

MMA HEAVY MOTOR VEHICLE AND MOBILE PLANT INSURANCE:

- COMPREHENSIVE COVER
- LIABILITY ONLY COVER

Target Market Determination (TMD)

Effective Date: 25 October 2021

About this document

This TMD applies to the **Comprehensive Cover** and **Liability Only Cover** described in the Product Disclosure Statements listed below together with any related Supplementary Product Disclosure Statements:

- MMA Heavy Motor and Mobile Plant Policy (PDS POL1320GT/MMA 02/21)

that have been issued by Allianz Australia Insurance Limited ABN 15 000 122 850 AFS Licence No. 234708 (the **Issuer**) through its underwriting agent Global Transport & Automotive Insurance Solutions Pty Ltd ABN 93 069 048 255, AFS Licence No 240714 (**GT**).

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.

Unless otherwise defined in this TMD, capitalised terms used in this TMD have the meaning given to them in the PDS.

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):	Comprehensive cover: <p>This cover provides protection in respect of one or more Insured Vehicles for:</p> <p>(a) the cost of the repairs to, or replacement of, one or more Insured Vehicles arising from loss, damage or destruction caused by an event occurring unintentionally or by chance in Australia or being transported by sea between ports or places within Australia (Loss to Insured Vehicles Cover); and</p> <p>(b) the liability of the Insured and persons that drive, or are passengers in, one or more of the Insured Vehicles for:</p> <ul style="list-style-type: none">- Personal Injury to another person; and- Property Damage to another person's property, <p>arising as a result of an event occurring unintentionally or by chance involving an Insured Vehicle within Australia or being transported by sea between ports or places within Australia (Liability Cover).</p>
	Liability Only Cover: <p>The cover provides protection for liability of the Insured and persons that drive, or are passengers in, one or more of the Insured Vehicles for:</p> <ul style="list-style-type: none">- Personal Injury to another person; and- Property Damage to another person's property, <p>arising as a result of an event occurring unintentionally or by chance involving an Insured Vehicle within Australia or being transported by sea between ports or places within Australia (Liability Cover).</p> <hr/> <p>A customer can choose whether each of its Insured Vehicles is covered by:</p> <p>(a) the Comprehensive Cover; or</p> <p>(b) the Liability Only Cover.</p> <p>The cover that applies to each Insured Vehicle is set out in the Placing Schedule.</p>
Key eligibility criteria:	Insured: <ul style="list-style-type: none">- either an individual in Australia or a business or charitable entity with an establishment in Australia. Insured Vehicles: <ul style="list-style-type: none">- owned by, are leased or hired to, or the responsibility of, the Insured;- are located in Australia;- if required to be registered by law, are registered with the relevant transport authority in Australia;- are of a make and model accepted by the Issuer and shown in the Placing Schedule;- have not been modified with non-standard accessories or modifications unless accepted by the Issuer and shown in the Placing Schedule;- are roadworthy, safe to drive and with no existing damage, except minor wear and tear;- if put on Dry Hire or Wet Hire by the Insured and the Insured has not released or waived any right to recovery, indemnity or contribution from the hirer;- unless accepted by the Issuer and shown in the Placing Schedule, are not used:<ul style="list-style-type: none">o for racing, trial, test or contest;o to carry or lift cargo in excess of that for which the Insured Vehicle was designed/constructed; ando underground. <p>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 Placing Schedule.</p>

Key exclusions:

The PDS for this cover has specific coverage and exclusions. These include the following general exclusions:

- 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;
- driver was unlicensed, or otherwise not permitted by law to drive the Insured Vehicle;
- the Insured Vehicle was being used:
 - for an improper use;
 - for racing, trial, test or contest;
 - to carry or lift cargo in excess of that for which the Insured Vehicle was designed/constructed;
 - underground; or
 - whilst unroadworthy.

