

Target Market Determination

Flexible Residential Strata Plan Insurance

This Target Market Determination (TMD) is effective from 01.09.2024 and relates to financial loss for damage caused to residential strata properties within the Flexible Residential Strata Plan Insurance Product Disclosure Statement & Policy Wording (AX 0001 0724).

CHUISAVER Underwriting Agency Pty Ltd ABN 85 613 645 239 (AFS Licence No: 491113) trading as Flex Insurance acts under a binding authority as agent for the insurer of this product.

This TMD provides certain underwriters at Lloyds distributors and customers with information about:

- The customers for whom this product is appropriate (being the target market);
- The customers for whom this product is NOT appropriate;
- any distribution conditions attaching to this product;
- the reporting obligations of the distributors; and
- the review period(s) and events which may trigger a review.

This TMD identifies the customers within the target market for the Flexible Residential Strata Plan Insurance. This TMD does NOT consider a customer's personal needs, objectives and financial situation.

Customers should always refer to the Flexible Residential Strata Plan Insurance Product Disclosure Statement (PDS), and any Supplementary Product Disclosure Statements (SPDS) that may apply, to ensure the product is suitable for their needs.

This product has 9 sections of cover as set out below and has been designed for consumers in the target market to provide financial protection as follows:

- Section 1 – Insured Property – Building and Common Area Contents
- Section 2 – Liability to others – Indemnity provided if You become legally responsible to pay compensation for Personal Injury or Property damage due to an occurrence connected with the ownership of the Common Area and Your Insured Property
- Section 3 – Voluntary Workers – Payment made to a voluntary worker of their estate due to their sustaining bodily injury when performing voluntary work on Your behalf.
- Section 4 – Fidelity Guarantee – Indemnity for fraudulent misappropriation of Your Funds
- Section 5 – Office Bearers Legal Liability – Claims made against an Office Bearer for their legal liability,
- Section 6 – Machinery Breakdown – Repair or Replacement for items within the Insured Situation in the ordinary course of working at the time the damage occurs.
- Section 7 – Catastrophe Insurance – payment made for any increase in the Replacement cost of Insured Property
- Section 8 – Government Audit Costs , Appeal Expenses and Legal Defence Expenses-payments for Claims made basis for Parts A ,B and C of Section 8.
- Section 9 – Lot Owners Fixtures and Improvements – the cost of replacing Lot Owners Fixtures and Improvements in their Lot/Unit following damage.

Who is within the Target Market for Insured Property?

Customers within the Target Market

(Customers are within the target market if all the following conditions apply)



A body corporate/owners corporation, who represent the collective owners of residential strata property such as units, apartments, or townhouses, where less than 20% of the floor space is used for commercial purposes.

✓	A body corporate/owners corporation who wants financial protection for loss or damage to a strata building and common area contents.
✓	Body corporate/ owners corporation who require financial protection for voluntary workers.
✓	Body Corporate/owners corporation who require financial protection for legal liability to pay compensation for personal Injury or Property damage due to an event in connection with the ownership of the Common Area.
✓	A Body Corporate /owners corporation who require financial protection for fraudulent misappropriation of the Insured funds.
✓	Body Corporate/ owners corporation whose building, which can include but not limited to, other building related coverages such as loss of rent/catastrophe/owner improvements has a total sum insured value of not more than \$25,000,000.

Customers <u>NOT</u> within the Target Market	
(Customers are not within the target market if any of the following conditions apply)	
X	Customers whose property is located on a land title that is not a strata title, such as but not limited to Torrens title, leasehold or community title.
X	A body corporate/owners corporation whose strata property has 20% or more of the total building floor space used for commercial purposes. A commercial use premises can be considered under a commercial strata product.
X	Customers who require cover for personal or business contents contained within an individual lot of the strata property.
X	Body Corporate/ owners corporation whose building, which can include but not limited to, other building related coverages such as loss of rent/catastrophe/owner improvements has a total sum insured value greater than \$25,000,000.

Distribution Conditions	
<p>The application process has been designed to guide customers directly to the product most likely to meet their needs and objectives based on their responses to our questions.</p> <p>CHUISAVER Underwriting Agency Pty Ltd trading as Flex Insurance staff have been adequately trained in the product, the customers(s) it is intended for and the underwriting criteria. Insurer.</p>	
Distribution Restrictions	This product can only be sold by CHUISAVER Underwriting Agency Pty Ltd ABN 85 613 645 239 (AFS Licence No: 491113) trading as Flex Insurance via an authorised representative, an insurance broker or can be sold directly to the public.
Distribution Conditions	<p>This product can be sold by Flex Insurance via www.flexinsurance.com.au and https://chustratatech.com.au</p> <p>This product can be sold to customers within the target market without the customer being provided with any financial product advice or with either general or personal advice.</p>
Distribution Method	<p>The distribution method of selling this product may comprise of:</p> <ul style="list-style-type: none"> • direct to the customer • via Authorised Representatives • via Brokers

Reporting Obligations for Distributors

Distributors of this product are required to provide certain underwriters at Lloyd's with complaints information via the agreed complaints submission process including:

- the number of complaints the distributor has received about this product during the reporting period;
- a short summary of the nature of the complaint raised and any steps taken to address the complaint; and
- any general feedback on this product.

Distributors should include sufficient details about the complaint that would allow certain underwriters at Lloyd's to identify whether the TMD may no longer be appropriate to the class of customers.

Reporting Period: 6 monthly or as otherwise agreed with the Distributor and no later than 10 business days after the agreed complaints reporting date.

Significant Dealings

If an actual or possible significant dealing outside of the target market is identified, certain underwriters at Lloyd's requires information such as the date (or date range) the dealing occurred, details about the dealing(s) and any steps or actions taken to mitigate. certain underwriters at Lloyd's.

Distributors should have regard to current ASIC guidelines when determining what may constitute a significant dealing.

CHUISAVER Underwriting Agency Pty Ltd will notify certain underwriters at Lloyd's of any significant dealing in the Product that is not consistent with the TMD as soon as practicable (within 10 business days). This includes but is not limited to a consideration of the nature and degree of harm resulting from the issue of this Product to a retail customer.

TMD Reviews

<p>Review Period</p>	<p>The initial review of this TMD will occur no later than 2 years from the date this TMD is first published</p> <p>or within 10 business days if an event or circumstance (Review Trigger) occurs which would reasonably suggest that the TMD is no longer appropriate.</p> <p>This TMD will then be reviewed at least every 24 months agreed otherwise with certain underwriters at Lloyd's.</p>
<p>Examples of Review Triggers that would reasonably suggest that the TMD is no longer appropriate</p>	<p>The events or circumstances that may suggest the product is no longer suitable to the target class of customers and would trigger a review (prior to the scheduled periodic review date) include, but are not limited to, certain underwriters at Lloyd's becoming aware of:</p> <ul style="list-style-type: none"> • a significant increase in the number of complaints relating to the product received by us or reported by distributors; • a material change to the product including Product Disclosure Statement, information or assumptions upon which the target market was formulated; • a change of relevant law, regulatory guidance or industry code which has a material effect on the terms or distribution of the product; • the product being distributed and purchased in a way that is significantly inconsistent with this TMD; • adverse trends in policy and claims data indicating the product is not performing as expected by the customer.

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