Target Market Determination

INSURANCE FACILITATORS

Issued by Insurance Facilitators Pty Ltd, ABN 90 099 104 480 AFS Licence No. 289450 on behalf of and as underwriting agent for the insurer HDI Global Specialty SE - Australia, ABN 58 129395 544 AFS Licence No. 458776

TARGET MARKET DETERMINATION

Product Disclosure Statement (PDS)

Farmsure Policy Wording & PDS V4 2022

Commencement Date

This Target Market Determination (TMD) applies to the product from 08/09/2022 and will continue to apply until this TMD is withdrawn.

Last Review date

September 2022

Product Issuer

HDI Global Specialty SE – Australia ABN 58 129 395 544, AFS Licence No 458776 ("HDI Global Specialty)

Product Distributor

Insurance Facilitators Pty Ltd

ABOUT THIS DOCUMENT

This Target Market Determination (TMD) applies to the Domestic Property and Motor Vehicle Sections of the Farmsure Policy Wording & PDS 2022 dated 2nd September 2022 and any applicable Supplementary Product Disclosure Statement (together the PDS).

Insurance Facilitators Pty Ltd acts under a binding authority as agent for the Issuer of this Product.

WHAT IS A TARGET MARKET DETERMINATION?

This TMD provides HDI Global Specialty SE's distributors and customers with information about:

- the customers for whom this product is appropriate (being the target market);
- the customers for whom this product is NOT appropriate;
- any distribution conditions and/or restrictions attaching to the product;
- the reporting obligations of the distributors; and
- the review period(s) and events which may trigger a review.

This TMD is not intended to provide any financial product advice to customers on the cover provided.

In addition, customer's personal needs, objectives or financial situations are not considered in providing any information in this TMD.

Terms used in this TMD that are defined for the purpose of Chapter 7 of the Corporations Act, have the same meaning as under the Act.

Please note that it is the PDS and Policy Wording that sets out the standard terms and conditions of the cover. This TMD does not form part of the terms of the cover. A customer must always refer to the PDS, Policy Wording and Supplementary Product Disclosure Statement (available from https://www.if.net.au/farm-insurance) before making a decision about the product, to ensure the product is suitable to their needs.

WHAT PRODUCT DOES THIS TARGET MARKET DETERMINATION APPLY TO?

This product has seven (7) sections of cover, with two (2) sections of cover that are relevant to this TMD as set out below and these two sections have been designed for customers in the target market to provide financial protection as follows:

Section 1 – Domestic Property – provides protection for domestic buildings and domestic contents from accidental damage and includes domestic liability protection.

Section 7 – Motor Vehicle – provides either comprehensive, or Third-Party Property Damage Only, protection for passenger vehicles, utility vehicles, vans and four-wheel drive, as well as vehicles used in farm business such as tractors, headers and harvesters.

The product offers options to enable a customer to tailor the product to suit their individual needs.

Insurance Facilitators Pty Ltd's policy on it's approach to the distribution and development of products for appropriate target market distribution is available at Target Market Determinations (TMDs) (hdi.global)

WHICH CLASS OF CUSTOMERS IS THIS PRODUCT TARGETED TO?

This product is designed for customers who own a working farm.

For a customer to be considered within the target market they must meet our key eligibility criteria as outlined in the following:

WHO IS WITHIN THE TARGET MARKET FOR FARMSURE?

Customers WITHIN the Target Market (Customers are within the target market for the relevant sections of this product if all the following conditions apply). Note: In order to be eligible for the following conditions, customers must already have farming operations coverage under the Farmsure product

- Farmers in the cropping, livestock, viticulture and fruit growing industries who own residential buildings and associated contents on farm properties all of which are regularly occupied and well maintained,
- Farmers who own or drive a vehicle (including cars, utilities, trucks, agricultural vehicles farm bikes, ATV's, caravans, trailers) for private or farm use including farmers that require a product that provides the option of Full Cover and Third Party or Third Party Only cover for their own private and farm vehicles, in addition to cover for damage that is caused to other property by the use of the vehicle.

Customers NOT within the Target Market (Customers are NOT within the target market if all the following conditions apply)

- Farmers who fall outside the scope of our preferred industries – cropping, livestock, viticulture and fruit growing,
- Farmers who are hobby farmers only,
- Farmers in close vicinity of a National Park,
- Farmers who own a Domestic building that is:
  - unoccupied for more than 90 consecutive days or
  - used for commercial purposes such as a Bed & Breakfast,
- Farmers seeking cover on a private vehicle that is not used for private purposes,
- Farmers seeking cover on a farm vehicle that is used for contracting greater than 50 percent of it's overall use.

YOUR EXCESS

When we pay a claim, you normally pay an excess. The product includes a number of different excesses that apply in various circumstances. If more than one excess applies to a claim, we add them together to work out the total excess payable by you.

One type of excess is called the basic excess. When you buy a policy, you can choose your basic excess from a range of options to suit your needs. A lower basic excess may save you money if you claim on the policy but would normally increase the premium you pay to buy the policy. A higher basic excess may reduce your premium but could cost you more if you have a claim. You will need to consider whether you can pay the higher excess at the time of the claim.

FINANCIAL SITUATION

Our target market is a person who is able to pay premiums in accordance with the chosen premium structure, excess, fees and government charges, having regard to personal circumstances and vulnerability or hardship considerations.

Relevant financial situation considerations include:

- Ability to choose to pay your premium annually or by instalment.

CONSISTENCY WITH THE TARGET MARKET

The insurance product including its key attributes is likely to be consistent with the likely objectives, financial situation and needs of the class of customers in the target market, as we consider that it provides the required type of cover for that class of customers. This has been determined based on an assessment of the insurance product including its key attributes. Individual customers will need to consider whether this product meets their specific objectives, financial situation and needs.

