



LEASED MOTOR VEHICLE INSURANCE (NOVATED LEASE) TARGET MARKET DETERMINATION

This target market determination (**TMD**) document has been designed to help our customers, representatives and our staff understand who the Novated Lease Vehicle Master Policy is most suitable for (**target market**). This TMD is effective from 5 October 2023. We may review this TMD at any time.

This TMD also describes:

- Who our products are not suitable for;
- How the product can be distributed to our customers;
- How often we will review this TMD and when the next review will be;
- The events and circumstances that could mean we need to review whether this TMD is still appropriate;
- The information we would need in order to decide that this TMD is no longer appropriate;
- How we record information related to the Leased Motor Vehicle Insurance (Novated Lease) and how this information is reported.

If you are considering whether to purchase Leased Motor Vehicle Insurance (Novated Lease), please refer to the Product Disclosure Statement (PDS) and Policy Wording to decide whether the product is right for you.

1. Our product

This document explains the target market for Leased Motor Vehicle Insurance (Novated Lease). Leased Motor Vehicle Insurance (Novated Lease) provides financial protection for damage to the insured motor vehicle caused directly by any of the insured events such as an accident and theft and occurring during the period of insurance. The insurance provides cover for loss or damage to the insured motor vehicle, legal liability for damage to certain property other than the insured motor vehicle and legal liability for supplementary bodily injury caused to other people who are not covered by a compulsory third party insurance policy.

Additional covers are available under the policy for things like the cost of transporting the damaged insured vehicle to a repairer or place of safety, cost of transport for the driver from the place of the accident to their place of residence, reasonable cost of hiring a similar replacement vehicle and cost of removal of debris from goods falling from the insured motor vehicle.

2. Who is the target market for this product

Leased Motor Vehicle Insurance (Novated Lease) has been designed for customers of Summit Auto Lease Australia Pty Ltd, ABN 87 054 704 737 of Unit 7, 38-46 South Street, Rydalmere NEW SOUTH WALES 2116 (**SALA**) who would like to opt into a group insurance arrangement which comprehensively insures their leased vehicle for damage to their motor vehicle caused by an accident or theft and provides other benefits to protect the vehicle and them from liability arising from the use of the vehicle during the period of insurance.

2.1 This product is suitable for:

- Insured persons who drive a motor car, utility or van which is leased through SALA, known as SALA lessees where that vehicle meets the registration requirements in their State or Territory in Australia and is in a roadworthy condition;
- SALA lessees who require comprehensive car insurance which covers accidental loss of or damage to their car;
- SALA lessees who have a novated lease arrangement through their employer;
- SALA lessees who use their car for either private use, or business use.

2.2 This product is not suitable for:

- Anyone who does not have a novated lease arrangement with SALA and is not a SALA lessee;
- Anyone who uses their car in racing, pacemaking, reliability trials, speed or hill-climbing test;
- Anyone who wishes to use their car for the conveyance of passengers for hire, fare or reward.

3. Distributing this product

We have designed Leased Motor Vehicle Insurance (Novated Lease) so it can only be distributed by SALA acting as a general insurance distributor on behalf of Aon Risk Services Australia Limited ABN 17 000434 720 (**AON**). SALA will distribute the Leased Motor Vehicle Insurance (Novated Lease) product to their lessees and offer them insurance terms at the time that they arrange the novated lease for the vehicle.

4. Distribution conditions

Distribution of Leased Motor Vehicle Insurance (Novated Lease) is subject to all of the following conditions:

- Offered to customers who are eligible for cover in accordance with the application and renewal criteria supplied by MSI to SALA and AON, as amended from time to time;
- SALA must remain authorised by AON to distribute Leased Motor Vehicle Insurance (Novated Lease) in accordance with ASIC Corporations (Basic Deposit and General Insurance Product Distribution) Instrument 2015/682;
- The TMD is up to date and appropriate;
- The lease arrangement with the lessee remains current for the motor vehicle insured and has not expired.

The distribution conditions make it likely that customers who acquire Leased Motor Vehicle Insurance (Novated Lease) are in the target market because they are supported by reasonably appropriate controls, training and scripting provided to the distributor and the distributor has knowledge of the product, terms and conditions and accepted sales process, designed to ensure that the product is distributed to the class of customer who fall within the target market set out above.

5. Reviewing our target market

It is important that we review this TMD to make sure it is appropriate for the needs of our potential and existing customers. When we review this TMD, we will consider information collected by our representatives. This information covers:

- Eligibility for cover;
- Sales information;
- Customer information;
- Claims information;
- Feedback and complaints;
- Renewals and cancellations.

We will review this TMD when a review trigger occurs as outlined above.

We will also review this TMD within one year from the first publication date and every year thereafter to ensure it is still appropriate. The next review will take place on 5/10/2024.

6. Review triggers

Certain events and circumstances taking place could mean that a review should take place earlier than the annual review. This is because the TMD could no longer be appropriate. These events and circumstances are called **review triggers**.

Below is a list of review triggers for this TMD:

- We make a significant change to the eligibility criteria for Leased Motor Vehicle Insurance (Novated Lease);
- We make a significant change to Leased Motor Vehicle Insurance (Novated Lease), including the cover provided;
- We make a significant change to the way Leased Motor Vehicle Insurance (Novated Lease) can be distributed by our representatives;
- We receive a significant number of complaints;
- We receive a significant number of claims lodged, denied or withdrawn;
- We identify that we or SALA have been offering and selling of Leased Motor Vehicle Insurance (Novated Lease) outside of the target market or in a way that does not meet the distribution conditions for the TMD.

Product distributors such as SALA and AON will also consider whether a review trigger has taken place. If they think an event or occurrence is a review trigger, they must tell us within 10 business days.

If we decide we have enough information to identify that a review trigger has occurred, we will review this TMD within 10 business days of our decision.

7. Records

We will keep records of any actions we take to make sure this product is distributed only to customers who fit this TMD. We will also keep records of any decisions and reasons for:

- The TMD for Leased Motor Vehicle Insurance (Novated Lease);
- How we set review triggers;
- How we decide if a review trigger has taken place;
- How often we review this TMD;
- The general information in this TMD.

8. Reporting

We record all complaints that we receive about Leased Motor Vehicle Insurance (Novated Lease). Our representatives must also record any complaints related to Leased Motor Vehicle Insurance (Novated Lease) and report the information to us at least every three months.

If our representatives believe that Leased Motor Vehicle Insurance (Novated Lease) has been sold to a person who does not come within this TMD, they must report this to us within 10 business days.