

# COMMERCIAL MOTOR – COMPREHENSIVE COVER

## Target Market Determination (TMD)

Effective Date: 28 October 2023

### About this document

This TMD applies to the **comprehensive cover** described in the Product Disclosure Statements and Supplementary Product Disclosure Statements listed in Appendix 1 (together, referred to as the **PDSs**) that have 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)

cover:	<b>Comprehensive cover:</b> <p>This cover provides protection for:</p> <ul style="list-style-type: none"><li>the cost of the repairs to, or replacement of, one or more vehicles and its accessories arising from accidental or malicious loss or damage (including theft) (<b>accidental damage and theft cover</b>); and</li><li>persons that drive, or are passengers in, one or more vehicles to cover their liability for damage or destruction to someone else's property arising out of the use of those vehicles (<b>third party property damage cover</b>).</li></ul>
Additional Cover:	<p><b>Additional benefits</b> – in addition to the main cover(s), there are a number of additional benefits included under these cover(s). There are some differences in the additional benefits available under the products covered by this TMD, including different monetary limits that apply to these additional benefits. The additional benefits available under each product, together with the applicable monetary limits, are set out in the applicable PDS. For example, towing following an accident, removal of debris and re-keying and recoding of vehicles if keys are stolen. Claims for these additional benefits are in addition to the limits for the main cover(s).</p> <p><b>Automatic addition and deletion/Vehicle Additions</b> – main cover(s) can be extended by the customer to include vehicles which replace the original insured vehicles provided that they are vehicles of a similar type to the one replaced and have been notified to the Issuer in accordance with the PDS. Claims for replacement vehicles are subject to a separate monetary limit set out in the PDS.</p>
Optional cover(s):	<p>Optional cover(s) can be added to the main cover(s) by a customer:</p> <ul style="list-style-type: none"><li><b>Hire Costs</b> – includes a rental vehicle after an accident.</li></ul> <p>Optional cover is subject to its own eligibility criteria and the limitations and exclusions set out in the PDS. Certain products covered by this TMD include this optional cover as part of their additional benefits, see PDS for details of the optional cover and additional benefits available for each product.</p>
Key eligibility criteria:	<p><b>Insured:</b></p> <ul style="list-style-type: none"><li>operates a business in Australia.</li></ul> <p><b>Vehicle(s):</b></p> <ul style="list-style-type: none"><li>is used in connection with the insured's business;</li><li>if required to be registered by law, is registered with the relevant transport authority in Australia;</li><li>is of a make and model accepted by the Issuer and shown in the policy schedule;</li><li>has a fuel system that complies with the relevant Australian Standards;</li><li>has not been modified unless accepted by the Issuer and shown in the policy schedule;</li><li>is roadworthy, safe to drive and with no existing damage, except minor wear and tear; and</li><li>is not used for hire or to carry passengers for hire or reward unless accepted by the Issuer and shown in the policy schedule.</li></ul>
Some exclusions:	<p>The PDS for this cover has general exclusions and exclusions specific to certain covers. For example the issuer will not pay a claim:</p> <p>(a) if at the time of the accident, loss or liability:</p> <ul style="list-style-type: none"><li>vehicle is used for a non-permitted purpose, or with a number of passengers or a load that exceeds the limits for which the vehicle was constructed; or</li><li>vehicle is used for drilling or tunnelling underground or driven in an underground mine or mining shaft except to the extent accepted by the Issuer and documented in the PDS; or</li><li>vehicle was used for motor sports, trials, testing or demonstration purposes.</li></ul> <p>For the <b>accidental damage and theft cover</b> only:</p> <p>(b) for loss, damage or liability in connection with:</p> <ul style="list-style-type: none"><li>depreciation; and wear and tear;</li><li>rust and corrosion;</li><li>mechanical, structural, electrical or computer breakdowns, repairs or failures;</li><li>tyres or wheel rims caused by braking, road punctures, cuts or bursts;</li><li>pre-existing faults or damage;</li><li>intentional, malicious or criminal acts by, or with the consent of, the insured;</li><li>a failure to take reasonable steps to prevent loss or damage; or</li><li>consequential loss (such as loss of use), or aggravated, exemplary or punitive damage.</li></ul> <p>For the <b>third-party property damage cover</b> only:</p> <p>(c) there is no cover for:</p> <ul style="list-style-type: none"><li>liability for damage to underground services, such as pipes and cables;</li><li>liability for loss or damage to any aircraft;</li><li>psychological or psychiatric injury not directly arising from a serious physical bodily injury arising from use of the vehicle;</li><li>liability that could be claimed under a compulsory or statutory insurance policy or scheme;</li><li>the transportation of explosives or radioactive goods and certain other dangerous goods unless accepted by us and listed in your policy schedule; or</li><li>consequential loss (such as loss of use), or aggravated, exemplary or punitive damage.</li></ul> <p>Specific exclusions also apply to the additional and optional cover that we provide. See also Limitations and Ineligible Persons below.</p>

