



# Target Market Determination

## Product: AIG Multi Trip, International and Domestic Travel Insurance (Product)

Product Disclosure Statement: AIG Multi Trip, International and Domestic Travel Insurance Combined Product Disclosure Statement and Policy Wording prepared 27 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.

# 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 and Key Attributes

The Product offers travel insurance to Customers and allows the Customer to choose from the following plans within the Product:

- 1.1 Domestic Multi-trip
- 1.2 Domestic Single trip
- 1.3 International Multi-trip
- 1.4 International Single trip
- 1.5 Domestic cancellation and expense only

## Key Eligibility Criteria

The tables below provide a summary of the key eligibility criteria for the Product plans. These outline the types of Customers and types of travel that the Product is available for:

### 1.1 Domestic Multi-trip

Domestic Multi-trip cover is available to:	Domestic Multi-trip cover is NOT available to:
<ul style="list-style-type: none"> <li>• Customers travelling within Australia,</li> <li>• travellers 69 years and under at the date of departure,</li> <li>• Australian citizens or permanent residents.</li> </ul>	<ul style="list-style-type: none"> <li>• travellers 70 years and over at the date of departure,</li> <li>• non-Australian citizens or permanent residents.</li> </ul>

## Needs and Objectives

This Product is likely to meet the needs and objectives of Customers who may:

- require travel insurance for themselves and family within Australia,
- who intend to take multiple trips within the policy period,
- require travel insurance for leisure trips only.

This Product is NOT likely to meet the needs and objectives of Customers who:

- require travel insurance for international travel,
- have a pre-existing medical condition not covered under the policy
- require travel insurance for trips that exceed 45 days duration,
- require travel insurance for business or employment related reasons.

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

Key Product Features - Domestic Multi Trip	
<p><b>What is covered</b></p> <ul style="list-style-type: none"> <li>• unlimited leisure travel within Australia in a 12-month period,</li> <li>• travel involving at least one trip not less than 250km from Customers usual home,</li> <li>• unlimited cover for unrecoverable cancellation fees and lost deposits on prepaid tickets and bookings, on each trip,</li> <li>• luggage items, up to \$15,000 on each trip,</li> <li>• unlimited emergency expenses benefits, on each trip,</li> <li>• rental vehicle excess up to \$4,000 on each trip,</li> <li>• financial default of travel services provider other than travel agents, up to \$10,000 on each trip.</li> </ul> <p>The Product contains other benefits which can be found in the PDS</p>	<p><b>What is not covered</b></p> <ul style="list-style-type: none"> <li>• existing health disorders unless specified in the policy wording,</li> <li>• travel other than for leisure purposes,</li> <li>• going on a trip against medical advice,</li> <li>• international travel,</li> <li>• trips that will exceed 45 days of duration,</li> <li>• medical, hospital, dental or any ancillary benefits expenses,</li> <li>• any cover after each trip has been completed.</li> </ul> <p>The Product contains other exclusions which 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.

## 1.2 Domestic Single Trip

Domestic Single trip cover is available to:	Domestic Single trip cover is NOT available to:
<ul style="list-style-type: none"> <li>Customers travelling within Australia,</li> <li>travellers 69 years and under at the date of departure,</li> <li>Australian citizens or permanent residents.</li> </ul>	<ul style="list-style-type: none"> <li>travellers 70 years and over at the date of departure,</li> <li>non-Australian citizens or permanent residents.</li> </ul>

### Needs and Objectives

This Product is likely to meet the needs and objectives of Customers who may:

- have a need to cover a single trip only,
- require travel insurance for themselves and family within Australia.

This Product is NOT likely to meet the needs and objectives of Customers who:

- require travel insurance for international travel,
- have a pre-existing medical condition not covered under the policy,
- require travel insurance for business or employment related reasons.

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

Key Product Features - Domestic Single Trip	
<p><b>What is covered</b></p> <ul style="list-style-type: none"> <li>single trip travel within Australia,</li> <li>unrecoverable cancellation fees and lost deposits on prepaid tickets and bookings, up to \$10,000 for single cover, up to \$20,000 for family cover,</li> <li>luggage items, up to \$3,000 for single cover, up to \$6,000 for family cover,</li> <li>emergency expenses benefits, up to \$10,000 for single cover, up to \$20,000 for family cover,</li> <li>rental vehicle excess up to \$4,000 for single and family cover,</li> <li>financial default of travel services provider other than travel agents, up to \$10,000 for single cover, \$20,000 for family cover.</li> </ul> <p>The Product contains other benefits which can be found in the PDS.</p>	<p><b>What is not covered</b></p> <ul style="list-style-type: none"> <li>any pre-existing health disorders unless specified in the policy wording,</li> <li>travel other than for leisure purposes,</li> <li>going on a trip against medical advice,</li> <li>international travel,</li> <li>medical, hospital, dental or any ancillary benefits expenses.</li> </ul> <p>The Product contains other exclusions which 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.

### 1.3 International Multi-trip

International Multi-trip cover is available to:	International Multi-trip cover is NOT available to:
<ul style="list-style-type: none"> <li>travellers 69 years and under at the date of departure,</li> <li>Australian citizens or permanent residents.</li> </ul>	<ul style="list-style-type: none"> <li>travellers 70 years and over at the date of departure,</li> <li>non-Australian citizens or permanent residents.</li> </ul>

### Needs and Objectives

This Product is likely to meet the needs and objectives of Customers who may:

- require international travel insurance for themselves and family,
- intend to take multiple trips within the policy period,
- require travel insurance for leisure trips only.

This Product is NOT likely to meet the needs and objectives of Customers who:

- have a pre-existing medical condition, not covered under the policy.
- require travel insurance for trips that exceed 45 days duration,
- require travel insurance for business or employment related reasons.

