



Personal Accident & Sickness Insurance

Target Market Determination: 11 AUGUST 2023



About this Target Market Determination

This Target Market Determination (TMD) is prepared in consultation with AFA Pty Ltd (AFA), ABN 83 067 084 333, AFS Licence Number 247122 by the insurer, Zurich Australian Insurance Limited (Zurich), ABN 13 000 296 640, AFSL 232507. In this document, Zurich may also be expressed as 'the insurer', 'we', 'us' or 'our'.

AFA issues the product under a binding authority from Zurich.

The purpose of this TMD is to provide information about the target market for which this product has been designed.

This TMD is not intended as a consumer-facing disclosure document and does not provide personal advice or form part of the terms and conditions of the product. Customers should contact their broker or distribution partner and read the relevant Product Disclosure Statement for full details on cover to determine whether the product is appropriate for their objectives, financial situation and needs.

Target Market for AFA Personal Accident & Sickness Insurance

Who is this product intended for?

This product is intended to provide cover for persons who are legal residents physically residing in Australia, working in an unrestricted capacity in their accepted occupation, and looking to insure themselves against injuries they may sustain or sicknesses they may suffer during the period that they are covered under the policy.

Such periods will be specified in the schedule but can include:

- twenty-four hours a day
- 365 days per year
- outside of working hours only

It is designed for customers seeking cover to mitigate the financial loss they or their dependents may face following their death, disability, injury or sickness first occurring during the cover period selected by the customer.

These covers include lump sum amounts for weekly benefits where the customer's salary is reduced because of the accident or sickness, as well as for accidental death and specified permanent disability or disablement.

It is designed for customers to choose the appropriate options and selection of covers.

The product contains different cover benefits depending on the selected cover type and has a range of specified covers as well as optional covers that may be available to customers at a varied cost. It is designed for customers who are able to pay the premium and where the financial loss suffered, if there is no cover, may be material.

Who is this product not intended for?

This product, despite the comments above, is not intended for customers who are seeking cover for persons whilst they are participating in the following industries or occupations:

- underground mining
- sport, where income earned from participation is greater than 15% of their total income or \$10,000
- commercial aviation for purposes of covering pilots whilst flying an aircraft
- shipping, where coverage is required for the ship's crew

This product is also not intended to apply to persons incapable of working in accepted occupations, nor is it designed for customers seeking cover for:

- any pre-existing condition
- any disease or disorder of the heart, cardiovascular system, cerebrovascular system, peripheral vascular or renal system, coronary arteries, any form of cerebrovascular accident, hypertension, or complications of any of the above where the customer has consulted a medical practitioner or received treatment or advice for hypertension or high / elevated blood pressure, heart disease of any kind or diabetes before the period of insurance
- injuries sustained following an accident occurring whilst they were participating in or training for:
 - any motor sport of any kind
 - any flying, parachuting, hang gliding, or any other aerial activity, except as a fare paying passenger on an airline with scheduled flights
- injuries sustained or sicknesses suffered as a result of being under the influence of intoxicating liquor, or under the influence of any other drug unless it was prescribed by a medical practitioner and taken in accordance with the medical practitioner's advice
- total disablement from injury commencing more than 12 calendar months from the occurrence of the injury, except for certain legislated circumstances
- injuries sustained or sicknesses suffered as a result of alcoholism or illicit drug use
- cover for accidental death, injury or disability suffered as a result of the suicide, attempted suicide, deliberately
- self-inflicted injury of the customer
- medical expenses a customer incurs following an injury or sickness
- cover provided under any other regulated compensatory scheme such as workers compensation, traffic accident compensation scheme or compulsory third party insurance
- benefits offered under life insurance licenced policies, such as:
 - lump sum benefits resulting from death caused by sickness
 - weekly benefits resulting from injury or sickness for a period greater than 156 weeks
 - a policy with a term greater than 12 months

Where a customer falls outside the target market for this product, Zurich recommends that the customer speaks to their broker or distribution partner to assist them with determining whether this product meets their objectives, financial situation and needs.

How is this Product Distributed?

This product is distributed through brokers and through distribution partners in the Zurich network. It is made available to brokers through AFA, a licenced financial service provider.

Brokers and distribution partners work with us to ensure that the product is distributed to customers in accordance with this TMD. Distribution through brokers and distribution partners via AFA ensures customers have a broking contact they can work with to understand the product, assess it against their objectives, financial situation and needs and select the appropriate range of covers and options.

In distributing this product, brokers, distribution partners and AFA are required to provide us with information and take reasonable steps to ensure that the product is distributed to customers in compliance with the distribution framework for this product such that customers are likely to meet their objectives, financial situation and needs.

Conditions and restrictions that may impact the distribution of this class of product include:

- those imposed from time to time under underwriting criteria and portfolio management activities
- regulatory requirements and obligations



Review of this TMD

To keep this TMD up to date, this TMD may be reviewed at any time, including when specific events or circumstances arise that suggest the TMD is no longer appropriate and trigger a review

Such events and circumstances that may trigger a review include:

- changes to laws, industry standards or guidance from regulators or industry bodies
- changes to our product governance framework
- changes to our underwriting guidelines, portfolio objectives, pricing, or reinsurance requirements
- changes to the product
- changes to how we transact or distribute the product
- adverse customer experience and feedback about the product
- adverse claims experience of this product
- changes to broker or distribution partner arrangements
- where a significant dealing has occurred

Timeframes of reviews of this TMD

Other than when a review is triggered as above, this TMD will be reviewed at least every two years.

After that initial review, it will be reviewed at least every two years thereafter.

Zurich reviews data and feedback on an ongoing basis and obtains data and feedback from brokers and distribution partners to ensure that this TMD is consistent with the target market. Zurich reviews any significant dealing that is inconsistent with this TMD.

Brokers and distribution partners must report the following information and feedback to us in accordance with the specified timeframes:

Complaints (or customer feedback) including the nature of complaints and number of complaints	Quarterly
Breach of distribution conditions	As soon as practicable but within 10 business days
Significant dealing that is inconsistent with the TMD	As soon as practicable but within 10 business days
Information, such as that from an industry body or regulator, indicating that the product may not be appropriate for the target market.	As soon as practicable, but within 10 business days



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