

TARGET MARKET DETERMINATION

LOSS OF LICENCE INSURANCE

1. ABOUT THIS DOCUMENT

PDS to which this target market determination applies	Individual LOL Policy_ILOLPDS-AI010924v1 Group LOL Policy_GLOLPDS-AI010924v1
Date of last review	1 August 2024
Effective Date	1 September 2024
Product Issuer	This product is issued by Aircrew Insurance as a business name of Strategic Underwriting Pty Ltd under our AFS Licence No 554636.

This target market determination (TMD) provides customers, insurance brokers and staff with an understanding of the class of customers this product has been designed for, having regard to the likely objectives, financial situation and needs of the target market. Further, it sets out how the product is distributed, review periods and triggers relating to the TMD, and reporting and monitoring the TMD.

Aircrew Insurance is a business name of Strategic Underwriting Pty Ltd, ABN 71 619 739 212, AFS Licence No 554636. Aircrew Insurance is an underwriting agency acting on behalf of Insurers with binding agreements. Aircrew Insurance acts on behalf of Certain Underwriters at Lloyds, led by Canopus Managing Agents Ltd, Syndicate 4444. We have authority to quote and issue contracts of insurance and collect premiums on their behalf.

This document is not a summary of the product's terms and conditions and is not intended to provide financial advice. Persons interested in acquiring this product should carefully read the Product Disclosure Statement (PDS) and any applicable Supplementary Product Disclosure Statement(s) which outline the relevant terms and conditions before making a decision whether to buy this product.

2. WHAT IS THE TARGET MARKET FOR THE PRODUCT?

The information below summarises the class of customers that fall within the target market for this insurance cover, and the likely objectives, financial situation and needs that this cover has been designed to meet.

CLASS OF CUSTOMERS THAT FALL WITHIN THIS TARGET MARKET

The Loss of Licence policy is designed to meet the needs of commercial aviation pilots, companies, organisations and associations that require financial protection if any pilots medical certificate is suspended or cancelled due to injury or illness.

The key eligibility requirements to purchase this product include:

Customers WITHIN the Target Market

(Customers will be within the target market if any of the following apply)

- ✔ Persons who are Australian citizens or permanent residents
- ✔ Persons that work as a professional pilot
- ✔ Persons holding a valid Commercial Pilot Licence (CPL) or Air Transport Licence (ATPL).
- ✔ Persons aged between 18 and 64 years old at the time of the application
- ✔ Persons who are actively at work as a pilot
- ✔ Persons who meet our underwriting requirements – for example exceeds relevant underwriting criteria in respect of Body Mass Index (BMI) and other lifestyle/medical factors;

EXCLUDED CLASS OF CUSTOMERS

The insurance cover has not been designed for:

Customers NOT within the Target Market

(Customers are NOT within the target market if any of the following apply)

- ✘ Persons who are not Australian citizens or permanent residents
- ✘ Persons who do not work as a professional pilot
- ✘ Persons not holding a valid Commercial Pilot Licence (CPL) or Air Transport Licence (ATPL)
- ✘ Persons that are not aged between 18 and 64 at the time of the application
- ✘ Persons who are not actively at work as a pilot
- ✘ Persons who do not meet our underwriting requirements – for example exceeds relevant underwriting criteria in respect of Body Mass Index (BMI) and other lifestyle/medical factors
- ✘ Persons who are unlikely to be able to afford to pay the policy premium.

WAITING PERIOD

When we pay a claim, you normally have a waiting period. The Loss of Licence product includes a choice of waiting periods, these range between 60–180 days. When you buy an insurance policy, you can select the waiting period option that best suits your needs. A shorter waiting period means benefits are payable sooner but may be charged at a higher premium. Conversely, longer waiting periods may lower your premium but require you to sustain yourself financially until the benefits become payable.

Customers should assess their regular financial obligations before deciding on the appropriate length of their waiting period.

FINANCIAL SITUATION

Our target market is a customer who is able to pay premiums annually in accordance with the chosen premium structure, chosen waiting period, fees and government charges as set out in the insurance Quotation and Tax Invoice, having regards to personal circumstances and vulnerability or hardship considerations.

3. PRODUCT DESIGN DESCRIPTIONS

Below is a description of the key terms, features and attributes that affect whether this product is likely to be suitable for the needs of the target market. Refer to the PDS for a full description of this product and for the applicable terms and conditions.

