

AON VERTEX COMMERCIAL MOTOR INSURANCE:

- OWN DAMAGE AND THIRD PARTY LIABILITY COVER
 - FIRE, THEFT AND THIRD PARTY LIABILITY COVER
 - THIRD PARTY LIABILITY COVER
- ## Target Market Determination (TMD)

Effective Date: 12th February 2025

About this document

This TMD applies to the **own damage and third party liability cover, fire, theft and third party liability cover** and **third party liability cover** described in the Product Disclosure Statement listed below together with any related Supplementary Product Disclosure Statements (SPDS):

- AON Vertex Commercial Motor Vehicle Insurance (Vertex CMV)

which has been issued by Allianz Australia Insurance Limited ABN 15 000 122 850 AFS Licence No. 234708 (the **Issuer**).

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):	Own damage and third party liability cover:
	This cover provides protection for a number of vehicles for: <ul style="list-style-type: none">• own damage cover – the cost of the repairs to, or replacement of, those vehicles arising from theft or accidental or malicious loss or damage; and• third party cover – persons that drive, or are passengers in, those vehicles to cover their liability for:<ul style="list-style-type: none">- damage or destruction to someone else’s property arising out of the use of those vehicles; and- death or injury to another person arising out of the use of those vehicles.
	Fire, theft and third party liability cover:
	This cover provides protection for a number of vehicles for: <ul style="list-style-type: none">• fire and theft cover – the cost of the repairs to, or replacement of, those vehicles arising from theft or loss or damage from a fire BUT NOT other events or circumstances causing loss or damage; and• third party cover – persons that drive, or are passengers in, those vehicles to cover their liability for:<ul style="list-style-type: none">- damage or destruction to someone else’s property arising out of the use of those vehicles; and- death or injury to another person arising out of the use of those vehicles.
Optional cover(s):	Third party liability cover:
	This cover provides protection for a number of vehicles for: <ul style="list-style-type: none">• third party cover – persons that drive, or are passengers in, those vehicles to cover their liability for:<ul style="list-style-type: none">- damage or destruction to someone else’s property arising out of the use of those vehicles; and- death or injury to another person arising out of the use of those vehicles,BUT NOT protection for loss or damage to, or theft of, those vehicles.
	A customer may choose whether: (a) all of its vehicles have either own damage and third party liability cover, fire, theft and third party liability cover or third party liability cover ; or (b) some of its vehicles have own damage and third party liability cover and other of its vehicles have fire, theft and third party liability cover or third party liability cover . The type of cover that applies to each vehicle will be set out in the Insured’s documentation.
Optional cover(s) may be added to all or some of main cover(s) (as indicated below) at the option of a customer. These include: <ul style="list-style-type: none">- Capped excess any one event – the maximum excess payable under any main cover for all insured vehicles arising for any one event shall be capped at the amount specified in the Policy Schedule.- Vehicles let on hire – extends any main cover to cover for vehicles that are let on hire.- Vehicles used as a Tool of Trade – extends third party cover to insured vehicles whilst being used as a tool of trade.- Carriage of Dangerous Goods – increases the insured limit under the third party cover for liability arising from the carriage of dangerous goods. Optional covers are subject to the monetary limitations and exclusions set out in the PDS.	

Key eligibility criteria:

Insured:

- is a business or charitable entity with an establishment in Australia;
- requires insurance for a number of vehicles in connection with its activities; and
- seeks a single policy to cover their vehicles rather than an individual policy for each vehicle.

Vehicles:

- if required to be registered by law, are registered with the relevant transport authority in Australia or New Zealand;
- are used primarily on public roads;
- are used primarily in connection with the insured's activities;
- are located in Australia or New Zealand;
- are of a make and model accepted by the Issuer and shown in the Policy Schedule;
- are roadworthy and safe to drive;
- are not used in an underground mine or mining shaft; and
- unless accepted by the Issuer and shown in the Policy Schedule, are not used:
 - o for the transportation of explosives or radioactive goods, or other dangerous goods in quantities that exceed the limits set out in the PDS;
 - o to carry passengers for hire or reward;
 - o for testing in preparation, or in use for a race, test or contest or for pacemaking; and
 - o 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, including:

(a) at the time of the accident or liability:

- if required to be registered by law, the vehicle was not registered with the relevant transport authority in Australia or New Zealand;
- was not located in Australia or New Zealand;
- the driver was not licensed for that type of vehicle, or not following licence conditions;
- driver 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;
- vehicle was used with a number of passengers or trailers, or a load that exceeds the limits for which the vehicle was constructed;
- vehicle was used in an underground mine, mining shaft or on rails or tracks; or
- vehicle was used for a non-permitted purpose, unless that use has been accepted by the Issuer and shown in the Policy Schedule. Some examples include:
 - o for hire or carrying passengers for hire or reward;
 - o transportation of explosives, radioactive goods, large quantities of gases or other dangerous goods; or
 - o tested in preparation, or in use for a race, test or contest or for pacemaking.

