



TARGET MARKET DETERMINATION – ARMADA INSURANCE PLUS FLARE HR MOTOR FLEET

Product Disclosure Statement (PDS)	Armada Insurance Plus Motor Fleet V7– 30 January 2025
Effective Date	30 January 2025
Commencement Date	This Target Market Determination (TMD) is effective from the date shown above (Effective Date). This TMD will apply to policies that are purchased or renewed on or after the Effective Date. For historical versions of this document, you can contact Armada, or refer to ProRisk’s website at https://www.prorisk.com.au/products/target-market-determinations/ .
Product Insurer:	Virginia Surety Company, Inc ARBN 080 339 957 AFSL 245579 (“Insurer”, “We”, “Our”, “Us”). Claims are handled by Innovation Group (Australia) Pty Ltd ABN 99 060 156 890 AFS Licence No. 530823
Product Issuer	Professional Risk Underwriting Pty Ltd (ProRisk) ABN 80 103 953 073 AFS Licence No. 308076.
Product Distributor:	Armada Underwriting Pty Ltd (Armada) ABN 84 000 989 131 AFS Licence 237402 as agent for ProRisk.

ABOUT THIS TMD

This TMD applies to the Leased Motor Vehicle described in Armada Insurance Plus Motor Fleet Product Disclosure Statement and Policy Wording Document dated 30 January 2025 and any applicable Supplementary Product Disclosure Statement (together the PDS).

ProRisk acts under a binding authority as agent and issuer for the Insurer of this insurance product.



WHAT IS A TMD?

This TMD provides distributors and customers information about:

- the customers for whom this insurance product is appropriate (being the target market);
- the customers for whom this insurance product is NOT appropriate;
- any distribution conditions and/or restrictions attaching to the insurance product;
- the reporting obligations of the distributor; and
- the review period(s) and events which may trigger a review of the TMD.

This TMD is not intended to provide any financial product advice to customers on the insurance cover provided. Also, we do not consider any customer's personal objectives, financial situation or needs in providing any information in this TMD.

Terms used in this TMD that are defined for the purpose of Chapter 7 of the Corporations Act 2001 (Cth.) (the Act), have the same meaning as under the Act.

Please note that the PDS and Policy Wording set out the standard terms and conditions of the insurance cover. This TMD does not form part of the terms of the insurance cover. A customer must always refer to the PDS, Policy Wording and any Supplementary Product Disclosure Statement before making a decision about the insurance product, to ensure the insurance product is suitable for their needs.

WHAT INSURANCE PRODUCT DOES THIS TARGET MARKET DETERMINATION APPLY TO?

This insurance product has three (3) sections of cover as set out below and has been designed for customers in the target market to provide financial protections as follows:

- against theft or accidental loss or damage to your vehicle as per Section 1;
- against legal liability for property damage and injury to other people caused by the customer's vehicle as per Section 2;
- for additional benefits including financial gap protection as per Section 3.

ProRisk sets out their policy on the approach to the distribution and development of products for appropriate target market distribution is available at:

<https://www.prorisk.com.au/globalassets/documents/prorisk-product-design--distribution-policy-2021.pdf>

WHICH CLASS OF CUSTOMERS IS THIS INSURANCE PRODUCT TARGETED TOWARDS?

This insurance product is designed for customers who have a motor vehicle under a novated lease with their employer or a chattel mortgage or a finance lease or a term purchase through Flare HR and require financial protection for:

- loss or damage to their vehicle and/or,
- legal liability for damage to other people's property and injury to other people caused by their vehicle and/or,
- financial gap protection in the event of a total loss.

For a customer to be considered within the target market they must meet key eligibility criteria as outlined in the following:



WHO IS WITHIN THE TARGET MARKET FOR THE ARMADA INSURANCE PLUS FLARE HR MOTOR FLEET PRODUCT?

Customers <u>WITHIN</u> the Target Market (Customers are within the target market if all the following conditions apply)	
✓	Customers with a motor vehicle under a novated lease through with their employer or a chattel mortgage or a finance lease or a term purchase through Flare HR; and
✓	the motor vehicles is up to 2 tonnes carrying capacity; and
✓	the novated lease or chattel mortgage or finance lease or term purchase is for a period from 1 to 5 years.

Customers <u>NOT</u> within the Target Market (Customers are NOT within the target market if any of the following conditions applies)	
x	Customers who do not have a motor vehicle under a novated lease with their employer or a chattel mortgage or a finance lease or a term purchase through Flare HR;
x	Customers with motor vehicles over 2 tonnes carrying capacity;
x	Customer's motor vehicle is unregistered or unroadworthy;
x	Customers with a novated lease or a chattel mortgage or a finance lease or a term purchase with periods under 1 year and over 5 years; or
x	Drivers with DUI (alcohol and/or drugs) offences.



WHAT DISTRIBUTION CONDITIONS APPLY TO THIS PRODUCT?

The insurance product application process has been designed to guide customers directly to the insurance product most likely to meet their objectives, financial situation or needs based on their responses to the questions in our insurance product application.