The general exclusions set out above that relate to:

- (a) a driver being unlicensed or not following licensing conditions;
- (b) a driver being under the influence of, or exceeding the legal limit for drugs or alcohol, or refusing a test;
- (c) exceeding load limits; or
- (d) a vehicle being unroadworthy,

will not apply where the Insured can prove that they were unaware of those circumstances. However, those general exclusions will apply to the driver of the Insured Vehicle.

For the **Loss to Insured Vehicles Cover**, no cover for:

- for Dry Hire or Wet Hire by the Insured where the Insured had released or waived any right to recovery, indemnity or contribution from the hirer.
- theft by any Named Insured;
- forfeiture or lawful seizure;
- loss of use;
- depreciation, wear and tear and rust and corrosion;
- structural, mechanical, electrical or electronic breakdown, failure or breakage unless caused by an Accident;
- tyres being damaged by application of brakes, by road cuts, punctures or bursts;
- a failure to take reasonable steps to prevent theft following an Accident;
- Trade Use of the Insured Vehicle on any Watercraft, or in the course of transit by sea other than between ports and places within Australia unless agreed by the Issuer and set out in Placing Schedule;
- consequential loss (such as loss of use and costs related to non-completion or delay in works);
- loss of Down Hole Items whilst in the ground unless agreed by Issuer;
- use of Mobile Plant while its load measuring instruments or limiters are defective or not working;
- loss caused by tests or experiments imposing abnormal conditions to any Mobile Plant;
- Insured Vehicle is used or operated in a manner or for a purpose other than one for which it has been designed or beyond manufacturer's recommended safe working limits;
- lifting where load is shared or rigged for sharing with other cranes unless agreed by the Issuer;
- setting or hardening of any concrete, bitumen or similar unless reasonable steps were taken to remove those products from the Insured Vehicle; and
- fines, penalties or aggravated, punitive or liquidated damages.

Key exclusions (cont.): For the **Liability Cover**, no cover for:

- any event which is coverable, or required to be covered, under any statutory or compulsory insurance scheme;
- Personal Injury to driver of the Insured Vehicle at the time of the Accident, the Insured's employees or family members;
- Personal injury caused by Insured Vehicles registered in the Northern Territory of Australia;
- the transportation of Dangerous Goods unless all applicable laws, regulations and codes have been complied with;
- unregistered Insured Vehicles, trailers or towed vehicles unless necessary permits obtained;
- Trade Use of an Insured Vehicle, other than a forklift which is registered for road use;
- directly arising from, or caused by, the delivery or collection of a load to or from the Insured Vehicle;
- fines, penalties and aggravated, exemplary, punitive or liquidated damages;
- Property Damage to the property owned by, or in the possession or control, of the Insured;
- liabilities under contract, warranty or agreement unless agreed by the Issuer;
- Property Damage caused by or arising from vibration; and
- Personal Injury or Property damage occurring at any airport hanger and any part of an airport or airfield used for loading, unloading, taxiing, take offs or landings.

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 Placing Schedule.



See also Limitations and Ineligible Persons below.

Limitations:	Loss to Insured Vehicle Cover:	Liability Cover:
	<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>Basis for Settlement – Claims are subject to monetary limits set out in the PDS and the Placing Schedule. Subject to the application of a more specific basis of settlement (see below), total loss claims are subject to a limit based on the lesser of:</p> <ul style="list-style-type: none"> (a) the market value of the affected vehicle; or (b) an agreed value, shown in the Placing Schedule. <p>Specific Basis of Settlement – The basis for settlement will be adjusted in certain circumstances including:</p> <ul style="list-style-type: none"> (a) where the Sum Insured of the affected Insured Vehicle is less than 80% of the Market Value at the time of the Loss; (b) potential increase in claims limit where the affected Insured Vehicle is subject to a hire/lease arrangement; (c) where Insured Vehicle is within two years of the date of its first registration after manufacture or, if not registered, its original sale date; (d) entitlement to salvage of the Insured Vehicle; and (e) potential increase in claims limit for Mobile Plant based on appreciation in the Market Value (up to a maximum of 20% of the Sum Insured). <p>Maximum Limit – the amount that can be claimed for loss or damage (including amounts payable under additional benefits) for all insured vehicles from any one Accident is subject to the aggregate limit of \$10,000,000.</p> <p>Other limitations, conditions and additional benefits are specified in the PDS and the Placing Schedule.</p>	<p>Legal liability: Claims for legal liability are subject to a per event limit of \$30,000,000 or as specified in the Placing Slip with agreement.</p> <p>Liability arising from the transportation of dangerous goods is subject to a separate liability limit which is also set out in the Placing Schedule. A customer can request this limit be increased which will be shown in the Placing Schedule.</p>



