



Accident & Health

EXPATRIATE MEDICAL
EXPENSES

TARGET MARKET
DETERMINATION

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Liberty
Specialty Markets



Target Market Determination

For the Liberty Expatriate Medical Expenses Policy issued and insured by Liberty Mutual Insurance Company, Australia Branch (ABN 61 086 083 605; AFSL No. 530842 (for claims handling and settling services only)) a company incorporated under the laws of Massachusetts USA (the liability of members is limited) (referred to as **Liberty, we, us or our** in this document)

1. Product Disclosure Statement to which this TMD applies

This Target Market Determination (**TMD**) applies to the Liberty Expatriate Medical Expenses Insurance Policy (**Product**) issued and underwritten by Liberty and referred to in the following *Product Disclosure Statement (PDS)*:

- *Liberty Expatriate Medical Expenses PDS & Policy Wording*

2. Date from which this TMD is effective

5 October 2021 (**effective date**)

3. About this TMD

This TMD seeks to provide consumers, our Distributors and our staff with the appropriate information to understand the class of retail clients for whom this Product has been designed (comprising the Product's target market), having regard to the objectives, financial situation and needs of that target market. It has been prepared in accordance with the *Treasury Laws Amendment (Design and Distribution Obligations and Product Intervention Powers) Act 2019* and ASIC Regulatory Guide 274.

This document is not intended to be a complete summary of the Product's features, terms and conditions and is not intended to convey financial product advice. Consumers should refer to the PDS and any supplementary documents which outline the relevant terms and conditions of the Product when making a decision about this Product.

4. Class of consumers that fall within this target market

This Product has been designed for consumers whose likely objectives, financial situation and needs (as listed below) are aligned with the Product (including its key attributes).

Objectives, financial situation, and needs

The Product has been designed for businesses, entities, organisations and facilities who wish to provide their employees and other eligible persons with medical assistance and repatriation cover in respect of medical and additional expenses incurred overseas arising out of a medical condition whilst seconded overseas for business purposes, or if an insured person is on home leave, subject to the terms of the Product including the Product's eligibility criteria.

5. Class of consumers for whom this Product has not been designed

This Product is not designed for consumers whose employees and other eligible persons do not meet the Product's underwriting criteria or claims criteria, including those who:

- o do not travel overseas;
- o ordinarily reside in Cuba, Iran, Sudan, Syria or North Korea;
- o engage or take part in naval, military or air force activities;
- o train for or participate in professional sport (as defined in the PDS) of any kind (unless agreed by us);
- o do not hold an applicable visa to enter a particular country for business purposes;
- o have a pre-existing condition (as defined in the PDS);
- o are above the maximum age limits set out in the PDS;
- o travel against the advice of their medical specialist, or
- o undergo elective surgery overseas.

6. Product description and key attributes

The following section sets out the key eligibility requirements and attributes of the Product.

The Product, which is an annual and renewable Product, provides dedicated assistance to those insureds whose employees and other eligible persons incur medical expenses overseas in respect of those items noted in the Table of Benefits in the PDS arising from a medical condition during the *Operative Time* (as defined in the PDS), including in the following scenarios:

- o *Evacuation and repatriation expenses;*
- o *Funeral expenses;*
- o *Public & Private Hospital expenses;*
- o *Emergency transport expenses;*
- o *Doctor and proceduralist services;*
- o *Pregnancy & home nursing services;*
- o *Parental accommodation;*
- o *X-ray and laboratory examinations;*
- o *Anaesthesia services, and*
- o *Ancillary benefits cover including dental and optical.*

7. Consistency between target market and the Product

The Product is likely to be consistent with the likely objectives, financial situation and needs of the class of consumers in the target market.

The determination of consistency is based on an analysis of the key terms, features and attributes of the Product and our view that these are consistent with the identified class of consumers.

8. How this Product is to be distributed

Distribution channels

This Product is designed to be distributed through our broker network and other third-party Distributors authorised by Liberty and possessing an Australian Financial Services Licence with appropriate authorisation levels, including in respect of the provision of financial product advice.

9. Distribution conditions

This Product should only be distributed under the following circumstances:

- to businesses, entities, organisations and facilities that meet eligibility requirements, by brokers and other third-party Distributors authorised by us to distribute the Product.

10. Adequacy of distribution conditions and restrictions

Liberty is confident that the distribution conditions and restrictions will make it likely that consumers who purchase the Product are in the class of consumers for which it has been designed. Our view is that those distribution conditions and restrictions are appropriate and will assist distribution in being directed towards the target market.

11. Reviewing this TMD

We will review this TMD in accordance with the cadence set out below:

Initial review	Within the first 12 months of the effective date.
Periodic reviews	At least every 2 years from the initial review.
Review triggers or events	<p>Any event or circumstance that would suggest the TMD is no longer appropriate. This may include (but is not limited to):</p> <ul style="list-style-type: none"> • a material change to the design or distribution of the Product; • a significant dealing or dealings; • distribution conditions are found to be inadequate; • external events such as adverse media coverage or regulatory attention; • 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, and • material and relevant reductions in our key Product suitability metrics such as: consumer satisfaction, financial performance, benefits to consumers, Product value and affordability.

Where a review trigger has occurred, this TMD will be reviewed within 10 business days by our Legal, Risk and Governance functions and our key Accident & Health insurance practitioners.

12. Reporting and monitoring this TMD

We may collect the following information from our Distributors in relation to this TMD.

Complaints	Distributors will report all complaints in relation to the Product covered by this TMD in accordance with the contractual obligations of the Distributors to Liberty. This will include written details of the complaints.
Significant dealings	Distributors will report to us if they become aware of a significant dealing in relation to this TMD within 10 business days.
Other information required	Liberty and its Distributors will maintain records of the reasonable steps they have taken to ensure that this Product is sold in a manner consistent with this TMD, including transaction data and outcomes from sale practices monitoring.

13. The meaning of certain words

Consumer includes the following: businesses, entities, organisations or facilities; employees or other eligible persons; an insured or individual insured; a third-party beneficiary or a potential consumer.

Distributors means a 'regulated person', as defined in s994A(1) of the Corporations Act and includes Liberty's third-party Distributors.

Significant dealing

The term 'significant dealing' is not defined in the Corporations Act. However, in RG 274, ASIC articulate a list of non-exhaustive factors it expects will be relevant for issuers when determining whether a significant dealing has occurred, including:

- (a) the proportion of consumers who acquire the product who are not in the target market;
- (b) the actual or potential harm to consumers acquiring the Product who are not in the target market, and
- (c) the nature and extent of the inconsistency of distribution with the TMD.

Target market refers to the class of retail clients for whom this Product has been designed.

14. Other reading

ASIC Regulatory Guide 274