<p><b>Limitations:</b></p>	<p><b>Accidental damage and theft cover:</b></p> <p><b>Insured Value</b> – Claims are subject to monetary limits. For total loss claims, claims are subject to a monetary limit (sum insured) based on one of the following options selected by the customer:</p> <ul style="list-style-type: none"> <li>(a) the market value;</li> <li>(b) an agreed value; or</li> <li>(c) the lower of a sum insured and the market value,</li> </ul> <p>and as shown in the policy schedule.</p> <p><b>How we Settle Claims</b> – claims will be settled either by repair, reinstatement, replacement (if applicable) or pay the cost of repair up to the relevant sum insured.</p> <p>Other limitations, conditions and additional benefits are specified in the PDS and the policy schedule.</p>	<p><b>Third party property damage cover:</b></p> <p>Claims for legal liability are subject to a per event limit as specified in the PDS. For liability arising from the transportation of dangerous goods a separate, per event limit applies.</p>
<p><b>Excess:</b></p>	<p>One or more excess(s) is payable as a contribution to a claim unless otherwise stated in the policy. Excess payable may be different for different types of claims, types of vehicles and age or experience of the driver.</p>	

## Likely needs, objectives and financial situation

### Comprehensive cover is designed for:

	<p><b>Likely needs and objectives</b></p> <p>Persons or companies that operate a business that use one or more vehicles in connection with their business and seek protection for:</p> <ul style="list-style-type: none"> <li>o the financial detriment or burden resulting from accidental or malicious loss or damage to, or theft of, their vehicle(s); and</li> <li>o themselves/itself (and the driver of, and passengers in, their vehicle(s)) against liabilities for accidental damage or destruction to someone else’s property arising from the use of their vehicle(s).</li> </ul>	<p><b>Likely financial situation</b></p> <p>Persons or companies that are able to pay premiums in accordance with the chosen premium structure the sum insured and limits are sufficient, and any excess in the event of a claim in accordance with the chosen excess option.</p>
	<p>Based on our assessment, comprehensive cover (including its key attributes) 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:

X	<p>Persons or companies:</p> <ul style="list-style-type: none"><li>- that do not operate a business in Australia;</li><li>- who use their vehicle(s) outside Australia;</li><li>- if registration is required by law, whose vehicle(s) is not registered with the relevant transport authority in Australia;</li><li>- whose vehicle(s) are unsafe or not roadworthy;</li><li>- whose vehicle(s) are of a make or model that is not accepted by the Issuer;</li><li>- that have modified their vehicle(s) unless accepted by the Issuer and shown in the policy schedule;</li><li>- whose vehicle(s) are used for hire or to carry passengers for hire or reward unless accepted by the Issuer and shown in the policy schedule;</li><li>- the transportation of explosives or radioactive goods and certain other dangerous goods unless accepted by us and listed in your policy schedule; or</li><li>- whose vehicle(s) are used for drilling or tunnelling underground or driven in an underground mine or mining shaft except to the extent accepted by the Issuer and documented in the PDS.</li></ul>
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## C. Distribution

### Distribution channels

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

- online through relevant websites
- by calling our contact centres
- third party distributors

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 be distributed either directly by the Issuer, or by distributors approved by the Issuer (**Approved Distributors**).

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.

Approved Distributors and their systems and processes are assessed and monitored by the Issuer to ensure these processes are consistent with the Application Process, and therefore either the direct distribution by the Issuer or distribution by Approved Distributors 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 if they become aware of a significant dealing in relation to this TMD that is inconsistent with this TMD within 10 business days.

## 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"><li>• a material change to the design or distribution of a product, including material changes to policy documentation or the PDS;</li><li>• a material alteration to acceptance criteria or underwriting criteria, and the Application Process;</li><li>• identified systemic issues in the product or the distribution of the product;</li><li>• relevant material external events such as relevant litigation or adverse media coverage;</li><li>• relevant feedback, information or notification received from a distributor, regulator such as ASIC or APRA or other interested parties;</li><li>• significant changes in metrics. These include sales, policy cancellations, lapses in renewals, claims, complaints and loss ratios; and</li><li>• any significant dealings that are inconsistent with the TMD,</li></ul> <p>to the extent these events or circumstances reasonably suggest the TMD is no longer appropriate.</p>

## Appendix

This TMD applies to the **comprehensive cover** described in the Product Disclosure Statements listed below and any related Supplementary Product Disclosure Statements:

- Allianz Austbrokers Business Pack (POL955)
- Allianz Austbrokers Commercial Motor Insurance (POL407)
- Allianz Business Insurance Pack (POL1013)
- Allianz Business Pack (POL949)
- Allianz Commercial Motor Insurance (POL124)
- Allianz Commercial Motor Insurance Austbrokers (POL409)
- Allianz Gallagher Motor Trades Pack (POL995)
- Allianz Insurance Advisernet Business Pack (POL957)
- Allianz Motor Trades Pack (POL951)
- Allianz Office Pack (POL963)
- Allianz Steadfast Commercial Motor Vehicle Insurance (POL1198)
- Allianz Trades and Services Pack (POL986)
- Avant Business Insurance (POL1068)
- TIO Austbrokers Business Pack (POL1044)
- TIO Austbrokers Commercial Motor Insurance (POL1026)
- TIO Business Insurance Pack (POL1023)
- TIO Commercial Business Pack (POL987)
- TIO Commercial Motor Insurance (POL964)
- TIO Gallagher Motor Trade Pack (POL1050)
- TIO Insurance Advisernet Business Insurance Policy (POL1045)
- TIO Insurance Advisernet Commercial Motor Insurance (POL1028)
- TIO Motor Trades Pack (POL1017)
- TIO Office Pack (POL1018)
- TIO Trades and Services Pack (POL1012)