



# Target Market Determination

## Product: Jetstar Essentials Plus Travel Insurance (Product)

Product Disclosure Statement: Jetstar Essentials Plus Travel Insurance Combined Product Disclosure Statement and Policy Wording Prepared 15 November 2022

TMD Commencement Date: 7 December 2022

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, 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 international travel insurance to Customers looking for some financial protection in the event of overseas medical and hospital expenses, unrecoverable cancellation fees and lost deposits on prepaid travel tickets and bookings, cover for luggage items within the specified limits within 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 for this Product. This outlines the types of Customers and types of travel that this Product is available for:

This cover is available to:	This cover is NOT available to:
<ul style="list-style-type: none"> <li>• Australian citizens or permanent residents</li> <li>• Customers flying with Jetstar to an international destination, other than New Zealand or Antarctica on a single trip, one way or return,</li> <li>• Customers within any age group.</li> </ul>	<ul style="list-style-type: none"> <li>• non-Australian citizens or permanent residents,</li> <li>• Customers who require international cover for travel to New Zealand or Antarctica.</li> </ul>

## Needs and Objectives

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

- have a need for limited trip specific travel insurance between Australia and international destinations to cover travel related risks for medical & hospital cover including COVID19 cover, luggage, cancellation and lost deposits within the policy limits,
- have difficulty obtaining travel insurance due to age.

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,
- need to cancel their travel plans due to a change of mind and/or due to employment/business related reasons,
- have a need and budget for more comprehensive travel insurance with higher sums insured and/or benefits for exposures before or after the trip, including further travel,
- have travel plans involving multiple trips, flights with airlines other than Jetstar, and travel is to New Zealand or Antarctica.

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

Key Product Features	
What is covered	What is not covered
<ul style="list-style-type: none"> <li>• cancellation fees, loss of deposits, up to \$10,000 per insured person,</li> <li>• overseas medical and hospital expenses up to \$2,500,000,</li> <li>• emergency travel expenses. Refer to policy wording for sub limits on each item,</li> <li>• emergency overseas dental, up to \$500,</li> <li>• luggage items up to \$3,000 per insured. Sub limits apply to certain items,</li> <li>• being diagnosed with COVID-19 (after taking out coverage) prior or during your trip. Cover includes:               <ul style="list-style-type: none"> <li>○ overseas medical and hospital expenses up to \$2,500,000 per insured person,</li> <li>○ cancellation fee, loss of deposits, up to \$10,000 per insured person,</li> <li>○ additional travel costs up to \$1,000 per insured person,</li> <li>○ out-of-country COVID-19 diagnosis quarantine allowance up to \$2,100 (\$150 per day maximum for 14 days per insured person).</li> </ul> </li> </ul> <p>This Product contains other benefits which can be found in the PDS.</p>	<ul style="list-style-type: none"> <li>• travel to New Zealand or Antarctica,</li> <li>• any claim in connection with cancellation, delay or rescheduling caused by your covered transport provider, including Jetstar.</li> <li>• any claim arising from an epidemic or pandemic or any disease or event declared by authorities or World Health Organisation unless specified in the policy wording,</li> <li>• any preventive or pre-emptive action taken to prevent the spread of an epidemic or pandemic,</li> <li>• any claim arising from travel restrictions due to government orders, advisories, regulations, directives or border closures,</li> <li>• additional expenses or fees arising from errors or omissions made by the insured person (or on the insured persons behalf) in the process of booking a trip,</li> <li>• pre-existing medical conditions unless specified in the policy wording,</li> <li>• luggage left unattended,</li> <li>• loss arising after the completion of the trip.</li> </ul> <p>This 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 with the sums insured and policy limits available under the Product,
- 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 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 Jetstar and AIG through:

- Jetstar Airways Pty Ltd via its main website and purchasing at the same time as a flight.
- AIG Australia contact centres after the purchase of a Jetstar flight.

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:

- when purchased online, based on the information provided to Jetstar when purchasing their flight; and
- when purchased via the contact centre, by asking a series of questions in connection with the Customer request for a quote;

the answers to those questions determine whether those Customers are eligible for cover.

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>• 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

The Product is distributed by Jetstar Pty Ltd and AIG. AIG and Jetstar Pty Ltd 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 Customer in breach of the distribution conditions or outside the target market.	AIG Staff and or Jetstar Pty Ltd.	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 and or Jetstar Pty Ltd.	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 and or Jetstar Pty Ltd.	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 and or Jetstar Pty Ltd.	As soon as practicable after becoming aware of the matter and within 10 business days.