ProRisk has appointed Armada to distribute the insurance product and distribution staff have been adequately trained in the insurance product, the customer(s) it is intended for and the underwriting criteria applicable to the insurance product.

Distribution Restrictions	<p>This insurance product may only be distributed if the following conditions are met:</p> <ul style="list-style-type: none"> ■ It may only be sold by an insurance broker via authorised distributors and cannot be sold directly to the public. ■ The agreement between the insurance broker and ProRisk sets out the obligations on the broker and ProRisk to distribute insurance products only to customers within the TMD, and the ramifications if the insurance product is distributed to customers outside of the TMD. ■ The insurance product distributor must; <ul style="list-style-type: none"> – be authorised to distribute the insurance product and those arrangements must not have been cancelled or suspended; – agree to comply with all underwriting criteria and levels of authority (as applicable); – agree to not distribute the insurance product where they receive notice from Us that this TMD is not up to date and no new TMD has been provided; and – where a new TMD has been provided, agree to distribute in accordance with the new TMD.
	<ul style="list-style-type: none"> ■ The TMD is currently not subject to any ASIC action that might suggest that the TMD is no longer appropriate. <p>Where an insurance broker provides personal advice in relation to the insurance product it is that broker's responsibility to ensure that acquiring the insurance product is in the best interests of the customer having regard to the customer's objectives, financial situation or needs.</p> <p>When personal advice has been provided in relation to the insurance product the obligations under this TMD do not apply to the insurance broker or ProRisk.</p>
Distribution Conditions	<ul style="list-style-type: none"> – This insurance product may only be sold via an offer of cover and acceptance of cover. – This insurance product may be sold to customers within the target market without the customer being provided with any financial product advice or, general or personal advice.
Distribution Method	<ul style="list-style-type: none"> – This insurance product may only be distributed by an insurance broker through manual quoting under the agreement between the broker and Armada.



INFORMATION REQUIRED FROM DISTRIBUTORS AND REPORTING PERIODS

Distributors of this insurance product are required to provide information in relation to the insurance product covered by this TMD in the circumstances as set out in the table below. The Insurer and product Issuer require the information to identify, and to assess if the TMD is no longer appropriate for this insurance product.

Reportable matters	When
The insurance cover is issued to a customer that was ineligible for cover in accordance with the Application Process.	As soon as practicable after you become aware of the matter, and within 10 business days.
Complaints information <ul style="list-style-type: none"> The number of complaints the distributor has received about this insurance product in the reporting period. A short summary of the nature of the complaint raised and any steps taken to address the complaints; and Any general feedback on this insurance product. Distributors should include sufficient details about the complaint that would allow the Insurer and issuer to identify whether the TMD may no longer be appropriate for the class of customers.	Monthly and no later than 10 business days after the agreed complaints reporting date (Complaints Reporting Period). Notification of the complaint within 2 business days after receipt.
There have been any significant dealings by you that are inconsistent with the TMD.	As soon as practicable after you become aware of the matter, and within 10 business days.
Communication from a regulator in relation to the insurance product or TMD.	Same day

SIGNIFICANT DEALINGS

If an actual or possible significant dealing outside of the target market is identified, the Insurer through the issuer requires information such as the date (or date range) the dealing occurred, details about the dealing(s) and any steps or actions taken to mitigate.

Distributors should have regard to current ASIC guidelines when determining what may constitute a significant dealing.

Armada will notify the Insurer through the issuer of any significant dealing in the insurance product that is not consistent with the TMD as soon as practicable (but no later than 10 business days). This includes but is not limited to a consideration of the nature and degree of harm resulting from the issue of this insurance product to a retail customer.



WHEN WILL WE REVIEW THIS TMD?

The initial review of this TMD will occur no later than 12 months from the date this TMD is first published, or within 10 business days if an event or circumstance (Review Trigger) occurs which would reasonably suggest that the TMD is no longer appropriate.

This TMD will then be reviewed at least every 12 months after the end of the previous review or agreed otherwise by the Insurer.

OTHER CIRCUMSTANCES WHICH MIGHT REQUIRE US TO REVIEW THIS TMD?

Outside of the identified review period, this TMD may be reviewed more regularly if an event or circumstance is identified that may reasonably suggest that the insurance product is no longer suitable to the target class of customers and would trigger a review. These would include, but are not limited to, us becoming aware of:

- an event or circumstance that would materially impact on or change a factor taken into account when making the TMD that would suggest to Us that the TMD is no longer appropriate, such as a change in underwriting requirements;
- the insurance product has materially not been distributed and purchased in a way that is significantly inconsistent with this TMD;
- a material change to the insurance product including Product Disclosure Statement, Policy Wording information or assumptions upon which the TMD was formulated like the application process, pricing requirements, underwriting guidelines;
- feedback, such as significant or systemic complaints or claims issues, received from insurance brokers, distributors or customers who purchased the insurance product, which are of a nature that suggest to us that the TMD is no longer appropriate;
- change of relevant law, regulatory guidance, industry code or feedback from regulators such as ASIC, APRA or other interested parties which has a material effect on the terms or distribution of the insurance product.