



# Caravan & Trailer Insurance

Target Market Determination (TMD)

**Product TMD applies to**

New Wave Marine – Caravan and Trailer Insurance Product Disclosure Statement issued by Hiller Marine Pty Limited (**Hiller Marine**) dated 1<sup>st</sup> May 2024 (incorporating any applicable Supplementary Product Disclosure Statement) (**PDS**) in relation to cover provided to retail clients.

**TMD made by the Issuer/Insurer**

The PDS and this TMD are issued by Berkshire Hathaway Specialty Insurance Company (incorporated in Nebraska, USA. Liability is limited) ABN 84 600 643 034, AFS Licence No. 466713 as set out in the PDS (the **Insurer/Issuer/We, Us, Our**) through **Our** underwriting agent Hiller Marine ABN 88 611 606 029 - AFSL 553 772.

**TMD date**

1<sup>st</sup> May 2024.

**Important information about this TMD**

The Corporations Act 2002 (Cth) requires **Us** to make this TMD and include certain information in it.

Any terms used in this TMD that are defined in the Corporations Act and associated regulations have the same meaning as in that Act.

This TMD is not intended to be a consumer facing disclosure document and does not form part of the terms of the product.

Any information or examples given in the TMD must not be read as a complete list of eligibility or the standard terms and conditions and limitations that apply to the product.

A retail client must refer to the PDS and other policy documents to understand the terms and conditions of the product that will apply and any retail client must refer to the PDS before deciding whether to purchase the product. The PDS is available at [www.newwavemarine.com.au](http://www.newwavemarine.com.au) if you have purchased this policy directly or at <https://marinebind.com/> if you are an insurance broker.

Any terms used in this TMD have the same meaning as defined in the PDS.

This TMD does not consider any person's individual needs, objectives or financial situation and does not provide financial product advice or recommendation on the cover.

## Who is Our target market for the product?

Some of the key characteristics of a person in the target market for this product are a caravan or trailer owner who is:

- using their caravan, camping equipment and/or trailer for private, recreational purposes only
- using their caravan, camping equipment and/or trailer within Australia
- regularly servicing and maintaining their caravan, camping equipment and/or trailer in good condition
- an individual whose caravan or trailer is kept in a roadworthy condition
- is otherwise a person **We** are prepared to insure.

However, a person is only in **Our** target market for this product where they meet the eligibility criteria for the issue (including new business, renewals and variation as applicable) of the product that has been approved by **Us** in writing (**Approved Eligibility Process**).

**We** advise as part of the Approved Eligibility Process if a person is eligible or not.

As part of the eligibility criteria, a person must:

- want cover for the type of person(s), property; usage; and loss, damage and/or liability, (as applicable) **We** can agree to provide cover for under **Our** underwriting rules, subject to the excess(es), terms, conditions, limits, exclusions that apply; and

be able to confirm they:

- can afford the premiums and be able to make payments using the payment options available; and
- can afford to pay the excess amount(s) **We** offer and are happy for the applicable excesses to apply (see the PDS for more details).

## Examples of who isn't in Our target market

By way of example and at a very high level only, a **person won't be in the target market** if they:

- use their caravan, camping equipment and/or trailer for commercial purposes;
- use or plan to use their caravan, camping equipment or trailer outside of Australia;
- do not regularly service and maintain their caravan or trailer in good condition;
- do not keep their caravan or trailer in a roadworthy condition;
- use a vehicle that is not suitable to tow their caravan or trailer
- already have cover under other insurance that covers the same risks as this insurance to a level they are happy with;
- don't believe they can afford to pay the price or for whom the payment options are not suitable;
- don't believe they can afford to pay the excess amount(s) **We** offer or don't want an excess to apply, where these excesses apply (see the PDS for more details);
- want cover for types of loss or damage that **We** exclude (See PDS for full details), such as:
  - wear and tear, osmosis, deterioration, vermin, marine and non-marine infestations or organisms, weathering including sunlight, dampness or normal wetting;
  - rot, mould, rust or other forms of corrosion;
- require this insurance to cover death or bodily injury to third party persons, or loss or damage to third party property, arising from the caravan or trailer being towed by, breaking away from, or accidentally becoming detached from the towing vehicle;
- require cover for any legal liability assumed under any contract or agreement unless such liability would have attached in the absence of such contract or agreement;
- want cover for the legal liability of any tradesperson or company engaged by You for the repair, service or maintenance of their caravan or trailer;
- do not want their claim to be settled in accordance with "What **We** Will Pay" under Section 1 of the PDS applicable to the cover. By way of limited example only, under Section 1 if their caravan or trailer is insured on an Agreed Value basis **We** will pay them the Agreed Value of their caravan or trailer as stated in the Policy Schedule. **We** will not pay for any unrepaired damage in addition to an actual total loss.

