



Individual personal accident and sickness

ExpressCover Target Market Determination

Product	ExpressCover Individual Personal Accident and Sickness Insurance
Issuer	DUAL Australia Pty Limited (AFSL: 280193) on behalf of certain Underwriters at Lloyd’s of London
Distributor	ExpressCover (a business name of BizCover Pty Limited (AFSL: 501769)) (ExpressCover)
Publication Date	25 August 2023 - V2
Review Date	Every two years
Distributor’s Reporting Requirements	Quarterly unless a complaint concerns a “significant dealing”

What is a Target Market Determination?

A Target Market Determination (**TMD**) is prepared by the issuer of the product and aims to provide customers and distributors with sufficient information to understand who the product is suitable for. It also details the distribution conditions for this product, how often the TMD will need to be reviewed, along with the distributor’s reporting and record keeping requirements.

Background

DUAL Australia Pty Limited (**DUAL**) underwrites insurance on behalf of certain Underwriters at Lloyd’s of London. In performing this function, DUAL issues through ExpressCover an Individual Personal Accident and Sickness Policy (the product) to consumers. In general, the product provides lump sum or weekly benefits to consumers if they suffer an accidental injury, sickness or death, provided those consumers meet the underwriting guidelines and claims eligibility criteria.

ExpressCover distributes the product to consumers as an agent of DUAL via its Austbroker’s ExpressCover portal. Austbrokers members are able to access the website and select the different sections of cover within the product so that ExpressCover may provide them with a quote. ExpressCover operates on a “general advice” model in that it provides factual information to consumers about the policies it distributes, but does not suggest that consumers select any particular issuer or type/s of cover.

Target Market Determination

1. Class of consumers comprising the target market for the product

The product is suitable for ('target market')

The product is suitable for consumers between the ages of 16 and 64 years who are employed or self employed and wish to purchase insurance cover against the risks of accidental injury or sickness.

The product is not complex and is appropriate for retail consumers who work in occupations and industries that are acceptable to cover under DUAL's underwriting guidelines.

The product is not suitable for ('negative target market')

The product will likely be inappropriate for consumers who fall outside the product's underwriting criteria (due to the type of work they do) or claims criteria (that is, at the time of purchase of the policy they would be ineligible to make a claim or a policy exclusion would apply). This will include consumers who, for example:

- a. are outside the age range given above;
- b. have significant "pre-existing conditions" as defined in the policy wording, such as a heart condition (however, the product is appropriate to the extent the consumer wishes to insure against risks that are un-related to their preexisting condition);
- c. suffer a significant psychiatric condition (again, the product is appropriate to the extent the consumer wishes to insure against risks unrelated to the condition);
- d. participate in racing, time trials, or practice for such an event, other than on foot;
- e. participate, train, or otherwise take part in professional sports of any kind;
- f. suffer from a sexually transmitted disease or infection, including but not limited to Acquired Immune Deficiency Syndrome (AIDS) disease or Human Immunodeficiency Virus (HIV) infection;
- g. are wanting coverage for death by sickness;
- h. seeking non-cancellable life insurance or non-cancellable income protection insurance;
- i. seek cover for flying or engaging in any other aerial activity except as a fare paying passenger on an airline with scheduled flights.

Additionally, the product will be inappropriate for those who will otherwise derive lesser benefits, such as consumers who:

- a. are unemployed and/or do not earn an income to pay for expenses including insurance premium and upfront medical expenses;
- b. have already obtained another insurance policy covering substantially the same risks, for example, a group policy obtained via their employer (but only to the extent both policies cover the same risks).

In the event of a claim for weekly benefits, customers may also derive a lesser benefit under the policy if they are employed, but earn a significant portion of their salary through overtime payments, commissions, bonuses and allowances in deriving that income. For example, if the customer's taxable income is \$100,000 per annum, however 50% of this is earned through commission, then the customer will only be able to claim weekly benefits for their regular earnings of \$50,000.

2. Conditions or restrictions on distribution

In order to avoid the product being mis-sold to consumers in the negative target market, DUAL will distribute the product via ExpressCover.

DUAL will require ExpressCover's online portal to allow consumers to select the particular elements of the product that they consider meet their needs, objectives and circumstances. In this way, consumers will not be required to purchase any elements of the product they consider unsuitable, which minimises the risk of inappropriate sales.

