

TARGET MARKET DETERMINATION

August 2021

Ansvar Insurance Australian Early Learning PDS & Policy Wording

This target market determination (TMD) sets out the type of businesses this insurance product is designed for and the approach Ansvar takes to keep it consistent with the likely objectives, financial situations and needs of its customers.

The term "Ansvar" refers to Ansvar Insurance Limited, AFSL 237826.

Ansvar's AIB Australian Early Learning Insurance Product

This product is designed for business operators of Child Care, Family Day Care or Outside School Hours Care facilities. Standard policy limits and excesses are determined based on our understanding of the operating environment, associated costs and potential legal liability incurred by these businesses. Ansvar has alternative insurance products available for businesses with different needs.

This product is comprised of 10 sections of insurance cover that Child Care, Family Day Care or Outside School Hours Care operators may need to protect against financial losses and legal liabilities.

- Property Protection
- Breakdown of Mechanical & Electronic Equipment
- Money
- Theft
- General Property
- Business Interruption (or Income Protection)
- General Public & Products Liability
- Professional Indemnity
- Management Liability
- Personal Accident

The applicant can select some or all of these sections, depending on their requirements. Conditions may apply to the availability of certain sections. These conditions include the:

- Breakdown of Mechanical & Electronic Equipment, Money, Theft, General Property, Business Interruption (or Income Protection) sections are only available if the Property Protection section is taken;
- Professional Indemnity and Management Liability sections are only available if the General Public and Products Liability section is taken.
- Personal Accident section is only available if either the Property Protection or General Public and Products Liability sections are taken.

The following table is based on consideration of the likely objectives, financial situation and needs of our target market for this insurance product.

This product is suitable for:	This product is not suitable for:
✓ Applicants that are registered as a business entity.	✗ Operators seeking insurance for periods greater than 18 months.
✓ Applicants with a sound financial position and well maintained business records.	✗ Applicants seeking insurance for unoccupied Child Care, Family Day Care or Outside School Hours Care facilities.
✓ Licensed operators of Child Care, Family Day Care or Outside School Hours Care.	✗ Applicants who have been specifically declined insurance by a previous insurer.

This product is suitable for:	This product is not suitable for:
✓ Operators of Child Care services with no more than 20 centres.	✗ Applicants seeking personal insurance covering residential dwellings and/ or household contents.
✓ Operators with a combined sums insured for Property Protection and Business Interruption (Income Protection) of less than \$20,000,000.	✗ Operators of Family Day Care Services seeking Sexual Abuse insurance cover.
✓ Operators of Child Care centres with no more than 150 licensed places per centre.	✗ Child Care, Family Day Care or Outside School Hours Care facilities that are located outside of the Commonwealth of Australia.
✓ Operators seeking personal accident covers for children under their care and volunteers.	

Purchase of this insurance product is subject to Ansvar's acceptance criteria. The information required to determine whether an application is acceptable to Ansvar, is set out in the proposal form or renewal declaration, depending on the sections of cover requested. Generally, the information required when applying for this insurance product includes:

- the applicant's details including legal entity, trading name, entity type, ABN and GST registration status;
- a description of all of the applicant's business activities;
- declarations from the applicant regarding any prior claims or declinature of insurance cover, and any criminal convictions or bankruptcy pertaining to key personnel;
- the location details of each child care centre, including the age of the buildings, the construction type and the details of fire and security protections;
- the sections of cover required, including the sums insured/ limits for each location and for each type of cover;
- details of the applicants risk management procedures where Sexual Abuse cover is requested.

Distribution of this product

This product is distributed through AIB Pty Limited (AIB) trading as AIB Insurance (AFSL 246282) and underwritten by Ansvar. When transacting this product, AIB acts as an agent of Ansvar. Applicants must engage directly with an AIB broker to purchase this product. The AIB broker will advise the applicant regarding the suitability of this product to their business needs.

Product review cycle

Ansvar will continue to monitor and review this TMD to identify any event or circumstance that would reasonably suggest that it is no longer appropriate.

Ansvar will review this TMD every 2 years from October 2021 or more frequently in response to any 'review triggers', such as:

- a material change to the cover provided under this product;
- significant changes to the acceptance criteria, impacting the suitability of this product to the target market;
- changes in the way this product is distributed;
- feedback or complaints that indicate the product is no longer meeting customers' needs or expectations; or
- any issues identified through ongoing analysis of the product's performance and distribution metrics.

Reporting of information for monitoring this product

Ansvar's staff, service providers and AIB's staff involved in the distribution of this product are required to report the following information on a quarterly basis to assist in monitoring the appropriateness of this TMD.

- The number and details of any complaints related to this product;
- Confirmation that the businesses that have purchased this insurance meet Ansvar's target market;
- Number of policies issued, renewed, lapsed or cancelled; and
- Any significant dealing in this product, which is not consistent with this TMD.

Information must be provided within 10 business days of the end of the reporting period, or within 10 business days from which the distributor becomes aware of a significant dealing that is not consistent with the TMD.

Ansvar Insurance Limited, ABN 21 007 216 506 and AFSL 237826 is the issuer of this Australian Early Learning PDS and Policy Wording. Terms, conditions, limitations and exclusions apply. This TMD is intended to be general advice only and does not take into account your personal objectives, financial situation or needs and may not be right for you. Please read the PDS and Policy Wording before deciding whether this policy is suitable for you. You can obtain a copy of this PDS and policy wording by contacting Ansvar.

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