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

- (i) unlicensed or not following licensing conditions; or
- (ii) 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.



(b) for the **own damage and third party liability cover** and the **fire, theft and third party liability cover** - loss, damage or liability in connection with:

- depreciation; and wear and tear;
- rust and corrosion;
- mechanical, structural, electrical or electronic breakdowns or failures;
- tyres caused by braking, road punctures, cuts or bursts; and
- consequential loss (such as the inability to use an insured vehicle), or aggravated, exemplary or punitive damage.



<p>Key exclusions (cont.):</p>	<p>(c) for the fire, theft and third party liability cover, loss or damage in connection with events other than theft or fire.</p> <p>(d) for the third party cover in each of the covers - loss, damage or liability in connection with:</p> <ul style="list-style-type: none"> - any liability which the insured is required by law to be insured against, under a separate statutory policy; - use of a vehicle as tool of trade (as described in the PDS), unless the vehicle is a forklift which is registered for road use; - the transportation of explosives, radioactive materials, or quantities of other dangerous goods that exceed the quantities permitted in the PDS; or - any fines, penalties or aggravated, exemplary or punitive damages. <p>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.</p> <p>See also Limitations and Ineligible Persons below.</p>	
<p>Limitations:</p>	<p>Own damage and third party liability cover and Fire, theft and third party liability cover:</p> <p>Insured Value – Claims are subject to monetary limits. For total loss claims, claims are subject to a monetary limit of the lesser of the:</p> <ul style="list-style-type: none"> - sum insured for the insured vehicle, specified in the Policy Schedule; and - market value of the insured vehicle including accessories. <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 cover in each of the covers:</p> <p>Claims for legal liability are subject to a per event limit as specified in the PDS, which may be modified, by agreement, in the Policy Schedule.</p> <p>For liability arising from the transportation of certain quantities or of dangerous goods a separate per event limit applies as specified in the PDS, which may be modified, by agreement, 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>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 different types of claims, types of vehicles and age or experience of the driver.</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>	

Likely needs, objectives and financial situation



Own damage and third party liability cover is designed for:

 	<p>Likely needs and objectives</p> <p>A business or charitable entity that would like to insure a number of vehicles used in connection with their activities and seek protection for:</p> <ul style="list-style-type: none">the financial detriment or burden resulting from accidental loss or damage to, or theft of, their vehicles;themselves/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 their vehicles; andthemselves/itself (and the driver of, and passengers in, their vehicles) against liabilities for personal injury to another person arising from the use of their vehicles (but not personal injury required to be covered by statute under compulsory insurance or a statutory scheme).	<p>Likely financial situation</p> <p>A business or charitable entity 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 own damage and third party liability cover is likely to be consistent with the needs, objectives and financial situation of customer's in the target market.</p>		

Fire, theft and third party liability cover is designed for:

 	<p>Likely needs and objectives</p> <ul style="list-style-type: none">the financial detriment or burden resulting from theft of, or loss or damage from fire BUT NOT loss or damage arising from events or circumstances other than theft or fire;themselves/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 their vehicles; andthemselves/itself (and the driver of, and passengers in, their vehicles) against liabilities for personal injury to another person arising from the use of their vehicles (but not personal injury required to be covered by statute under compulsory insurance or a statutory scheme).	<p>Likely financial situation</p> <p>A business or charitable entity 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 fire, theft and third party liability cover is likely to be consistent with the needs, objectives and financial situation of customer's in the target market.</p>		

Third party liability cover is designed for:

 	<p>Likely needs and objectives</p> <p>A business or charitable entity that would like to insure a number of vehicles used in connection with their activities and seek protection for:</p> <ul style="list-style-type: none">themselves/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 their vehicles; andthemselves/itself (and the driver of, and passengers in, their vehicles) against liabilities for personal injury to another person arising from the use of their vehicles (but not personal injury required to be covered by statute under compulsory insurance or a statutory scheme), <p>BUT NOT loss of, or damage to, these vehicles.</p>	<p>Likely financial situation</p> <p>A business or charitable entity 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 third party liability cover is likely to be consistent with the needs, objectives and financial situation of customer's in the target market.</p>		