Where a person falls within **Our** target market, this does not mean that the cover is right for their individual needs, objectives and financial situation. **We** do not consider these circumstances and a person needs to consider the PDS and other information provided by **Us** (and/or seek professional advice) before deciding.

## Any conditions and restrictions on retail product distribution conduct in relation to the product, other than a condition or restriction imposed by or under another provision of the Corporations Act (Distribution Conditions)

The product under this TMD may only be issued by our agent Hiller Marine. Hiller Marine can distribute the product directly to retail clients. Hiller Marine will also consider applications by retail clients made through insurance brokers acting on their behalf (that hold an Australian Financial Services Licence for dealing services in relation to general insurance and meet acceptability criteria agreed to by **Us** or Hiller Marine).

Cover can only be issued to a retail client by and through Hiller Marine where they meet the eligibility criteria for the issue (including new business, renewals and variation as applicable) of the product that has been approved by **Us** in writing. **(Approved Eligibility Process)**.

Any Regulated Person acting on **Our** behalf must not engage in retail distribution conduct unless they have been authorised in writing by **Us** to do so and this authority has not been cancelled or suspended.

A Regulated Person must not engage in retail distribution conduct in relation to this product if **We** have notified them or they are aware that, the TMD is no longer appropriate in accordance with ss994B(8) of the Corporations Act or has been replaced or the product has been suspended or is no longer offered.

Subject always to the above, any other conditions and restrictions on retail product distribution conduct in relation to the product that **We** have agreed with a Regulated Person in writing, other than a condition or restriction imposed by or under another provision of the Corporations Act.

### TMD Review

The TMD will be reviewed within 12 months from the date of this TMD and subsequently every 48 months unless agreed otherwise after the end of the previous review. **We** will also review the TMD within 10 business days of becoming aware of a Review Trigger specified below and where otherwise required by law.

### Review Triggers

These are an event or circumstance that is identified to or by **Us** as part of our process for reviewing these, including:

- the nature and number of complaints, complaints data and trends;
- customer feedback;
- number of cancellations and lapses of the product;
- data on product claim ratios, the number, nature and magnitude of claims paid, denied and withdrawn and average claim duration; information received by and in relation to distributors;
- feedback from a regulator such as ASIC or APRA or other interested parties;
- changes to information or circumstances **We** took into account when developing the TMD, such as changes to the Approved Eligibility Process, underwriting guidelines, pricing, or reinsurance requirements or the number of policies sold, including penetration rates; or
- any significant dealings that are inconsistent with the TMD, that reasonably suggests that it is no longer reasonable for **Us** to conclude that if the cover were to be issued:
  - to a retail client in accordance with the Distribution Conditions, it would be likely that the retail client is in **Our** target market; or
  - to a retail client in **Our** target market, it would likely be consistent with the likely objectives, financial situation and needs of the retail client.

## Regulated Persons Reporting

In relation to reporting:

- Hiller Marine must report to **Us**; and
- Regulated Persons (other than **Us** or Hiller Marine) who have engaged in retail product distribution conduct in relation to the product covered by the TMD (e.g. insurance brokers acting for the retail client) will be asked to report to Hiller Marine (or such alternative **We** otherwise notify in writing), the following information by the time specified:
  - information on when cover was issued to a retail client that was ineligible for cover in accordance with the approved Eligibility Process and reasonable details about the circumstances related to this.
    - To be reported as soon as practicable and in any case within 10 business days, after they become aware of the matter.
  - information on the number of complaints You have received about the product in the quarter (including if nil) and reasonable details on the circumstances related to the complaint (unless **We** already have access to such details).
    - To be reported within 14 business days of the end of each quarter or such other period of time otherwise agreed in writing between **Us** and them that is reasonable having regard to the matters specified in ss994B((7)) of the Corporations Act.
  - information on any significant dealings that are inconsistent with the TMD and reasonable details on the circumstances related to this.
    - To be reported as soon as practicable and in any case within 10 business days, after they become aware of the matter.
  - information as agreed by them in writing with **Us** that would reasonably to enable **Us** to promptly identify Review Triggers or other events and circumstances that have occurred which would reasonably suggest the TMD is no longer appropriate in accordance with ss994B(8) of the Corporations Act.
    - To be reported within the time frames agreed for each type of information that are reasonable having regard to the matters specified in ss994B((7)) of the Corporations Act.
  - information identified to or by them that would reasonably suggest to them that the TMD is no longer appropriate in accordance with ss994B(8) of the Corporations Act.
    - To be reported as soon as practicable and in any case within 10 business days, after they form the view.