

## Target Market Determination Journey Accident Insurance

### What is a Target Market Determination?

This Target Market Determination (**TMD**) seeks to offer customers, distributors and Keystone's staff with an understanding of the classes of customers for which the product has been designed, having regard to the needs, objectives, and financial situation of the target market.

This document is not to be treated as a full summary of the product's terms and conditions and is not intended to provide financial advice.

Customers must refer to the Product Disclosure Statement (PDS) and any supplementary documents which outline the Journey Accident Insurance terms and conditions when deciding about this product.

### What does this TMD relate to?

This TMD is for Keystone's Journey Accident Insurance Policy (**Journey Policy**).

The TMD is effective as of 5 October 2021.

### Overview of Keystone's Journey Accident Insurance

Keystone's Journey Policy is designed to enable employers to purchase personal accident insurance for a group of nominated persons (the nominated persons are employees and referred to in the policy as covered persons).

The covered persons are third party beneficiaries under the issued policy. Keystone does not enter into the insurance with the covered persons directly (Keystone does issue an individual A&H product not covered by this TMD).

The Journey policy will respond in the event of bodily injury to a covered person travelling to and from their normal place of residence and normal place of work, together with sanctioned off-site travel as required by the employer. The cover extends to travel from and to the workplace during authorised meal breaks. It provides employees with financial protection in the event of bodily injury during a journey which temporarily prevents a covered person from earning an income (temporary disablement). "Bodily Injury" is a defined term in the Journey Policy.

The Journey Policy also provides a lump sum benefit to employees or their estate, to compensate for accidental death and/or an accident which causes permanent disablement.

There is no cover for pre-existing conditions generally. That enables Keystone to cover groups or organisations without individual underwriting of covered persons. There are other restrictions and limitations in the policy.

The Journey policy has been developed and modified over a period of years to ensure it is sufficiently broad to cover most claims within the confines of the premium paid. Keystone acknowledges that not every cover is suitable for each member of a group or organisation covered, and that factor is considered in ongoing product development.

Keystone will consider covering a cohort of claims identified as not being covered under the policy as part of a regular review, at an appropriate premium determined using actuarial and statistical data.

### **What Benefits are payable under the Journey Accident Insurance?**

The key benefits payable under the policy are:

- a. lump sum payments for accidental death (as defined);
- b. lump sum payments for bodily injuries resulting in permanent disablement (as defined);
- c. weekly benefits as a result of a bodily injury; and
- d. lump sum benefits for serious bone fractures.

### **Who are Keystone's Target Market Customers?**

Keystone's target market is all Australian registered businesses with employees travelling to a designated workplace within their city or town of residence.

### **Target Market Eligibility Requirements and Restrictions**

The employer/policy holder must be an Australian entity.

The weekly income benefit limits must not exceed \$2,500 per week.

The weekly income benefit period must not exceed 104 weeks.

The waiting period (excess) must be at least 14 days before a weekly income benefit can be paid.

### **Distribution Restrictions**

Keystone's products are not able to be acquired directly; they can only be acquired through AFS licenced brokers.

Keystone continually interacts with brokers to ensure products are consistent with their clients' likely objectives, financial situation, and needs, and Keystone continues to monitor the adequacy of the target market and the adequacy of products with brokers.

### **Monitoring and Review**

Keystone monitors the Journey Accident insurance product, its ease of acquisition, customer satisfaction, and claims paid to ensure each product continues to meet target market objectives, and the financial situation and needs of policyholders. Keystone also monitors that each product delivers what is promised and whether there has been less than satisfactory or poor outcomes for clients.

Monitoring is a continuous process based on outcomes. A written record of Keystone's ongoing monitoring will be maintained and will be part of the minutes of each quarterly product review.

Monitoring and review of the product also has regard to distributor considerations and involves continuous liaison with the broker market.

Keystone's initial review of the product will take place on or before 5 December 2021.

The product will thereafter be reviewed on a quarterly basis.

The review committee will consist of the Executive Directors.

The review process will include:

- a. continuous monitoring of issues raised by brokers as to the adequacy of the product for the target market or generally;
- b. identification of any issues that arise out of regular communication with brokers which is inconsistent with the target market, the suitability of the product for the target market, the performance of the product, or the way the product is marketed;
- c. identifying recurrent issues such as claims or service issues and whether they give rise to a need to review the target market or the product itself;
- d. identifying any poor outcomes and whether they impact the target market and create a need to review the product; and
- e. confirmation of the ongoing adequacy of the TMD or identifying what changes are required to be made.

Immediately following a review (not less than ten (10) working days after the review) Keystone will amend, if required, the target market for the product and, if necessary, create a product review plan to ensure the product's ongoing suitability for the target market.

#### **Record Keeping**

Written minutes of the initial review and each quarterly review will be made and kept as part of Keystone's compliance record.

#### **Reporting to Underwriters**

A copy of the minutes of each quarterly TMD review will be provided to underwriters together with a record of timelines for any action agreed to be taken arising out of the quarterly review meeting.

Any underwriter feedback will be reviewed at quarterly meetings.