



By the sector for the sector

PRODUCT, DESIGN AND DISTRIBUTION POLICY

This policy sets out the Community Underwriting Agency (CUW) approach for developing and distributing retail insurance products for their Target Market Determination - TMD.

A Target Market Determination (TMD) is a written document that describes the class of consumers that comprises the target market for a financial product and matters relevant to the product's distribution and review.

Our Commitment

We take a consumer-centric approach in our design and distribution obligations to help consumers obtain appropriate financial products. We support the General Insurance Code of Practice (the "Code"), and our employees are trained to understand and comply with the Code.

Product Design

We have a product design and review system that includes an initial assessment of whether a financial product has been designed to be consistent with the likely objectives, financial situation and needs of the class of consumers in the target market for whom the product is intended.

This includes a description of each product, including its key attributes and why it is suitable for the chosen target market.

For retail products where the design and distribution obligations apply, we make all target market determinations (TMDs) publicly available and free of charge.

We take reasonable steps to ensure that the distribution of the product is consistent with the TMD and specify restrictions and conditions to prevent the product from reaching someone outside the TMD.

We have published a series of Target Market Determinations (TMDs) in relation to the retail products we distribute, which are available from our website. A TMD does not form part of the terms of a product. Product features, benefits, terms, conditions and exclusions are set out in the relevant Product Disclosure Statement (PDS) and any other policy documents issued to you. Read the relevant PDS before making any decisions about a product.

Governance

We require robust testing of TMD's with new and existing products. For existing products, we have processes and controls to periodically monitor and review our product design and distribution to ensure they are still effective. Our governance controls are designed to reduce the risk that financial products will not be consistent with the likely objectives, financial situation and needs of the consumers who acquire them.

If we identify that a financial product is not consistent with the product's TMD, we will:

- Set distribution conditions and restrictions in line with the identified narrower target market;
- Consider modifying the design of the product; or
- Cease offering the product

We will report significant dealings that are inconsistent with the products TMD, to ASIC.