Deductible:	<p>Claims are subject to the payment of premium and the applicable deductible as specified in the Placing Schedule. The deductible payable may be different for different types of claims, types of vehicles and age or experience of the driver.</p> <p>Deductibles can be adjusted by agreement between the customer and the Issuer.</p>
Other key terms:	<p>Additional benefits – there a number of additional benefits available under the Loss of Insured Vehicle Cover and Liability Cover. These additional benefits are set out in the PDS and are subject to separate limits and conditions set out in the PDS. For Loss of Insured Vehicle Cover these include, for example, limited cover for funeral costs in the event of death of driver, expenses expediting repair or reinstatement, contributions to general average and salvage, recovery and retrieval (no damage) costs, costs for replacement vehicle hire, personal effects of employees or directors of the Insured, traffic management costs, costs for transportation of driver and passengers and replacement cost of new tyre following an Accident. For Liability Cover these include non-owned trailer liability and dangerous goods clean- up costs.</p> <p>Supplementary Payments – there a number of supplementary payments available under the Liability Cover. These supplementary payments are set out in the PDS and are subject to separate limits and conditions set out in the PDS.</p> <p>Automatic addition and deletion – the main cover(s) also covers all additional and replacement vehicles.</p>

Likely needs, objectives and financial situation

Comprehensive Cover is designed for:

	<p>Likely needs and objectives</p> <p>Persons or business/charitable entities that own, lease, hire or are responsible for one or more Vehicles that seek protection for:</p> <ul style="list-style-type: none"> ○ the financial detriment or burden resulting from theft of, or loss or damage from an unforeseen or unintended happening to, those Vehicles; ○ themselves/itself (and the driver of, and passengers in, their vehicles) against liabilities for Property Damage to someone else’s property arising from the use of those Vehicles; and ○ themselves/itself (and the driver of, and passengers in, their vehicles) against liabilities for Personal Injury to another person arising from the use of those Vehicles. 	<p>Likely financial situation</p> <p>Persons or business/charitable entities that are able to pay premiums in accordance with the chosen premium structure, and any deductible in the event of a claim in accordance with the chosen deductible option.</p>
	<p>Based on our assessment of the key terms, features and attributes, the Comprehensive Cover is likely to be consistent with the needs, objectives and financial situation of customer’s in the target market.</p>	

Liability Only Cover is designed for:

	<p>Likely needs and objectives</p> <p>Persons or business/charitable entities that own, lease, hire or are responsible for one or more Vehicles that seek protection for:</p> <ul style="list-style-type: none"> ○ themselves/itself (and the driver of, and passengers in, their vehicles) against liabilities for Property Damage to someone else’s property arising from the use of those Vehicles; and ○ themselves/itself (and the driver of, and passengers in, their vehicles) against liabilities for Personal Injury to another person arising from the use of those Vehicles. 	<p>Likely financial situation</p> <p>Persons or business/charitable entities that are able to pay premiums in accordance with the chosen premium structure, and any deductible in the event of a claim in accordance with the chosen deductible option.</p>
	<p>Based on our assessment of the key terms, features and attributes, the Liability Only Cover is likely to be consistent with the needs, objectives and financial situation of customer’s in the target market.</p>	