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

Key Product Features - International Multi-Trip	
<p><b>What is covered</b></p> <ul style="list-style-type: none"> <li>international travel,</li> <li>unlimited cover for unrecoverable cancellation fees and lost deposits on prepaid tickets and bookings on each trip,</li> <li>unlimited cover for necessary overseas medical and hospital related expenses on each trip,</li> <li>unlimited cover for emergency expenses benefits on each trip,</li> <li>luggage items, up to \$15,000 on each trip,</li> <li>rental vehicle excess cover up to \$4,000 on each trip,</li> <li>financial default of travel services provider other than travel agents, up to \$20,000 for each trip.</li> </ul> <p>The Product contains other benefits which can be found in the PDS</p>	<p><b>What is not covered</b></p> <ul style="list-style-type: none"> <li>travel to a country or countries that are subject to sanctions or embargos or to a country or countries otherwise excluded under the Product,</li> <li>travel other than for leisure purposes,</li> <li>going on a trip against medical advice,</li> <li>trips that will exceed 45 days of duration,</li> <li>any pre-existing health disorders unless specified in the policy wording,</li> <li>medical, hospital, dental or any ancillary benefits expenses,</li> <li>any cover after each trip has been completed.</li> </ul> <p>The Product contains other exclusions which 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.

### 1.4 International Single Trip

International Single trip cover is available to:	International Single trip cover is NOT available to:
<ul style="list-style-type: none"> <li>travellers 69 years and under at the date of departure,</li> <li>Australian citizens or permanent residents.</li> </ul>	<ul style="list-style-type: none"> <li>travellers 70 years and over at the date of departure,</li> <li>non- Australian citizens or permanent residents.</li> </ul>

### Needs and Objectives

This Product is likely to meet the needs and objectives of Customers who may:

- require international travel insurance for single trips only for themselves and family,
- require travel insurance for leisure trips only.

This Product is NOT likely to meet the needs and objectives of Customers who:

- have a pre-existing medical condition, not covered under the policy.
- require travel insurance for business or employment related reasons.

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

Key Product Features - International Single Trip	
<p><b>What is covered</b></p> <ul style="list-style-type: none"> <li>international single trip,</li> <li>unlimited cover for unrecoverable cancellation fees and lost deposits on prepaid tickets and bookings,</li> <li>unlimited cover for necessary overseas medical and hospital related expenses,</li> <li>unlimited cover for emergency expenses benefits,</li> <li>luggage items, up to \$15,000 for single cover, up to \$30,000 for family cover,</li> <li>rental vehicle excess cover up to \$4,000 for single and family cover, and</li> <li>financial default of travel services provider other than travel agents, up to \$10,000 for single cover, \$20,000 for family cover.</li> </ul> <p>The Product contains other exclusions which can be found in the PDS.</p>	<p><b>What is not covered</b></p> <ul style="list-style-type: none"> <li>existing health disorders unless specified in the policy wording</li> <li>travel other than for leisure purposes,</li> <li>going on a trip against medical advice,</li> <li>medical, hospital, dental or any ancillary benefits expenses.</li> </ul> <p>The Product contains other benefits which 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.

## 1.5 Domestic cancellation and expense only

Domestic cancellation and expense only cover is available to:	Domestic cancellation and expense only cover is NOT available to:
<ul style="list-style-type: none"> <li>travellers 69 years and under at the date of departure,</li> <li>Australian citizens or permanent residents.</li> </ul>	<ul style="list-style-type: none"> <li>travellers 70 years and over at the date of departure,</li> <li>non-Australian citizens or permanent residents.</li> </ul>

## Needs and Objectives

This Product is likely to meet the needs and objectives of Customers who may:

- have a need to cover a single trip only within Australia,
- have a need for limited trip specific travel insurance to cover cancellation related risks.

This Product is NOT likely to meet the needs and objectives of Customers who:

- require travel insurance for international travel,
- have a need and budget for more comprehensive travel insurance with higher sums insured and/or benefits for exposures other than just cancellation risks,
- require travel insurance for international travel,
- require travel insurance for business or employment related reasons.

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

Key Product Features - Domestic Cancellation and Expense only	
<p><b>What is covered</b></p> <ul style="list-style-type: none"> <li>single trip travel within Australia,</li> <li>unrecoverable cancellation fees and lost deposits on prepaid tickets and bookings, up to \$2,000 high plan, up to \$1,000 low plan,</li> <li>emergency expenses.</li> </ul> <p>The Product contains other benefits which can be found in the PDS</p>	<p><b>What is not covered</b></p> <ul style="list-style-type: none"> <li>international travel,</li> <li>luggage items,</li> <li>rental vehicle excess expenses,</li> <li>medical, hospital, dental or any ancillary benefits expenses.</li> </ul> <p>The Product contains other exclusions which 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 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 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 through its:

- main website [www.aigtravel.com.au](http://www.aigtravel.com.au); and
- AIG Australia contact centres.

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

AIG will only issue the Product to Customers that meet its eligibility criteria, which align with the target market set out in section 1 above. AIG determines whether Customers meet its eligibility criteria by asking them a series of questions in connection with their request for a quote. The answers to those questions determine whether they are eligible for cover.

AIG's contact centre staff receive appropriate training in relation to these distribution conditions and their compliance with their requirements 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:

Trigger	
	<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>

## 4. Reporting obligations

The 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 sale of the Product to a retail client Customer 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.

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Event or circumstance	Person required to report	Reporting period
The number and detail of complaints received about the Product.	AIG staff.	Referral of Product related complaints within 24 hours. Periodic reporting as soon as practicable.
Any actual or likely compliance breach relating to sale 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.