



# Target Market Determination

## Product: Cancercover Direct (Product)

Product Disclosure Statement: Prepared 1 October 2021, Ref no. AH 09/0001.3

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.

# 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 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 cancer cover Product that offers cancer insurance to Customers. The Product provides cover for many of the financial effects of being diagnosed with a cancer in a primary site in a female or male organ covered under the policy.

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 that this Product is available for.

This cover is available to	This cover is NOT available to
<ul style="list-style-type: none"> <li>• Customers under 75 years of age,</li> <li>• if a spouse is to be covered, they must be under 75 years of age.</li> </ul>	<ul style="list-style-type: none"> <li>• Customers who are over 75 years of age,</li> <li>• Customers who have previously been diagnosed with cancer.</li> </ul>

## Needs and Objectives

This Product is likely to meet the needs and objectives of Customers who require or wish to have:

- cancer cover for themselves and/or their spouse,
- cover for the diagnosis of cancer in a primary site in a covered female or male organ.

Customer who do not require or wish to have cover for:

- previous diagnosis of benign tumours, non-malignant tumours, pre-malignant tumours or non-invasive tumours,

- Acquired Immune Deficiency Syndrome (AIDS) disease or Human Immunodeficiency Virus (HIV) infection including Kaposi's Syndrome/Sarcoma,
- melanoma, skin cancer diseases or any other form of cancer not defined as a female or male organ,
- any other sickness or disease.

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

<b>Key Product Features</b>	
<p><b>What is covered</b></p> <ul style="list-style-type: none"> <li>• lump sum payments up to a specified amount for diagnosis of cancer in a primary site in a covered female or male organ.</li> </ul>	<p><b>What is not covered</b></p> <ul style="list-style-type: none"> <li>• pre-existing diagnosis of cancer,</li> <li>• previous diagnosis of benign tumours, non-malignant tumours, pre-malignant tumours or non-invasive tumours,</li> <li>• Acquired Immune Deficiency Syndrome (AIDS) disease or Human Immunodeficiency Virus (HIV) infection including Kaposi's Syndrome/Sarcoma,</li> <li>• melanoma, skin cancer diseases or any other form of cancer not defined as a female or male organ,</li> <li>• any other sickness or disease.</li> </ul> <p>This Product contains other exclusions that can be found in the PDS.</p>

These are the key attributes only. Please refer to the PDS and policy wording for full details of Product coverage including benefits and exclusions. 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 Customers 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 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 that 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.

The Product is distributed by AIG.

AIG will only issue the Product on a renewal basis to existing Customers that meet its eligibility criteria which align with the target market set out in section 1 above.

The Product is not to be distributed in any other way.

AIG's contact centre staff receive appropriate training in relation to these distribution conditions and their compliance with these conditions are routinely monitored.

## 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>• 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 Product performance metrics including but not limited to 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

This Product is distributed solely by AIG. AIG staff are required to report the following information in accordance with AIG's internal processes:

Event or circumstance	Person required to report	Reporting period
Any issue arising from the renewal of the Product to Customers in breach of the distribution conditions or outside the target market.	AIG 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.	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.	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 renewal of the Product or to distribution requirements under the DDO.	AIG staff.	As soon as practicable after becoming aware of the matter and within 10 business days.