B. Ineligible Persons

Comprehensive Cover is not designed for persons who:



Persons or business/charitable entities:

- are not individuals permanently residing in Australia or a business or charitable entity with an establishment in Australia;
- own, hire, lease or are responsible for Vehicles that are not located in Australia; or
- own, hire, lease or are responsible for Vehicles that:
 - o if required to be registered by law, are not registered with the appropriate transport authority in Australia or
 - o require personal injury cover for Vehicles which are registered in the Northern Territory of Australia;
 - o that are not predominately used for their business activities;
 - o are of a make and model accepted by the Issuer;
 - o have been modified with non-standard accessories or modifications unless accepted by the Issuer and shown in the Placing Schedule;
 - o are not roadworthy, safe to drive and with no existing damage, except minor wear and tear;
 - o if put on Dry Hire or Wet Hire by the Insured, the Insured has released or waived any right to recovery, indemnity or contribution from the hirer;
 - o unless accepted by the Issuer and shown in the Placing Schedule, are used:
 - for racing, trial, test or contest;
 - to carry or lift cargo in excess of that for which the Insured Vehicle was designed/constructed; or
 - underground.

Liability Only Cover is not designed for:



Persons or business/charitable entities:

- are not individual permanently residing in Australia or a business or charitable entity with an establishment in Australia;
- seek the protection made available under the Loss to Insured Vehicle Cover;
- own, hire, lease or are responsible for Vehicles that are not located in Australia; or
- own, hire, lease or are responsible for Vehicles that:
 - o if required to be registered by law, are not registered with the appropriate transport authority in Australia or
 - o require personal injury cover for Vehicles which are registered in the Northern Territory of Australia
 - o that are not predominately used for their business activities;
 - o are of a make and model accepted by the Issuer;
 - o have been modified with non-standard accessories or modifications unless accepted by the Issuer and shown in the Placing Schedule;
 - o are not roadworthy, safe to drive and with no existing damage, except minor wear and tear;
 - o if put on Dry Hire or Wet Hire by the Insured, the Insured has released or waived any right to recovery, indemnity or contribution from the hirer;
 - o unless accepted by the Issuer and shown in the Placing Schedule, are used:
 - for racing, trial, test or contest;
 - to carry or lift cargo in excess of that for which the Insured Vehicle was designed/constructed; or
 - underground.

C. Distribution

Distribution channels

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

- Marsh Pty Ltd, ABN 86 004 651 512 and AFSL 238983 (**Marsh**) and
- Marsh Advantage Insurance Pty Ltd ABN 31 081 358 303 and AFSL 238369 (**Marsh Advantage**) as brokers
- general advice

This channel is monitored by GT (on behalf of 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 Issuer approves the 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 directly by GT and Marsh by distributors approved by GT and the Issuer (**Approved Distributors**). Approved Distributors and their systems and processes are assessed and monitored by GT (on behalf of the Issuer), and would therefore 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	<p>all complaints in relation to this TMD must be supplied to GT (on behalf of the Issuer) as soon as reasonably possible, but no later than on a quarterly basis unless GT has requested a distributor to report more frequently. This will include written details of the complaints.</p> <p>GT must supply all complaint information to the Issuer on a quarterly basis unless the Issuer has requested GT to report more frequently.</p>
Sales data	<p>report relevant sales and customer data in relation to this TMD on a quarterly basis to GT (on behalf of the Issuer) unless GT has requested a distributor to report more frequently.</p> <p>GT must supply all sales and customer data to the Issuer on a quarterly basis unless the Issuer has requested GT to report more frequently.</p>
Significant dealings	<p>notification to GT (on behalf of the Issuer) if they become aware of a significant dealing in relation to this TMD that is inconsistent with this TMD within 10 business days.</p> <p>GT must immediately notify the Issuer if it receives a notification of a significant dealing.</p>

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 an 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>