PRODUCT APPLICATION ELIGIBILITY

Residency Criteria	Must be an Australian citizen or permanent resident.
Benefit Description	<p>The Loss of Licence Insurance product has two key sections of cover.</p> <ul style="list-style-type: none">• Permanent loss of licence is standard cover and pays a lump sum Capital Benefit in the event of a permanent total disability.• Temporary loss of licence is optional extra cover at an additional cost and pays a Monthly Benefit in the event of a temporary total disability for a maximum benefit period of 2 years, after a chosen waiting period of 60, 90, 120 or 180 days.
Age Eligibility at application	<ul style="list-style-type: none">• 18 – 59 for bodily injury and illness cover.• 60 – 64 for bodily injury only.
Max Benefit Amount	<ul style="list-style-type: none">• 85% of salary up to \$15,000 per month
Claim payments	<ul style="list-style-type: none">• Permanent loss of licence following the waiting period of 180 days.• Temporary loss of licence following a waiting period of 60, 90, 120 or 180 days, monthly payments will be paid up to the maximum 24 months benefit period, as long as the customer remains temporary totally disabled

POLICY PREMIUM

Paying premiums on time in accordance with the product conditions is a requirement of continued cover. If premiums are not paid when due, the policy may lapse in which case the customer would no longer be covered and cannot make a claim.

Premiums are dependent on the information provided at application stage, including the type of cover, benefit level, waiting period, age and underwriting loadings determined at point of application.

Premiums increase each year as the customer gets older because the customer's chances of illness and injury increase with age. In general, premiums will increase over time and are cheaper in younger years.

KEY BENEFITS AND EXCLUSIONS

What is insured	What is not insured
<ul style="list-style-type: none">• Loss of licence due to permanent total disability (Capital Benefit)• Loss of licence due to temporary total disability (Monthly Benefit).* <p><i>* This cover is Insured if selected and the monthly benefit amount is shown on the Certificate of Insurance provided with the Policy Wording and Product Disclosure Statement.</i></p>	<ul style="list-style-type: none">• Death, suicide or intentional self-inflicted injury;• Pre-existing conditions, unless declared and accepted in writing by us;• Any mental health conditions not being treated or under ongoing care of qualified specialist;• Pregnancy or childbirth unless due to complications;• Bodily injury caused by intoxication or drugs unless caused by prescribed drugs and taken as instructed;• Elective cosmetic surgery;• Illness or classified illness if aged 60 or over at the start of the policy;• Undertaking activities prohibited under your contract of employment;• Criminal acts;• War or terrorism;• Service in the armed forces.

4. HOW THIS PRODUCT IS TO BE DISTRIBUTED

DISTRIBUTION CHANNELS

This product is issued by Aircrew Insurance on behalf of Certain Underwriters at Lloyds, led by Canopus Managing Agents Ltd, Syndicate 4444 and designed to be distributed through the following means only:

- Online – via the Aircrew Insurance platform; and
- Insurance brokers that hold an Australian Financial Services Licence and their representatives.

Only these parties are authorised to distribute this product as they understand the market this product has been designed for.

DISTRIBUTION CONDITIONS

The distributor must follow the distribution conditions to ensure that this product is sold to consumers likely to be in the target market. The following will ensure that the customers will be likely to be in the target market. These include:

- Suitability and eligibility questions to determine whether the customer can apply for the product by meeting the eligibility requirements;
- a PDS and other materials that explain the product has been designed for customers in the target market;
- Customers have access to and an opportunity to review the PDS before agreeing to purchase.

5. REVIEWING THIS TARGET MARKET DETERMINATION

We will review this target market determination in accordance with the below:

Initial review	Within twelve (12) months of the effective date if the first TMD for this insurance product
Periodic review	At least every twenty-four (24) months of the completion of the previous review to ensure it remains appropriate.
Review triggers or events	<p>Any event or circumstance which arises that would suggest the TMD is no longer appropriate. This may include (but is not limited to):</p> <ul style="list-style-type: none">• We make a material change to the cover provided by the product• A change in our acceptance criteria that impacts on the suitability of the product for the target market• A material change to the distribution of the product• 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• Material and relevant reductions in our key product suitability metrics such as:<ul style="list-style-type: none">a) Customer Satisfactionb) Product acceptance,c) Financial performance,d) Benefits to customerse) Product value and affordability. <p>Where a review trigger has been identified, this Target Market Determination will be reviewed within ten (10) business days.</p>

6. REPORTING AND MONITORING

We will collect and report on the following information

Complaints	We record and report all complaints received about this product on a quarterly basis (Complaints Reporting Period). Our third party claims administrators are required to provide to us written details of any complaints that they have received about our product within 5 business days of receipt. If the complaints are systemic and indicate that this product is no longer suitable for the described target market, we will review and update the TMD within the timeframe indicated above.
Significant dealings	We will receive notification if our distributors become aware of significant dealing in the product that is inconsistent with the TMD within ten (10) business days.
Claims data	Where relevant, claims data in relation to this insurance product will be provided on a monthly basis.

7. RECORD KEEPING

We will maintain records of the reasonable steps it has taken to ensure that this product is sold in a manner consistent with this TMD.

We will also prepare and maintain complete and accurate records of our decisions, and the reasons for those decisions, in relation to:

- All target market determinations for this product;
- Identifying and tracking review triggers;
- Setting review periods;
- Any other matters documented in this TMD.