
Target Market Determination (TMD)

GIO Business Protect



TARGET MARKET DETERMINATION (TMD)

Product Disclosure Statement (PDS):	GIO Business Protect – Product Disclosure Statement (PDS) & Policy Wording 28377 Prepared date 11 January 2023 and any Supplementary PDS
Product:	Business Insurance Policy
Original Date:	17/08/2021
Updated:	07/09/2023
Issuer:	AAI Limited ABN 48 005 297 807 trading as GIO
AFSL number:	230859

1. What is a Target Market Determination?

A Target Market Determination (TMD) is a determination that GIO has made to:

- describe the class of Customers this product has been designed for;
- specify product distribution conditions;
- specify TMD review periods and triggers; and
- set out reporting requirements.

This TMD assists GIO staff, our Distributors and Customers in understanding the target market for this product.

In this TMD, distribution includes the following conduct in relation to Customers:

- dealing in the product (e.g. issuing or arranging for the product to be issued to a Customer);
- giving a PDS or other regulated disclosure document; and
- providing financial product advice in relation to the product.

2. What product does this TMD apply to?

This TMD applies to the GIO Business Protect – Product Disclosure Statement (PDS) & Policy Wording and any Supplementary Product Disclosure Statement (SPDS) we may issue.

3. What are the key attributes of this product?

The GIO Business Protect product offers a range of 13 policy sections that a Customer may select from to match their business insurance requirements. Each policy section is underwritten and quoted on an offer and acceptance basis in accordance with our underwriting rules. These underwriting rules also set out which policy sections are mandatory, and which are available depending on the Customer's circumstances.

The product has five policy sections that are the subject of this TMD:

Cover	This product provides:
Policy Section 1 – Property Damage	<ul style="list-style-type: none"> cover for loss of, or damage to, property used in the Customer's business from specified Insured Events such as fire, lightning and explosion. It also provides a number of Extra Covers and Additional Benefits related to the Customer's business property. <p>Property that can be insured includes the buildings, contents and stock that the Customer use or are responsible for as part of the Customer's business. This policy section does not cover events such as theft or disease outbreak. Cover for money is available under a separate policy section. Cover for flood is available as an Optional Cover.</p>
Policy Section 2 – Theft	<ul style="list-style-type: none"> cover for loss of, or damage to, the Customer's contents, stock and specified items due to theft. It also provides Extra Covers and Additional Benefits related to the theft of the Customer's property; limited cover for the theft of parts of the building such as electrical equipment that may be attached to the outside walls or roof; and cover for tangible property and does not insure property such as cryptocurrency or events such as the hacking of computer systems.
Policy Section 3 – Glass	<ul style="list-style-type: none"> cover for the breakage of fixed glass at the insured premises; and an Additional Benefit to cover damage to plastic or Perspex signs at the premises.
Policy Section 11 – Commercial Motor	<ul style="list-style-type: none"> cover for vehicles used in the Customer's business. <p>The Customer may choose between three (3) different types of cover for each vehicle they insure:</p> <ol style="list-style-type: none"> Comprehensive cover which covers the accidental damage to the Customer's vehicle and includes Legal Liability cover; Legal Liability, Fire and Theft cover which covers the vehicle against a specific range of insured events and includes Legal Liability cover; or Legal Liability only cover which covers supplementary bodily injury and damage to third party property liability only.
Policy Section 12 – Personal Accident and Illness	<ul style="list-style-type: none"> cover for the named person shown on the policy schedule for certain insured losses caused by an accident or illness to the named insured. <p>The Customer may choose between two (2) types of cover:</p> <ol style="list-style-type: none"> Accident Only; or Accident and Illness.

The following policy sections are available under the policy, but are not the subject of this TMD:

Policy Section 4 – Money

Policy Section 5 – Business Interruption

Policy Section 6 – Public and Products Liability

Policy Section 7 – Management Liability

Policy Section 8 – Portable and Valuable Items

Policy Section 9 – Equipment Breakdown

Policy Section 10 – Tax Probe

Policy Section 13 – Goods in Transit

4. What is the target market for this product?

This product is designed to be consistent with the likely objectives, financial situation and needs of Customers who:

<p>Eligibility All sections</p>	<ul style="list-style-type: none"> operate an Australian-based business on an ongoing basis and have a turnover less than \$10m a year. This product is not designed for Customers that are not Australian-based businesses; are engaged in business activities that are acceptable for us to cover according to GIO's underwriting guidelines; and
<p>Eligibility Commercial Motor Policy Section</p>	<ul style="list-style-type: none"> have vehicles that: <ul style="list-style-type: none"> are located within an acceptable postcode area; and match our list of acceptable makes and models; and meet our acceptable physical condition criteria; and <p>This product is not designed for Customers that have vehicles that do not meet our acceptability criteria for location, make, model or physical condition.</p>
<p>Eligibility Personal Accident and Illness Policy Section</p>	<ul style="list-style-type: none"> the named insured must meet our underwriting guidelines for health and pre-existing medical conditions.
<p>Customer objectives and needs</p>	<p>Policy Section 1 – Property Damage</p> <ul style="list-style-type: none"> require and seek insurance cover for the loss or damage to the Customer's business property caused by specified insured events covered by this policy section; <p>Policy Section 2 – Theft</p> <ul style="list-style-type: none"> require and seek insurance cover for the loss or damage to the Customer's business contents, stock and specified items due to theft; <p>Policy Section 3 – Glass</p> <ul style="list-style-type: none"> require and seek insurance cover for the loss or damage to glass which forms part of the Customer's commercial premises; <p>Policy Section 11 – Commercial Motor</p> <p>Comprehensive cover:</p> <ul style="list-style-type: none"> require and seek insurance cover: <ul style="list-style-type: none"> for the loss or damage to their commercial use motor vehicle up to the market or agreed value; and for Legal Liability (see below); <p>Legal Liability, Fire and Theft cover:</p> <ul style="list-style-type: none"> require a lower premium cover and seek insurance cover: <ul style="list-style-type: none"> for the loss or damage to the commercial use motor vehicle from a limited range of insured events; and for Legal Liability (see below); <p>Legal Liability only cover:</p> <ul style="list-style-type: none"> require and seek legal liability insurance cover for the loss or damage to other people's property arising from the use of Customer's commercial use motor vehicle; <p>Policy Section 12 – Personal Accident and Illness</p> <ul style="list-style-type: none"> require and seek insurance cover against financial loss caused by an accident or illness from specified insured loss included by this product.
<p>Financial situation</p>	<ul style="list-style-type: none"> are able to pay premiums in accordance with the chosen policy structure, inclusive of any applicable GST, stamp duty, other government charges and any levies that apply. Customers can adjust the premium to suit their circumstances by choosing from a range of excesses, amounts of cover and options.

