



nm insurance
SECURING THE JOURNEY TOGETHER

Target Market Determination for Private Pleasure Craft Insurance products

Effective 5 October, 2021

 Land  Load  Sea

About this document

This Target Market Determination (TMD) describes the class of consumers that comprises the target market for our Personal Watercraft Insurance products (the **Products**) and certain matters relevant to their distribution and review.

This TMD does not form part of the terms of the Products and any information or examples given in it are not a complete list of eligibility. 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 deciding whether to purchase or renew a Product.

This TMD applies to

Product	PDS
Nautilus Marine Boat Insurance	Effective 5 October 2021
Nautilus Marine Premium Pleasure Craft Insurance	Effective 5 October 2021
Suzuki Marine Boat Insurance	Effective 5 October 2021

Product purpose and description

The Products are intended to provide pleasure craft insurance cover for an Australian individual that owns or operates an insured marine pleasure craft (**Vessel**) solely for personal, domestic or household purposes.

They are designed for customers seeking a range of insurance covers to mitigate financial loss in relation to:

- Both:
 - accidental damage (including that caused by impact with a solid object, sinking, fire, storm), theft, malicious damage, transit damage and water inflow of or

to covered items. Covered items include the hull, motors (including fuel tanks), trailer, masts / spars / rigging / sails, boat tenders, equipment and accessories and contents; and

- third-party liability for costs that customers are legally responsible for in relation to property damage or loss their Vessel / covered items have caused to other persons or property in specified circumstances,

(for customers selecting “**Comprehensive**” cover); or

- Third-party liability for costs that customers are legally responsible for in relation to certain property

damage or loss their Vessel / covered items have caused to other persons or property in specified circumstances, such as as a result of an accident caused by the owner or operator’s negligence that causes accidental death, bodily injury or damage;

(for customers selecting “**Legal Liability**” cover).

The Products are designed for customers to choose the appropriate options and selection of covers.

They contain different cover benefits depending on the selected covers and have a range of specified covers as well as optional covers that may be available to customers at additional cost.

In addition to the comments above:

The Products are designed for someone who:

- Is an Australian resident;
- Wants cover for an unmodified Vessel;
- Has an appropriate licence to use their Vessel;
- Uses their Vessel for recreational purposes only;
- Stores or moors their Vessel in/on an appropriately secure and maintained facility or approved trailer;
- Complies with their Vessel's *build* plate and relevant laws and regulations;
- Maintains their Vessel in a proper state of repair, condition and seaworthiness;
- Takes reasonable steps to protect their Vessel from loss or damage;
- For *Nautilus Marine Premium Pleasure Craft Insurance* only: Has a general insurance broker acting for them.

The Products are not designed for someone who:

- Stores their Vessel on the street;
- Permanently moors their Vessel in the open ocean;
- Uses their Vessel for business or commercial use;
- Wants cover for a Vessel with a maximum speed capacity exceeding 60 knots;
- Wants cover for a runabout or cruiser used for racing;
- Wants cover for a wave ski, surf board, hovercraft, amphibian craft or thunder cat (or similar);
- Wants cover for a boat:
 - built from Ferro cement; or
 - fitted with a Chrysler outboard or OMC sterndrive;
- Wants cover for loss or damage caused by normal wear and tear or gradual deterioration.

Distribution Conditions and Restrictions

The following Conditions and Restrictions apply to the distribution of the Products.

Comprehensive cover can only be arranged or sold by:

- NM Insurance by telephone or through one of its branded websites;
- Entities appointed by NM Insurance as corporate authorised representatives;
- Boat dealers and/or finance brokers appointed by NM Insurance as general insurance distributors;
- *For Nautilus Marine Premium Pleasure Craft Insurance only:* General insurance brokers operating under their own Australian financial services licence or authorisation.

Legal Liability cover can only be arranged or sold by:

- NM Insurance by telephone or through one of its branded websites;

- *For Nautilus Marine Premium Pleasure Craft Insurance only:* General insurance brokers operating under their own Australian financial services licence or authorisation.

The Products can only be provided to a person if it is reasonable to conclude that:

- They are in the Target Market; and
- They are eligible for the relevant Product in accordance with the standard acceptance criteria.

Review Triggers

The following events and circumstances may indicate that this TMD is no longer appropriate:

- Changes in the Products or the underwriting guidelines or standard acceptance criteria;
- Changes in Product pricing or reinsurance arrangements;
- Changes in the Insurer's internal policies and processes relevant to the Products;
- Changes in the way the Products are distributed;

- Changes in relevant laws, regulations, regulatory guidance or industry codes;
- Dealings in the Products that are inconsistent with this TMD;
- Adverse claims experience of the Products;
- Negative feedback from customers, staff, distributors, regulators and/or other industry bodies.

Maximum review periods

Other than when a review is triggered as above, this TMD will be first reviewed within 12 months of its first publication.

After that initial review, it will be reviewed at least every 2 years thereafter.

The Insurer reviews data and feedback on an ongoing basis and obtains data and feedback from its brokers and distribution partners to ensure that distribution of the Products is consistent with this TMD. The Insurer reviews any significant dealings that are inconsistent with this TMD.

Reporting

Product distributors including NM Insurance must report the following to the Insurer to identify events or circumstances that may mean this TMD is no longer appropriate.

Requirement	Timeframe
Complaints including the nature of complaints and number of complaints.	Every month.
Relevant claims data and sales information we reasonably request about each Product/s.	Quarterly.
Significant dealings in the Products: <ul style="list-style-type: none">• In breach of the Distribution Conditions and Restrictions; or• To a person outside the Target Market; or• That are otherwise inconsistent with this TMD.	Within 24 hours of identification.
Information that would reasonably suggest that this TMD is no longer appropriate, such as communication from regulator relating to the appropriateness of the Products.	Within 24 hours of identification.

This TMD was prepared in consultation with NM Insurance Pty Ltd ABN 34 100 633 038 AFSL 227186 (**NM Insurance**) by the insurer, Zurich Australian Insurance Limited (**ZAIL**), ABN 13 000 296 640, AFSL 232507, (the **Insurer, we, us, our**). NM Insurance issues the Product under a binding authority from ZAIL. Any advice in this TMD is general and does not take into account an individual's objectives, financial situation or needs. Anyone considering purchasing or renewing the Product should read the PDS before doing so.