

RESIDENTIAL STRATA: – BUILDING AND COMMON CONTENTS INSURANCE – PERSONAL ACCIDENT (VOLUNTARY WORKERS) INSURANCE Target Market Determination (TMD)

Effective Date: 5 October 2021

About this document

This TMD applies to the **material loss or damage cover/building and common contents cover** and **personal accident (voluntary workers) cover** described in the Product Disclosure Statements listed in Appendix 1 (**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)

Main cover(s):	Material loss or damage cover/building and common contents cover: This cover provides financial protection for the cost of the repair, reinstatement or replacement of Buildings (as described in the PDS) and Common Contents (as described in the PDS) that form part of a registered residential Strata Scheme or Unit Title Scheme (referred to as the Strata Building and Common Contents) if damaged or destroyed by a sudden, unexpected and accidental occurrence.	Personal accident (voluntary workers) cover: This cover provides certain compensation payments to voluntary workers whilst engaged in voluntary work at the property and premises forming part of the registered residential Strata Scheme or Unit Title Scheme (refer to as the Situation) if they die, or suffer certain Defined Events (in the PDS) directly and solely because of an accident that occurs at the Situation.
Optional cover(s):	<p>The material loss or damage cover/building and common contents cover and the personal accident (voluntary workers) cover can only be purchased as part of the Residential Strata Insurance.</p> <p>Personal accident (voluntary workers) cover can only be purchased with the material loss or damage cover/building and common contents cover.</p> <p>If applicable, the following optional cover(s) may be added to the material loss or damage cover/building and common contents cover by a customer:</p> <p>Flood Cover – extends the insured events under the main covers to include flood. This optional cover is subject to the Sums Insured monetary limit (as set out in the Policy Schedule) and additional underwriting criteria.</p> <p>Emergency/Catastrophe Cover – if the events leading to a claim under the material loss or damage cover/building and common contents cover are declared a state of emergency or state of disaster, and the Sums Insured under that cover have been fully exhausted, the material loss or damage cover will also cover unforeseen increases in building costs up to the dollar amount set out in the Policy Schedule.</p> <p>Optional covers are subject to the terms and conditions, limitations and exclusions set out in the PDS.</p>	
Key eligibility criteria:	<p>Insured:</p> <ul style="list-style-type: none">- is a body corporate or owner of a registered Strata Scheme or Unit Title Scheme. <p>Building:</p> <ul style="list-style-type: none">- is used primarily for residential purposes;- is located in Northern Territory of Australia, and in a location accepted by the Issuer;- is made of materials acceptable to the Issuer;- is well-maintained, watertight, and structurally sound and secure; and <p>has a level of permanent occupancy accepted by the Issuer.</p>	
Key exclusions:	<p>Material loss or damage cover/building and common contents cover:</p> <p>The material loss or damage cover/building and common contents cover has specific exclusions, including:</p> <p>(a) loss or damage to property that does not form part of the Strata Building and Common Contents; and</p> <p>(b) loss or damage arising directly or indirectly from:</p> <ul style="list-style-type: none">- flood (unless covered under optional Flood Cover)- tidal wave or actions of the sea and high water (unless caused by a tsunami)- erosion, subsidence, earth movement or collapse (unless caused by an earthquake or seismological disturbance or a flood if covered under the optional Flood Cover);- wear and tear; or inherent vice or latent defect; and- mechanical, hydraulic, electrical or electronic breakdown, failure or malfunction unless covered by the fusion/damage to electric motors benefit. <p>See also Limitations and Ineligible Persons below.</p>	

Key exclusions:

Personal accident (voluntary workers) cover:

The personal accident (voluntary workers) cover has specific coverage limitations and exclusions, including:

(a) at the time of the Bodily Injury, the voluntary worker was:

- under 12 years of age;
- not a person working solely in connection with the Situation on behalf of the insured for no fee or reward; or
- under the influence of narcotics, drugs (unless taken under direction of medical practitioner) or alcohol.

(b) Bodily Injury to, a voluntary worker was in connection with:

- childbirth or pregnancy complications other than a miscarriage/childbirth accelerated or induced by the bodily injury;
- suicide or self-injury;
- the Defined Events (as described in the PDS) occur 12 months or more after the bodily injury occurs at the Situation; or
- illness, sickness or disease.

(c) claims relating to:

- amounts the voluntary worker could recover under a Medicare benefit or a registered health insurer; or
- benefits, fees or charges not permitted to be paid by the Issuer by law.

See also Limitations and Ineligible Persons below.

Limitations:

Material loss or damage cover/building and common contents cover:

Sums Insured – claims in relation to the repair, reinstatement or replacement of Strata Building and Common Contents are subject to an applicable Sum Insured limit (as set out in the Policy Schedule).

