

## TARGET MARKET DETERMINATION

# ATC Plant and Machinery Insurance

This target market determination is designed to provide customers, distributors and ATC staff with the appropriate information to understand who this product has been designed for and our approach to determining that the product is likely to be consistent with the objectives, financial situations and needs of the customer and the distribution conditions.

In this document the terms “ATC”, “we”, “us” or “our” refer to ATC Insurance Solutions Pty Ltd.

### ATC Plant and Machinery Insurance Product

The ATC Plant and Machinery Insurance Product provides insurance for plant and machinery, and associated motor vehicles and trailers.

This Target Market Determination (TMD) sets out the target market for:

- Plant and Machinery - Material Damage Insurance
- Plant and Machinery – Road Risk Insurance
- Plant and Machinery – Broadform (Public & Products) Liability

### Distribution of this product

This product is designed to be distributed by our underwriters to our broker clients via:

- ATC’s main contact number by calling 03 9258 1778
- ATC’s website by visiting [www.atcis.com.au](http://www.atcis.com.au)
- ATC’s offices
- ATC’s attendance at webinars, expos, and conventions
- selected third parties.

Only underwriters are authorised to distribute this product as they understand the market this product has been designed for, have been trained in the relevant acceptance criteria and have the appropriate levels of authority.

ATC will make risk-based decisions to determine its acceptance criteria about insurance cover that can be offered to you. Some of the key acceptance criteria relating to this target market determination may include:

- the type, size, value and condition of the plant and machinery
- the amount of motor vehicles required to be insured
- claims, traffic and criminal history
- turnover and business activities
- the use of sub-contractors and/or labour hire personnel.

### Reviewing this document

We will review this TMD within 2 years from the effective date to ensure it remains appropriate.

We will also review this TMD if any event or circumstances (called 'review triggers') occur that would reasonably suggest that the determination is no longer appropriate, such as:

- We make a material change to the cover provided by the product.
- A change in our acceptance criteria that impacts on the suitability of the product for the target market,
- A material change to the distribution of the product.
- The discovery of a relevant and material deficiency in the product's disclosure documentation.
- Systemic complaints and claims issues which indicate that the product is no longer suitable for the described target market
- A change in underwriting guidelines due to an unacceptable loss ratio from attritional claims issues in a particular area may mean that that the product is no longer suitable for the described target market
- Material and relevant reductions in our key product suitability metrics such as:
  - customer satisfaction
  - product acceptance
  - financial performance
  - product value and affordability.

We will review this TMD within 10 business days of the occurrence of any review trigger.

### Reporting

ATC must record all complaints received about this product on a quarterly basis (Complaints Reporting Period). Underwriters are required to provide to ATC Compliance Committee the written details of any complaints about the product they have received during the Complaints Reporting Period within 10 business days of the end of the period.

Underwriters are required to provide regular and incident-based reporting on key metrics (see the heading "Reviewing this document") to allow us to review this TMD.

Underwriters are also required to report to ATC Compliance Committee if they become aware of significant dealing in this product which is not consistent with this TMD within 5 business days of becoming aware of such dealing.

ATC Operations Manager must report sales data including number of policies issued, renewed and cancelled on a monthly basis. This report will be made available within the first week of every month for the previous reporting month and shared with all underwriters and ATC Compliance Committee.

### Record keeping

ATC will maintain records of the reasonable steps they have taken to ensure that this product is sold in a manner consistent with this TMD.

We will also prepare and maintain complete and accurate records of our decisions, and the reasons for those decisions, in relation to:

- all target market determinations for this product
- identifying and tracking review triggers
- setting review periods
- the matters documented in this TMD.

Should you have any questions or concerns regarding this Target Market Determination, please contact ATC Insurance Solutions.

# ATC Plant and Machinery Insurance Target Market Determination Appendix

## Plant and Machinery - Material Damage Insurance

The Material Damage Insurance product has been designed for people or businesses who want to be covered against financial loss caused by theft or damage to their plant and machinery and associated motor vehicles.

