

TARGET MARKET DETERMINATION

**Excess Plus
Reimbursement Insurance**

Prepared on 01/03/2023

AWN 
INSURANCE

TARGET MARKET DETERMINATION FOR AWN EXCESS PLUS REIMBURSEMENT INSURANCE

This Target Market Determination (TMD) is designed to provide customers, AWN staff and our authorised distributors with appropriate information to understand who this product has been designed for and our approach to determining that the product is likely to be consistent with the objectives, financial situations and needs of the customer and the distribution conditions.

In this document the terms "we", "us" or "our" refer to Australian Warranty Network Pty Ltd ("AWN") ABN 78 075 483 206, AFS Licence No. 246469.

This TMD does not consider any person's individual needs, objectives or financial situation and does not provide financial product advice or recommendation on the cover.

Please note, it is the Product Disclosure Statement and Policy Document that sets out the terms and conditions of cover. You must refer to the Product Disclosure Statement before deciding about this insurance.

Please note: This Excess Plus Reimbursement Insurance is a complimentary product giving coverage for only a 12-month period and is only applicable for one claim.

PURPOSE OF THE INSURANCE

If within the coverage period of your complimentary Excess Plus Reimbursement Insurance, You are required to pay the cost of a Basic Excess as the result of an At-Fault Collision in accordance with Your Comprehensive Vehicle Insurance, and all such repairs have been paid for, We will reimburse You for the amount of the Basic Excess You have paid, up to the limit stated in the Policy Schedule, subject to the terms, conditions and exclusions.

You can only make one claim under this Policy, up to the maximum Benefit Limit. Once a single claim is approved, no further reimbursements are payable.

This Target Market Determination (TMD) sets out the target market for:

- AWN Excess Plus Reimbursement Insurance Policy detailed in the Combined Product Disclosure Statement (PDS), Policy Wording and Financial Services Guide (FSG).

TARGET MARKET

The insurance is designed for purchasers who are:

- Have Comprehensive Vehicle Insurance is in force for the same duration as the Excess Plus Reimbursement Insurance; and
- Listed as the policy holder of the Comprehensive Vehicle Insurance; and
- Is twenty-one (21) years of age or older and hold a full Australian licence, excluding Provisional and Learner Licences.

This product is not suitable for anyone:

- Using their motor Vehicle for commercial purposes; and
- Under 21 years of age at the commencement of the Period of Insurance; and
- Someone not having Comprehensive Vehicle Insurance attached to their motor vehicle.

This product is not suitable for

- Consumers where the vehicle is new, and the term of its finance contract is equal to or less than the new for old total loss replacement benefit term in its motor insurance policy;
- Consumers purchasing a Motorcycle, motor scooter or moped;
- Consumers purchasing a commercial vehicle with a gross vehicle weight exceeding 3.5 tonnes;
- Consumers whose vehicle is used as a taxi, or any other vehicle used for hire or transporting goods.

The AWN Excess Plus Reimbursement Insurance is subject to the acceptance criteria.

The Product Disclosure Statement contains the detailed policy cover, terms, conditions and exclusions.

Where a person falls within our target market, this does not mean that the cover is right for their individual needs, objectives and financial situation. We do not consider this, and a person needs to consider the PDS, and other information provided by us (and/or seek professional advice) before deciding.

KEY BENEFITS

If within the coverage period of the complimentary AWN Excess Plus Reimbursement Insurance issued to the customer:

- They are required to pay the cost of a Basic Excess as the result of an At-Fault Collision in accordance with their Comprehensive Vehicle Insurance; and
- All such repairs have been paid for, We will reimburse You for the amount of the Basic Excess they have paid, up to the limit stated in this Policy Schedule, subject to the terms, conditions and exclusions contained in the Policy Schedule.
- They can only make one claim under this Policy, up to the Benefit Limit. Once a single claim is approved, no further reimbursements are payable.

Not everything is covered by the Policy. The above is a limited summary only and not a full description of the coverages. All cover is subject to terms, conditions, exclusions and limitations that are not listed in the summary. The customer need to read the Policy Terms and Conditions included in this document to properly understand the cover provided and its limitations.

KEY EXCLUSIONS

Event or Circumstance

Any claim relating to hail, storm, cyclone, bush fire or flood damage.

Any not At-Fault claims as nominated by Comprehensive Vehicle Insurance provider where no Covered Excess applied.

DISTRIBUTION OF THIS PRODUCT

This product is issued by Australian Warranty Network ("AWN") ABN 78 075 483 206, AFS Licence No. 246469 on behalf of Sovereign Insurance Australia Pty Ltd, ABN: 85 138 079 286 and holder of AFS Licence No 342516, and distributed via:

- Authorised Insurance Brokers; or
- Authorised Representatives.

Only our authorised representatives/insurance brokers are permitted to distribute this product as they understand the market this product has been designed for, have been trained in the relevant acceptance criteria and have the appropriate levels of authority.

This product can only be issued to customers that are eligible for cover in accordance with the application criteria that has been approved in writing by the Issuer and which complies with relevant laws.

The application process has been tailored to identify the target market described in this TMD as part of the eligibility criteria for the product covered by this TMD, and the use of the application process would make it more likely that the product covered by this TMD will be acquired by persons in the target market.

Some of the key acceptance criteria relating to this target market determination may include:

- Your age.
- Your capacity to enter into an comprehensive insurance coverage for your vehicle.
- Your vehicle details.

REVIEWING THIS DOCUMENT

We will review this TMD within two years from the effective date to ensure it remains appropriate and in compliance with the objectives, financial situations and needs of the customer.

Furthermore, we will also review this TMD if any event or circumstances (called 'review triggers') occur that would reasonably suggest that the determination is no longer appropriate, such as:

- We make a material change to the cover provided by the product,
- A change in our acceptance criteria that impacts on the suitability of the product for the target market,
- A material change to the distribution of the product,
- The discovery of a relevant and material deficiency in the product's disclosure documentation,
- Systemic complaints and claims issues which indicate that the product is no longer suitable for the described target market,
- Material and relevant reductions in our key product suitability metrics such as:
 - Number of cancellations and lapses of the product;

- Data on product claim ratios, the number, nature and size of paid, denied and withdrawn claims and claims experience;
- Product value and affordability.

We will review this TMD within 10 business days of the occurrence of any review trigger.

REPORTING

AWN must record all complaints received about this product on a quarterly basis (Complaints Reporting Period). Our authorised distributors are required to provide to us written details of any complaints that they have received about our product within 5 business days of receipt. If the complaints are systemic and indicate that this product is no longer suitable for the described target market, we will review and update the TMD within the time frame indicated above.

RECORD KEEPING

AWN will maintain records of the reasonable steps it has taken to ensure that this product is sold in a manner consistent with this TMD. We will also prepare and maintain complete and accurate records of our decisions, and the reasons for those decisions, in relation to:

- All target market determinations for this product,
- Identifying and tracking review triggers,
- Setting review periods, and
- Any other matters documented in this TMD.