand Back the vehicle at any time after the Insurer has paid three (3) Monthly Lease Payments, and before the sixth (6th) payment is to be made by Us and claim the difference between the Fair Sale Price and the amount required to early terminate Your Lease up to the balance of \$15,000, less the amounts already paid by Us under the Monthly Lease Payment benefit,
- Includes a Death and Disablement benefit of \$10,000 following Accidental Death or Permanent Disablement.

Please refer to the PDS/Policy wording for a full explanation of the cover provided by this product.

What is not Insured

This insurance policy contains the following general exclusions which unless otherwise agreed in writing apply to all Benefits under this Policy, other specific exclusions may apply to individual benefits. The PDS should be checked to ensure that it is likely to be consistent with the objectives, financial situations and needs of the target market customer before proceeding to insure with us.

To the extent permitted by law, the Insurer shall not be liable to make any payments which arise directly or indirectly out of or are in any way connected with:

- Termination of any employment unless such employment was permanent employment. Provided that this exclusion does not apply to employees on Fixed-Term Employment contracts but only for the term of the Lease Agreement which is within the Fixed-Term Employment contract period.
- Termination of any casual, seasonal or intermittent contract or completion of specified work.
- Voluntary resignation, voluntary redundancy or abandonment of employment.
- Termination of employment caused through misconduct, non-performance, retirement, termination due to disciplinary action by Your employer, breach of employment contract or You being unable or unsuited to perform the work that You were employed to undertake.
- Termination of employment as a result of accident, sickness or disease.
- Any lease other than the Lease Agreement scheduled in this Policy.
- Termination of Your employment within the first thirty (30) days of the Period of Insurance, except where You have extended Your Lease and We have agreed to extend the Policy.
- Termination of Your employment during or at the completion of any probation period.
- Any outstanding Monthly Lease Payment due and unpaid at the time of termination of employment.
- You being aware of circumstances before the commencement date of this Policy that directly gave rise to You being made unemployed.
- Terrorism or Terrorism like activities, war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil

- war, mutiny, civil commotion assuming the proportions of or amounting to popular rising, military rising, insurrection, rebellion, revolution, military or usurped power, martial law, or confiscation.
- Nationalisation or requisition or destruction of property by or under the order of any Government or public or local authority, or any action taken in controlling, preventing, suppressing or in any way relating to any of the above.
- Termination of any Employment as a direct result from;
 - Alcoholism, drug addiction, the influence of intoxicating liquor or drugs.
 - Any intentionally self-inflicted injury or illness.
 - Engaging in a criminal or illegal act.
- Industrial lockouts the Insured or Insured Person was involved or took part in or taking part in riots, civil commotions or strikes. Provided that this exclusion does not apply to Section A– Death and Disablement Benefit.
- You being self-employed.
- The first Monthly Lease Payment due subsequent to You being made Unemployed.
- Any pre-existing illness or injury.

Distribution of this product

This product is designed to be distributed by Marsh Advantage Insurance Pty Ltd (AFS license No. 238369) and their representatives.

Only these parties are authorised to distribute this product as they understand the market this product has been designed for.

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:

- 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 document

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:

- AHI make a material change to the cover provided by the product,
- 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,

- The discovery of a relevant and material deficiency in the product's disclosure documentation (eg: an unfair contract term),
- Systemic complaints and claims issues which indicate that the product is no longer suitable for the described target market,
- Material and relevant reductions in the key product suitability metrics such as:
 - Customer satisfaction,
 - Product acceptance,
 - Financial performance,
 - Benefits to customers,
 - Product value and affordability.
- 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.

Reporting

AHI and TMNF will record all complaints received about this product on a monthly basis (Complaints Reporting Period). All staff and representatives are required to provide regular and incident-based reporting on key metrics (see the heading "Reviewing this document") to allow AHI and TMNF to review this TMD.

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

1800 618 700

ahiinsurance.com.au