Fulfilment options – claims may be fulfilled either by repair, reinstatement or replacement (as described in the PDS). The quantum of any claim for reinstatement or replacement of a Strata Building may include a consideration of other factors, as set out in the PDS.

Other claims limitations and conditions are specified in the PDS and Policy Schedule.

Personal accident (voluntary workers) cover:

Payments to any one person under the personal accident (voluntary workers) cover are subject to individual limits for each Defined Event and aggregate limits if a claim is made for more than one Defined Event (as set out in the PDS).

Claims are subject to the limitations and conditions specified in the PDS.

Excess:

Claims are subject to the payment of premium and excess as specified in the PDS and policy schedule. No excess is payable for a claim under the voluntary workers personal accident cover.

Other key terms:

Material loss or damage cover/building and common contents cover:

Loss of rent/temporary accommodation – if any unit in a Strata Building cannot be occupied as a result of loss or damage that is insured under material loss or damage cover/building and common contents cover, that cover also covers:

- the costs of temporary accommodation for any owner (and their pets) that occupies an affected unit; or
- loss of rent,

whilst that unit cannot be occupied, subject to the monetary limit as set out in the Policy Schedule.

Additional Benefits – a number of additional benefits are included in the material loss or damage cover.

For example, removal of debris. These additional benefits are subject to monetary limits.

Personal accident (voluntary workers) cover:



Medical Treatment – Following a bodily injury, the voluntary worker must undertake and follow treatment recommended by a qualified medical practitioner as soon as possible.

Medical Examinations – in connection with a claim for bodily injury, a voluntary worker must (at the cost of the Issuer) undertake all reasonable medical examination or examinations.



Autopsy/Post Mortem – in connection with a claim for death, an autopsy or post mortem examination of the voluntary worker may be deemed necessary.

Likely needs, objectives and financial situation

Material loss or damage cover/building and common contents cover is designed for:


	Likely needs and objectives	Likely financial situation
	Body corporate or owner of a registered residential Strata Scheme or Unit Title Scheme that require financial protection for accidental loss or damage to: <ul style="list-style-type: none">- the Building(s) (as defined in the PDS); and- the Common Contents (as defined in the PDS), that form part of a registered Strata Scheme or Unit Title Scheme.	Body corporate or owner of a registered residential Strata Scheme or Unit Title Scheme who have financial capacity to pay premiums (which may vary from time to time) in accordance with the chosen premium structure.
	Based on our assessment of the key terms, features and attributes, the material loss or damage cover/building and common contents cover is likely to be consistent with the needs, objectives and financial situation of customer's in the target market.	

Personal accident (voluntary workers) cover is designed for:


	Likely needs and objectives	Likely financial situation
	Body corporate or owner of a registered residential Strata Scheme or Unit Title Scheme that: <ul style="list-style-type: none">(a) do or may engage volunteers to work at the Situation; and(b) wants to provide cover for certain compensation payments for voluntary workers if they die, or sustain bodily injury whilst engaged in voluntary work at the Situation.	Body corporate or owner of a registered residential Strata Scheme or Unit Title Scheme that are able to pay premiums in accordance with the chosen premium structure.
	Based on our assessment of the key terms, features and attributes, the personal accident (voluntary workers) cover is likely to be consistent with the needs, objectives and financial situation of customer's in the target market.	

B. Ineligible Persons

Material loss or damage cover/building and common contents cover is not designed for persons:

	- that do not own a registered residential Strata Scheme or Unit Title Scheme;
	- whose Strata Building is not used primarily for residential purposes;
	- whose registered Strata Scheme or Unit Title Scheme constitutes a caravan park;
	- whose Strata Building is not permanently occupied to the level required by the Issuer as part of the Application Process;
	- whose Strata Building is under construction and is not strata/unit titled or is vacant and undergoing demolition;
	- whose registered Strata Building is not well-maintained, structurally sound or secure; or
	- whose Strata Building is not located in the Northern Territory of Australia, and in a location accepted by the Issuer.

Voluntary workers personal accident cover is not designed for persons:

	• that do not have material loss or damage/building and common contents cover; or
	• that do not or will not engage voluntary workers at the Situation.

C. Distribution

Distribution channels

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

- brokers; and
- general 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.

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 either directly by the Issuer, or by brokers approved by the Issuer (**Approved Distributors**). Approved Distributors and their systems and processes are assessed and monitored by the Issuer, and therefore the 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 brokers 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.

D. 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>

Appendix

This TMD applies to the **material loss or damage cover/building and common contents cover** and the **personal accident (voluntary workers) cover** described in the Product Disclosure Statements (**PDSs**) listed below and any related Supplementary Product Disclosure Statements:

- TIO Residential Strata Insurance (POL968TIO)
- Millennium Residential Strata Title Insurance (TIO-060)