This product is likely to be consistent with the objectives, financial situation and needs of the Customers in the target market because:

- the product provides cover for the types of loss, damage or liability that Customers in the target market are seeking to insure against;
- the product can be tailored to suit individual needs by allowing Customers flexibility to choose from a range of excesses, options and amounts of cover; and
- the target market for the product covers those Customers who are eligible to receive cover.

5. When will we review this TMD?

We will complete a review of this TMD for this product by no later than the following periods:

- a. First review period:
13/08/2023.
- b. Ongoing review periods:
At least every 2 years following the first review period.
- c. Significant impact review:
Within 1 year of the TMD being updated based on a Review Trigger, a significant dealing outside of target market or a material change to the product's distribution channel.

6. Other circumstances which will trigger a TMD review

The Review Triggers for this product are:

- if one or more terms of the product are altered and we consider that this alteration reasonably suggests that this TMD is no longer appropriate;
- an event or circumstance occurs that materially changes 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 discovery of a material defect in the PDS which reasonably suggests that the TMD is no longer appropriate;
- if feedback, such as significant or systemic complaints or claims issues, is received from a Distributor or Customers who purchased the product, and we consider that this reasonably suggests to us the TMD is no longer appropriate;
- if feedback, regulatory orders or directions received from a regulator, the Code Governance Committee (CGC) or Australian Financial Complaints Authority (AFCA) suggest this TMD is no longer appropriate;
- if a change in law, regulation, or regulatory guidance materially affects the product design or distribution of the product (or class of products that includes this product) where we consider that this reasonably suggests that this TMD is no longer appropriate;
- where significant dealings outside the TMD occur, and we consider that this reasonably suggests that this TMD is no longer appropriate;
- if a remediation event relating to this product occurs where we consider this would reasonably suggest that:
 - this product is unsuitable for a particular cohort of Customers; and
 - the TMD may no longer be appropriate.
- if we consider, through our ongoing monitoring of Product Value data metrics (such as those identified in Section 9 of this TMD), that material deviations have occurred in a combination of data metrics reasonably suggesting that the product is not providing value or the TMD is no longer appropriate.

7. What distribution conditions apply to this product?

The following conditions apply to this product:

- those Distributors who distribute the product are required to be authorised by us to distribute this product and those arrangements must not be cancelled or suspended;
- this product must only be distributed in accordance with this TMD;
- distribution of this product must comply with all of our underwriting criteria;
- distribution of this product must be conducted through our policy administration system through the following distribution channels: websites and contact centres;
- this product cannot be distributed where this TMD is not up to date and no new TMD has been published; and
- the TMD must be current and not subject to any ASIC action that might suggest that the TMD is no longer appropriate.
- Business processes including reasonable platform controls (such as knockout underwriting questions), staff and distributor training, telephone and platform scripting and quality assurance programs are designed to ensure that the product is distributed to Customers within the target market in line with the above distribution conditions.

8. When do Third Party Distributors who distribute our products need to report complaints about this product to us?*

Third Party Distributors who distribute our products need to provide us information on complaints made about this product on a Quarterly basis (**Complaints Reporting Period**).

Third Party Distributors who distribute our products are required to provide to us this complaints information within 10 business days of the end of the Complaints Reporting Period.

All complaints lodged with us are handled in accordance with Suncorp's Group Complaint Management Standard.

*This section 8 only applies to products distributed by Third Party Distributors.

9. Information to assess TMDs and reporting periods

The table below sets out the kinds of information we need to identify, or those that Distributors who distribute our product need to provide to us, to enable us to ensure that the TMD for this product continues to be appropriate.

Information	Persons required to report	Reporting period
Complaints feedback including: <ul style="list-style-type: none"> Nature of complaints Number of complaints Product category 	Distributors / Issuer	Quarterly
Claims data including: <ul style="list-style-type: none"> Average claims costs Claims acceptance rates Claims frequency Loss ratios 	Issuer	Quarterly
Annual Product Review outcomes	Issuer	Annually
Sales information including: <ul style="list-style-type: none"> Strike rates Cancellation rates Exception reporting 	Issuer	Quarterly
Dealings of product outside of TMD	Distributors / Issuer	As soon as practicable but within 10 business days
Any feedback, regulatory orders or directions received from a regulator, CGC or AFCA in respect of the product or its distribution	Distributors / Issuer	As soon as practicable but within 10 business days

