



# Target Market Determination

**Product: DAN World Diving Insurance Plan (Product)**

Product Disclosure Statement: Prepared on 30 September 2021

TMD Commencement Date: 5 October 2021

Issuer: AIG Australia Limited (AIG) ABN 93 004 727 753 AFSL No 381686

## What is a target market determination?

A Target Market Determination (TMD) is a determination that AIG has made that sets out:

- the class of customers that comprise AIG's target market for this Product, taking into consideration their likely needs, objectives and financial situation;
- any conditions and restrictions placed on retail product distribution conduct in relation to the Product;
- the events and circumstances that would reasonably suggest that the TMD is no longer appropriate;
- the review periods for the TMD; and
- the reporting obligations for the TMD.

This TMD does not provide any financial product advice on the Product and does not take into consideration the needs, objectives and financial situation of individual customers.

The terms and conditions of the Product are set out in the Product Disclosure Statement (PDS). Insurance products and services are provided by AIG Australia Limited ABN 93 004 727 753 AFSL 381686. This TMD does not form part of the insurance contract and is not a summary of the Product's terms and conditions. Customers should review the PDS before making any decision on whether to purchase this Product.

AIG will make this TMD available to any person, upon request, free of charge.

Terms used in this TMD, which are defined in the *Corporations Act*, have the same meaning as under that legislation.

## Application of this TMD

This TMD applies to customers who acquire the Product as retail clients namely sole traders and small businesses (a business which employs less than 100 people, if a manufacturing business, or otherwise 20 people or less).

It does not apply to other customers (wholesale clients) who may purchase the Product.

## 1. Target market

This section of the TMD describes the class of retail client customers (Customers) who comprise the target market for the Product, taking into account their likely needs, objectives and financial situation

Outlined below is a description of the Product, key eligibility criteria and key Product attributes that affect whether this Product is likely to meet the needs, objectives and financial situation of the target market.

The target market is retail client customers:

- who meet key eligibility criteria of the Product; and
- where the key Product attributes meet their likely needs, objectives and financial situation.

## Product Description & Key Attributes

This is a diving insurance Product that provides personal accident and medical insurance cover for non-commercial diving activities to Australian members of Divers Alert Network (DAN).

Please refer to the PDS for full details of Product coverage including benefits.

## Key Eligibility Criteria

The table below provides a summary of the key eligibility criteria of this Product. This outlines the types of customers and types of travel that this Product is available for. This Product is subject to underwriting criteria prior to acceptance.

This cover is available to	This cover is NOT available to
<ul style="list-style-type: none"> <li>• DAN members who are Australian residents between ages 12 to 80.</li> </ul>	<ul style="list-style-type: none"> <li>• Customers who are not DAN members and members who are not Australian residents,</li> <li>• members under the age of 12 or over the age of 80.</li> </ul>

## Needs and Objectives

This Product is likely to meet the needs and objectives of DAN members who wish to avail diving insurance. Cover plans can be opted for with varied sums insured, benefits and maximum diving depths to suit the needs and objectives of the members. This Product is suited for members who undertake non-commercial dives and need cover for:

- 1) overseas medical, hospital and other medical charges caused by a covered in-water snorkelling and scuba diving incident resulting in decompression sickness, arterial gas embolism or pulmonary barotrauma;
- 2) accidental death, dismemberment and permanent total disablement caused by a diving accident or an in-water injury.

A summary is provided below of the key Product features outlining what is covered and what is not covered.

Key Product Features	
<p><b>What is covered</b></p> <ul style="list-style-type: none"> <li>• overseas medical, hospital and other medical charges resulting from an in-water snorkelling and scuba diving incident during a covered dive resulting in decompression sickness or arterial gas embolism or pulmonary barotrauma,</li> <li>• accidental death, dismemberment, and permanent total disability as a result of a diving incident or accidental in-water injury.</li> </ul> <p>The details of cover plans can be found in the PDS.</p>	<p><b>What is not covered</b></p> <ul style="list-style-type: none"> <li>• commercial dives,</li> <li>• dives not following diving safety guidelines of American Academy of Underwater Scientists (AAUS),</li> <li>• any medical, hospital or other medical charges incurred within Australia.</li> </ul> <p>The Product contains other exclusions which can be found in the PDS.</p>

These are the key attributes. Please refer to the PDS for full details of Product coverage including age limitations and benefits. The benefits are subject to specified sums insured, policy limits and the terms and conditions of the policy.

## Financial Situation

This Product is likely to meet the financial situation of DAN members who:

- require insurance coverage in line with the sums insured and policy limits available under the Product;
- and

- have the ability to pay premiums in accordance with the policy structure, chosen benefits, excess, fees and charges considering their financial circumstances and any vulnerabilities they may experience.

## Consistency between the Product and target market

This Product is likely to be consistent with the needs, objectives and financial situation of the Customers in the target market because the Product provides cover to those customers who meet key eligibility criteria and require cover for the types of loss or damage that those customers in the target market are seeking to insure against.

## 2. Distribution conditions

This section of the TMD describes the conditions and restrictions on retail product distribution conduct that apply to customers who are retail clients. It does not apply to other customers (wholesale clients) who may purchase the Product.

This product is distributed by DAN to DAN members directly via the DAN website or by telephone. This product cannot be distributed outside of DAN. DAN staff are appropriately trained, understand the market this product has been designed for and how to identify customers falling within and outside of the target market.

### 3. Review period and triggers

AIG will review this TMD during the following periods to ensure that it remains appropriate:

<b>First review period</b>	Within one year from the TMD's commencement date.
<b>Ongoing review periods</b>	At least every two years after the completion of the first review period.

AIG will also review this TMD if there are events or circumstances that reasonably suggest that the TMD is no longer appropriate. The triggers for this review may arise from:

<b>Trigger</b>	<ul style="list-style-type: none"> <li>• a material change to the cover provided by the Product,</li> <li>• the discovery of a relevant and material deficiency in the Product's disclosure documentation,</li> <li>• a change in AIG's risk acceptance criteria or underwriting guidelines that may impact the suitability of the Product for the target market,</li> <li>• a material change to the distribution of the Product,</li> <li>• complaints or other feedback indicative of the Product no longer being suitable for the target market,</li> <li>• claims denials or other issues indicative of the Product no longer being suitable for the target market,</li> <li>• material decreases in sales and Product performance metrics including but not limited to Product acceptance rates, cancellation rates, Product value and affordability, benefits to customers, and the like,</li> <li>• a material change to the legislation,</li> <li>• issues arising from compliance monitoring, breaches or internal audit findings, or</li> <li>• concerns raised by a regulator, the Code Governance Committee or the Australian Financial Complaints Authority.</li> </ul>
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## 4. Reporting obligations

DAN staff and AIG staff are required to report the following information to AIG:

Event or circumstance	Person required to report	Reporting period
Any issue arising from the sale of the Product to retail client customers in breach of the distribution conditions or outside the target market.	AIG staff or DAN staff.	As soon as practicable after becoming aware of the matter, and within 10 business days.
Any significant dealings that are not consistent with this TMD.	AIG staff or DAN staff.	As soon as practicable after becoming aware of the matter and within 10 business days.
The number and detail of complaints received about the Product.	AIG staff or DAN staff.	Referral of Product related complaints within 24 hours. Periodic reporting within 10 business days after the end of each calendar quarter (31 March, 30 June, 30 September and 31 December).
Any actual or likely compliance breach relating to sale of the Product or to distribution requirements under the DDO.	AIG staff or DAN staff.	As soon as practicable after becoming aware of the matter, and in any event within 10 business days of the compliance breach being identified.