This product is suitable for people who:	This product is not suitable for:
<ul style="list-style-type: none"> <li>own plant and machinery for business or private use</li> <li>hire in plant and machinery for business or private use</li> <li>are looking for a product that covers the market value, sum insured or agreed value of their plant and machinery and associated motor vehicles</li> <li>are looking for a product that includes some automatic financial protection covers and other automatic extensions following theft or damage</li> <li>want to be able to select some optional extensions to customise the cover to their current circumstances</li> <li>have the ability to pay the premiums up front and any excesses or co-payments in the event of a claim.</li> </ul>	<ul style="list-style-type: none"> <li>people or business that do not own or hire any plant and machinery</li> <li>unsafe or unroadworthy vehicles</li> <li>people who are unlicensed unless permitted by law</li> <li>people who are under the influence of drugs or alcohol</li> <li>people using the equipment for a race, trial, test, contest, illegal purpose or any purpose other than that for which it was designed</li> <li>harvesters, forestry equipment, tunnel boring machines, mulchers, shredders, grinders, raisebores or any equipment being used in the waste and recycling industry, underwater or offshore</li> <li>plant and machinery located outside the Commonwealth of Australia.</li> </ul>

This product is subject to the acceptance criteria.

## Plant and Machinery – Road Risk Insurance

The Road Risk Insurance product has been designed for people or businesses who want to be covered against damage to other people’s property caused by their road registered plant and machinery or associated motor vehicles.

<b>This product is suitable for people who:</b>	<b>This product is not suitable for:</b>
<ul style="list-style-type: none"> <li>• own plant and machinery and associated motor vehicles for business or private use that is registered for road use</li> <li>• hire in plant and machinery and associated motor vehicles for business or private use that is registered for road use</li> <li>• are looking for a product that covers damage to a third parties property caused by the use of road registered plant and machinery or a motor vehicle</li> </ul> <p>are looking for a product that includes some automatic extensions following theft or damage</p> <ul style="list-style-type: none"> <li>• have the ability to pay the premiums up front and any excesses or co-payments in the event of a claim.</li> </ul>	<ul style="list-style-type: none"> <li>• people or business that do not own or hire any road registered plant and machinery</li> <li>• unregistered or Unroadworthy plant and machinery or motor vehicles</li> <li>• plant and machinery or motor vehicles located outside the Commonwealth of Australia</li> <li>• people or business that require cover for Compulsory Third-Party insurance (CTP) for bodily injury cover</li> <li>• property owned by you (this is covered under Material Damage)</li> <li>• people or business that want pollution cover unless it is from an unexpected or unintended cause</li> <li>• people or business who require dangerous goods cover in excess of \$1,000,000.</li> </ul>

This product is subject to the acceptance criteria.

### Plant and Machinery – Broadform Liability Insurance

The Broadform Liability Insurance product has been designed for businesses who want to be covered against compensation which they become legally liable to pay to a third party for property damage or personal injury.

This product is suitable for people who:	This product is not suitable for:
<ul style="list-style-type: none"> <li>• own a business that involves the use of plant and machinery</li> <li>• are looking for a product that covers damage to a third parties' property or injury to a third party that arises out of their business</li> <li>• are looking for a product that includes cover for damage to underground services and/or vibration and removal of support</li> <li>• require cover for property in your physical or legal control up to \$500,000</li> <li>• require cover for vibration and removal of support up to \$1,000,000</li> <li>• want to be able to select some optional extensions to customise the cover to their current circumstances</li> <li>• have the ability to pay the premiums up front and any excesses in the event of a claim.</li> </ul>	<ul style="list-style-type: none"> <li>• a business that does not involve the use of any plant and machinery</li> <li>• any business involved in tree lopping, underground mining, underground tunnelling, machinery sales or servicing, bridge construction, dewatering, harvesting, forestry, concrete cutting or waste/recycling</li> <li>• the giving of professional advice for a fee or any design, plan, specification, formula or pattern that you provide for a fee</li> <li>• people or businesses who require cover whilst working with asbestos.</li> </ul>

This product is subject to the acceptance criteria.