WHAT DISTRIBUTION CONDITIONS APPLY TO THIS PRODUCT?

The product application process has been designed to guide customers directly to the product most likely to meet their needs and objectives based on their responses to the questions in our product application.

Insurance Facilitators' staff have been adequately trained in the product, the customer(s) it is intended for and the underwriting criteria applicable to the product.

Distribution Restrictions	This product can only be distributed if the following conditions are met:
	▪ It can only be sold via an insurance broker and cannot be sold direct to the public.
	▪ The agreement between the insurance broker and Insurance Facilitators Pty Ltd sets out the obligations on the broker and Insurance Facilitators Pty Ltd to distribute products only to customers within the TMD and the ramifications if the product is distributed to a customer outside of the TMD.
	▪ The insurance product distributor must:
	  ▪ be authorised to distribute the product and those arrangements must not have been cancelled or suspended;
	  ▪ agree to comply with all the underwriting criteria and levels of authority (as applicable);
	  ▪ agree to not distribute the product where they receive notice from Us that this TMD is not up to date and no new TMD has been provided; and
	  ▪ where a new TMD has been provided, agree to distribute in accordance with the new TMD.
	▪ The TMD is currently not subject to any ASIC action that might suggest that the TMD is no longer applicable.
	Where an insurance broker provides personal advice in relation to the product it is that broker's responsibility to ensure that acquiring the product is in the best interests of the customer having regard to the customer's objective, financial situation and needs. Accordingly, when personal advice has been provided in relation to the product, the obligation under this TMD does not apply to the insurance broker or Insurance Facilitators Pty Ltd.

Distribution Conditions	▪ This product can only be sold via an offer of cover and acceptance of cover. ▪ This product can be sold to customers within the target market without the customer being provided with any financial product advice or general or personal advice.
Distribution Methods	▪ This product can only be distributed by an insurance broker through either Insurance Facilitators' Console online portal or manual quoting under the agreement between the broker and Insurance Facilitators Pty Ltd. There may also be methods such as face to face, emails and inbound/outbound telephone communication.

REPORTING AND MONITORING THIS TARGET MARKET DETERMINATION

We will collect and may require Insurance Facilitators Pty Ltd to report on the following information in relation to this TMD to HDI Global Specialty:

Complaints	All complaints in relation to this product are reported to HDI Global Specialty on a monthly basis and not later than ten (10) business days after the agreed complaints reporting date. This will include written details of the complaints. HDI Global Specialty is notified of all complaints within 2 business days.
Sales data	Relevant sales and customer data in relation to this product on a monthly basis. If Insurance Facilitators Pty Ltd become aware that the cover is issued to a customer that was ineligible for cover in accordance with the application process, Insurance Facilitators Pty Ltd will notify HDI Global Specialty as soon as practicable after becoming aware of the matter, and within 10 business days.
Claims data	Where relevant, claims data in relation to this product on a monthly basis
Significant dealings	Insurance Facilitators Pty Ltd will notify HDI Global Specialty if Insurance Facilitators Pty Ltd or Insurance Facilitators Pty Ltd 's distributors become aware of a significant dealing in relation to the product that is inconsistent with the TMD within two (2) business days. This includes but is not limited to a consideration of the nature and degree of harm resulting from the issue of this product to a retail customer.
Communication from a regulator in relation to the product or TMD	Insurance Facilitators Pty Ltd to report to HDI Global Specialty on same day

SIGNIFICANT DEALINGS

If an actual or possible significant dealing outside of the target market is identified, HDI Global Specialty SE – Australia requires information such as the date (or date range) the dealing occurred, details about the dealing(s) and any steps or actions taken to mitigate.

Distributors should have regard to current ASIC guidelines when determining what may constitute a significant dealing.

Insurance Facilitators Pty Ltd will notify HDI Global Specialty SE – Australia of any significant dealing in the Product that is not consistent with the TMD as soon as practicable (within 10 business days). This includes but is not limited to a consideration of the nature and degree of harm resulting from the issue of this Product to a retail customer.

WHEN WILL WE REVIEW THIS DOCUMENT

The initial review of this TMD will occur no later than 12 months from the date this TMD is first published or within 10 business days if an event or circumstance (Review Trigger) occurs which would reasonably suggest that the TMD is no longer appropriate.

This TMD will then be reviewed at least every 24 months after the end of the previous review or agreed otherwise by HDI Global Specialty SE – Australia.

OTHER CIRCUMSTANCES WHICH MIGHT REQUIRE US TO REVIEW THIS DOCUMENT?

Outside of the identified review period this TMD may be reviewed more regularly if an event or circumstance is identified that may reasonably suggest that the product is no longer suitable to the target class of customers and would trigger a review. These would include but are not limited to us becoming aware of:

- an event or circumstance that would materially impact on or change a factor taken into account when making the TMD that would suggest to Us that the TMD is no longer appropriate, such as a change in underwriting requirements,
- the product has materially not been distributed and purchased in a way that is significantly inconsistent with this TMD,
- a material change to the product including Product Disclosure Statement, Policy Wording information or assumptions upon which the TMD was formulated like the Application Process, pricing requirements, underwriting guidelines,
- feedback, such as significant or systemic complaints or claims issues received from insurance brokers, distribution or customers who purchased the product which are of a nature that suggest to us that the TMD is no longer appropriate,
- change of relevant law, regulatory guidance, industry code or feedback from regulators such as ASIC, APRA or other interested parties which has a material effect on the teams or distribution of the product.