The following sale restrictions are to be implemented on the online platform to restrict sales outside of the target market:

- a. It is a requirement that the customer confirms that they live and work in Australia. If the customer does not, they will not be able to purchase the policy.
- b. It is a requirement that the customer confirms their date of birth on the online platform. If the customer is under the age of 16, they will not be able to purchase the policy. If the customer is over the age of 64, they will also not be offered to renew their policy.

Prior to purchasing the policy, where appropriate the online platform will also provide the following sales guidance to customers such as:

- i. highlighting to customers that they should read and review the Policy Wording and associated endorsements to ensure that they are satisfied with not just the benefits of coverage, but also the limitations and restrictions on coverage.
- ii. providing customers with a comparison screen outlining the features of the policy, including policy exclusions, key defined terms such as salary and pre-existing condition, benefit periods and waiting periods (etc.).
- iii. providing general information to customers to assist them to answer questions and defining words such as weekly benefits, waiting period and benefit period.
- iv. when choosing for their weekly benefits, customers will be reminded on ExpressCover's online platform that:
 - if they are self-employed, to select their gross weekly income less costs and expenses incurred in deriving that income; or
 - if they are employed, to select their gross weekly income less any overtime payments, commissions, bonuses and allowances in deriving that income.

3. Review triggers

DUAL will take into account the following factors in deciding whether a review trigger (a circumstance that reasonably suggests that this determination is no longer appropriate) has arisen and is therefore obligated to report a "significant dealing" to ASIC (under s994G *Corporations Act 2001* (Cth)):

- a. whether the product has been sold to a large proportion of consumers outside the target market;
- b. whether the nature of the dealing(s) means that consumers have actually suffered, or are likely to suffer, significant harm; and
- c. whether the dealing(s) are inconsistent with a material provision of this determination, or there is a pattern of less serious, but numerous, inconsistent dealings.

If a review trigger arises, DUAL will review the product and this determination within 10 business days of the date this trigger was known or ought to have reasonably been known by DUAL, taking into account the information set out in section 4 below.

4. Information required to decide when this determination may no longer be appropriate

When reviewing the product and this TMD, DUAL will have regard to all relevant matters, including the following data:

- a. complaints about the product or claims made to ExpressCover, DUAL, Lloyd's and the Australian Financial Complaints Authority, including the number, receiving entity and nature of those complaints;
- b. a material change to the product, claims or underwriting criteria, that impacts the suitability of the product for the target market;
- c. a material change to the way the product is distributed;
- d. a material defect is found in the product PDS;

- e. DUAL's financial product metrics, including product claim ratios; number of policies sold; the rate at which policies are cancelled or are not renewed; the average time taken to finalise claims.

It may also be necessary to evaluate this data with reference to particular distribution channels and product features, in case a potential problem is confined to a particular feature of the product or its distribution rather than the product generally.

DUAL will require ExpressCover to provide quarterly reports on this data (to the extent DUAL does not already possess them). DUAL also expects that ExpressCover will notify us as soon as practicable within 10 business days should it become aware of a "significant dealing" outside the product's target market.

5. Review periods

Assuming no review triggers arise, DUAL will first review the TMD two years after the original TMD publication date. DUAL will then review the TMD every two years, following the first review.

6. When distributors should provide information about the number of complaints about the product

DUAL expects that ExpressCover will provide quarterly reports about complaints, detailing the volume and types of complaints received. In addition to these periodical reporting requirements, ExpressCover will be required to report any complaints which may concern a "significant dealing" outside the product's target market as soon as practicable with 10 business days of becoming aware.

Contact Details

Should you wish to discuss this TMD, please contact us via the following:

For enquiries: compliance@dualasiapacific.com

For complaints: complaints@dualaustralia.com.au

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Telephone: 1300 769 772 (within Australia) or +61 2 9248 6300 (from overseas)

This TMD is available to the public on DUAL's website via the following [link](#).

The content in this document is information only, it is not financial advice. It does not take into account any person's own objectives, financial situation or needs. We encourage you to read the full policy wording for a full description of the terms and conditions. We urge you to consult your insurance broker, the Insurance Council of Australia or the Australian Financial Complaints Authority (AFCA) for further information.

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