

Target Market Determination

Commercial Strata Insurance

Insurance Investment Solutions Pty Limited ABN 94 604 594 345 AFSL 487177 acts as an agent for Certain Underwriters at Lloyds and is authorised to arrange, enter into/bind and administer this insurance on their behalf.

Effective date: 5 October 2021

Purpose of this document

This Target Market Determination (TMD) relates to the *isSTRATA* Commercial Strata Insurance Policy Wording & Product Disclosure Statement (CSTRATALLOYDS 1.0 10 2021). It provides customers and distributors with information regarding:

- the class of customers that comprise the target market for this product, and those for which it is not suitable;
- conditions and restrictions relating to the distribution of this product;
- events and circumstances that would reasonably suggest this TMD requires review, or is no longer appropriate;
- the maximum period from the start of the date this TMD is first published to the date of its first review;
- the period for reporting information about the number of complaints related to this product; and
- the kinds of information needed to identify whether a review trigger has occurred.

This TMD does not consider a customer’s personal needs, objectives and financial situation. Customers should refer to the *isStrata* Commercial Strata Insurance Policy Wording & Product Disclosure Statement (PDS), and any Supplementary Product Disclosure Statements (SPDS) that may apply, to ensure the product is right for them.

This TMD applies only in respect of retail clients as defined by the Corporations Act 2001 (Cth).

Class of Customers within the Target Market

For customers within the target market, this product provides cover predominately for loss or damage to a commercial strata, company title or community association building.

Customers within the Target Market – Commercial Strata or Company Title (Customers are within this target market if both the following conditions apply)

<input checked="" type="checkbox"/>	The customer is a body corporate/owners corporation, which represents the collective owners of a commercial strata or commercial company title property such as units, apartments, villas or townhouses, where more than 20% of the floor space is used for or designated as commercial purposes, whether occupied or not.
<input checked="" type="checkbox"/>	The customer is a body corporate/owners corporation which wants, or is required by statute to maintain, financial protection for loss or damage to a strata or company titled building and common area contents.
<input checked="" type="checkbox"/>	The customer’s strata property has more than 50% of unit entitlements used as serviced apartments or short-term accommodation.



Customers within the Target Market – Community Association (Customers are within this target market if all of the following conditions apply. Note: Cover applies only if an Endorsement to the PDS has been issued.)	
<input checked="" type="checkbox"/>	The customer is a community association, which represents the collective owners of lots of a deposited and registered community plan, which is a parcel of land subdivided into 2 or more lots where the majority of lots are used for commercial purposes, and there is some shared use of the land as common area. (These could be large estates with residential lots that may contain commercial and / or retail outlets on site, or multitier complexes with a mix of commercial, residential and retail lots that span across a parcel of land.)
<input checked="" type="checkbox"/>	The customer is a community association that is part of a registered community plan, which consists of, but is not limited to, the following types of community property: <ul style="list-style-type: none"> • outbuildings; • fixtures and structural improvements; • underground and overhead services within common areas; • common area contents.
<input checked="" type="checkbox"/>	The customer is a community association which wants, or is required by statute to maintain, financial protection for its community property.

Customers NOT within the Target Market (Customers are not within the target market if any of the following conditions apply)	
<input checked="" type="checkbox"/>	The customer’s property is located on a land title that is not a strata, company, or community title - for example Torrens title.
<input checked="" type="checkbox"/>	The customer’s strata property has less than 20% of the total building floor space used for commercial purposes. (A separate Commercial Strata product is available for commercial use premises.)
<input checked="" type="checkbox"/>	The customer requires cover for personal or business contents contained within an individual lot or residential home of the strata property.
<input checked="" type="checkbox"/>	The customer requires cover for buildings comprising an individual lot or residential home within the strata, company or community association title.
<input checked="" type="checkbox"/>	The customer’s strata property has less than 50% of unit entitlements used as serviced apartments or short-term accommodation.
<input checked="" type="checkbox"/>	The customer’s commercial Company titled property requires Director’s Liability and/or the Legal Defence Costs of the company.

Conditions and Restrictions on Distribution of this Product	
Distribution Restrictions	<p>This product can only be sold by Insurance Investment Solutions Pty Limited ABN 94 604 594 345 AFSL 487177.</p> <p>The product and the systems used for its distribution have specifically been designed for a customer seeking insurance through IIS. IIS has taken reasonable steps to both ensure that it understands the key product attributes and to align distribution to customers in the target market.</p>
Distribution Conditions	<ul style="list-style-type: none"> • This product can only be sold to customers who fall within this target market determination and meet the underwriting rules specified by Lloyd's. • It can be sold to customers within the target market without the customer being provided with any financial product advice or with general advice. • IIS is required to make this TMD available to customers who request it.
Distribution Method	<p>This product may be sold via direct contact between the customer and IIS.</p> <p>It may also be sold through General Insurance Brokers. Such Brokers hold their own Australian Financial Services Licence authorizing them to advise and deal in insurance products. They are able to provide financial product advice to</p>
Dealings Outside of the Target Market	<p>The customer requires cover for buildings comprising an individual lot or residential home within the strata, company or community association title.</p>

Information About Complaints

The distributor is required to provide Lloyd's with information regarding complaints received in relation to this product.

Reporting Obligations for Distributors

Dealings outside of Target Market	<p>If dealings outside the target market occur without the approval of Lloyd's, the distributor must inform Lloyd's of the following:</p> <ul style="list-style-type: none"> • the date(s) on which such dealings occurred; • details of the dealing(s); • any mitigating steps taken; and • actions taken to prevent any similar occurrence. <p>Reporting Period: Not later than ten days after the date on which the distributor became aware of the dealing.</p>
Complaints	<p>In respect of complaints related to this product, the distributor must inform Lloyd's, via the agreed complaints submission process, of the following:</p> <ul style="list-style-type: none"> • the number of complaints received;

	<ul style="list-style-type: none"> • the nature of complaints, in sufficient detail to enable Lloyd’s to identify whether the product may no longer be suitable for the target market; • any mitigating steps taken; and • actions taken to prevent any complaints of a similar nature. <p>Reporting Period: Within ten business days after the end of the agreed reporting periods.</p>
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TMD Reviews	
Review Period	The initial review of this TMD will occur no later than 3 years from the date it is first published and every 3 years thereafter, unless an event occurs which triggers the need for an earlier review.
When an earlier Review may be required	<p>An earlier review of this TMD would be triggered by any of the following:</p> <ul style="list-style-type: none"> • events occurring or circumstances which indicate to Lloyd’s or IIS that the product is no longer suitable for the target class of customers; • a significant increase in the number of complaints received by Lloyd’s or IIS in relation to the product; • a material change to either the assumptions used in determining the target market or to the PDS; • a change of statute, relevant law, regulatory guidance or industry code which has a material effect on the terms or distribution of the product; • the product being distributed or purchased in a way that is significantly inconsistent with this TMD; or • adverse trends in policy and claims data indicating that the product is not performing as would be expected by the customer.