B. Ineligible Persons

Own damage and third party liability cover is not designed for:



A business or charitable entity that:

- does not have an establishment in Australia;
- does not have a number of vehicles;
- seeks a policy for each of its vehicles rather than a single policy to cover all their vehicles;
- whose vehicles, if required to be registered by law, are registered with the relevant transport authority in Australia or New Zealand;
- whose vehicles are not primarily used in connection with its activities;
- whose vehicles are not primarily used on public roads;
- whose vehicles are not located in Australia or New Zealand;
- whose vehicles are unsafe or not roadworthy;
- whose vehicles are of a make or model that is not accepted by the Issuer;
- whose vehicles are used in an underground mine or mining shaft; or
- unless accepted by the Issuer and shown in the Policy Schedule, whose vehicles:
 - are used for the transportation of explosives or radioactive goods, or other dangerous goods in quantities that exceed the limits set out in the PDS;
 - are used to carry passengers for hire or reward; or
 - are used for testing in preparation, or in use for a race, test or contest or for pacemaking.

Fire, theft and third party liability cover is not designed for:



A business or charitable entity that:

- does not have an establishment in Australia;
- does not have a number of vehicles;
- seeks a policy for each of its vehicles rather than a single policy to cover all their vehicles;
- whose vehicles, if required to be registered by law, are registered with the relevant transport authority in Australia or New Zealand;
- that seek protection for loss or damage to their insured vehicles from events or circumstances other than fire and theft;
- whose vehicles are not primarily used in connection with its activities;
- whose vehicles are not primarily used on public roads;
- whose vehicles are not located in Australia or New Zealand;
- whose vehicles are unsafe or not roadworthy;
- whose vehicles are of a make or model that is not accepted by the Issuer;
- whose vehicles are used in an underground mine or mining shaft; or
- unless accepted by the Issuer and shown in the Policy Schedule, whose vehicles:
 - are used for the transportation of explosives or radioactive goods, or other dangerous goods in quantities that exceed the limits set out in the PDS;
 - are used to carry passengers for hire or reward; or
 - are used for testing in preparation, or in use for a race, test or contest or for pacemaking.

Third party liability cover is not designed for:



A business or charitable entity that:

- wants protection for loss or damage to, or theft of, their insured vehicles;
- does not have an establishment in Australia;
- does not have a number of vehicles;
- seeks a policy for each of its vehicles rather than a single policy to cover all their vehicles;
- whose vehicles, if required to be registered by law, are registered with the relevant transport authority in Australia or New Zealand;
- whose vehicles are not primarily used in connection with its activities;
- whose vehicles are not primarily used on public roads;
- whose vehicles are not located in Australia or New Zealand;
- whose vehicles are unsafe or not roadworthy;
- whose vehicles are of a make or model that is not accepted by the Issuer;
- whose vehicles are used in an underground mine or mining shaft; or
- unless accepted by the Issuer and shown in the Policy Schedule, whose vehicles:
 - o are used for the transportation of explosives or radioactive goods, or other dangerous goods in quantities that exceed the limits set out in the PDS;
 - o are used to carry passengers for hire or reward; or
 - o are used for testing in preparation, or in use for a race, test or contest or for pacemaking.

C. Distribution

Distribution channels

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

- through Aon Risk Services Pty Ltd ABN 17 000 434 720 AFS Licence No. 241141 (AON) as broker
- under a general advice model or personal advice model

All of these channels are monitored by 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 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 AON (**Approved Distributor**). The Approved Distributor and their systems and processes are assessed and monitored by the Issuer, and therefore either the direct distribution by the Issuer or distribution by the Approved Distributor would make it more likely that the Approved Distributor will comply with the terms of this TMD.

Distribution information

We require distributors to provide the following information in relation to their distribution of products covered by this TMD:

Complaints	all complaints in relation to this TMD on a quarterly basis to the Issuer unless the Issuer has requested a distributor to report more frequently. This will include written details of the complaints.
Sales data	report relevant sales and customer data in relation to this TMD on a quarterly basis to the Issuer unless the Issuer has requested a distributor to report more frequently.
Significant dealings	notification, within 10 business days, if they become 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 the Approved Distributor.

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>