

Target Market Determination

Product: Storer's Risk Insurance Benefits (Product)

Product Disclosure Statement: Storer's Risk Insurance Benefits (September 2023, v1.2023)
Prepared: September 2023 (September 2023, v1.2023)

TMD Commencement Date: 1 September 2023

Product Issuer:

Starr International Insurance (Singapore) Pte Ltd

CapitaGreen 138 Market Street,

#16-04 Singapore 048946 (**Starr**)

Note: Starr is classified as an unauthorised foreign insurer. An unauthorised foreign insurer is an insurer that is not located in Australia or authorised under the *Insurance Act 1973 (Cth)* to conduct insurance business in Australia. See the Product Disclosure Statement for more details.

What is a target market determination?

A Target Market Determination (**TMD**) is a determination that sets out:

- the class of customers that comprise the target market for this Product, taking into consideration their likely objectives, financial situation and needs;
- 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 contain any financial product advice on the Product and no advice is given to customers as to the suitability of the Product for an individual customer's objectives, financial situation and needs.

The terms and conditions of the Product are set out in the Product Disclosure Statement referred to above (**PDS**). The Product is issued by Starr under a group policy with National Storage (Operations) Pty Ltd ABN 65 095 053 179 AR number 001301061 and Southern Cross Storage Operations Pty Ltd ABN 66 152 503 163 AR number 001301062, together trading as National Storage (**National Storage**).

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.

Starr 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 2001 (Cth)*, have the same meaning as under that legislation.

Application of this TMD

This TMD applies to the Product in respect of its target market.

The Product is a group policy issued to National Storage. The Product provides cover for loss or damage to goods which a National Storage customer owns or is responsible for, where:

- the goods are stored in a storage unit at a National Storage location in Australia; and

- the loss or damage is caused by an insured peril specified in the PDS.

Loss or damage to stored goods resulting from flood or from mould, mildew, or dampness are not covered. There are also other exclusions which are set out in the PDS.

1. Target market

This section of the TMD describes the class of retail client customers who comprise the target market for the Product.

This cover is suitable for	This cover is NOT suitable for
<p>Customers who:</p> <ul style="list-style-type: none"> • rent a storage unit from National Storage within Australia to store their goods; • want protection for loss or damage to their goods while being stored in a storage unit (other than for loss or damage arising from flood or resulting from mould, mildew or dampness); and • are able to afford the excess of the first \$250 of each claim. 	<p>Customers who are:</p> <ul style="list-style-type: none"> • only storing goods located outside the locked storage unit; • seeking cover while their goods are being moved to or from the storage unit or any other location; • only storing individual paintings, antiques, curios or works of art valued in excess of \$1,000 per item or more than \$5,000 in total for any of these items, and for whom cover in excess of these amounts is important; • only storing goods in a storage unit that are valued in excess of \$100,000; • only storing goods which are excluded under the policy, or for whom cover in respect of these items is important, including but not limited to any of the following: <ul style="list-style-type: none"> • currency, deeds, securities, money, notes, jewellery, watches, precious stones, gold, precious metals, furs or garments trimmed with fur; • motor vehicles and motor cycles, whether they're registered or not; • boats or watercraft or aircraft; • any flammable liquid, gas, or oil such as petrol, kerosene, LPG, aerosols, diesel fuel or engine oil, any corrosive chemicals or nitrates such as chlorine, sulphuric acid or fertiliser; • tobacco or cigarettes; • paint; • tyres in bulk; • perishables; or • alcohol, wine or beer.

2. Distribution conditions

This section of the TMD describes the conditions and restrictions that apply to any regulated person (**distributor**) that engages in retail product distribution conduct in relation to the Product the Product.

The distribution conditions are as follows:

- The Product may only be distributed by Arthur J Gallagher & Co (AUS) Limited ABN 34 005 543 920 AFSL 238312 (**Gallagher**) and their authorised representatives, National Storage.

- Distributors must apply a consistent application process in relation to the Product, which supports the sale of the Product to customers in the target market.
- Distributors must ensure that their employees who distribute the Product:
 - have a general understanding of the likely objectives, situation and needs of the target market; and
 - have been trained in the relevant acceptance criteria for the Product.

3. Review period and triggers

Starr will review this TMD annually in the month of November, and prior to any discussions in relation to the renewal of the group policy that National Storage holds with Starr.

The following events will trigger a review of this TMD:

- a material change to the cover provided by the Product;
- a change in Starr’s risk acceptance criteria or underwriting guidelines that may impact the suitability of the Product for the target market;
- adverse trends in policy and claims data indicating the Product is not performing as expected;
- complaints or other feedback indicative of the Product no longer being suitable for the target market;
- claims denials or other issues indicative of the Product no longer being suitable for the target market;
- material decreases in sales and Product performance metrics including but not limited to acceptance rates, cancellation rates, Product value and affordability, benefits to customers,
- issues arising from compliance monitoring, breaches or internal audit findings; or
- concerns raised by a regulator, the Code Governance Committee or AFCA.

Starr will also review this TMD if there are events or circumstances that reasonably suggest that the TMD is no longer appropriate.

4. Records

Starr will keep records of any actions they take to make sure the Product is distributed only to customers who fit within the target market described in this TMD. They will also keep records of any decisions they make in relation to this TMD and the reasons in relation to the following:

- the target market for the Product;
- how they set review triggers;
- how they decide if a review trigger has taken place;
- how often they review this TMD; and
- the general information in this TMD.

5. Reporting obligations

Distributors must report the following information to Starr:

Event or circumstance	Person required to report	Reporting period
Any issue arising from the sale of the Product to retail client in breach of the distribution conditions or outside the target market, or any events or circumstances that reasonably suggest this TMD is no longer appropriate.	Distributors	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	Distributors	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.	Distributors	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.	Distributors	As soon as practicable after becoming aware of the matter, and in any event within 10 business days of the compliance breach being identified.