

Target Market Determination Voluntary Workers 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 Voluntary Workers Accident Insurance terms and conditions when making a decision about this product.

What does this TMD relate to?

This TMD is for Keystone's Voluntary Workers Accident Insurance Policy.

The TMD is effective as of 5 October 2021.

Overview of Keystone's Voluntary Workers Accident Insurance

Keystone's Voluntary Workers Accident Insurance Policy is designed to enable not for profit organisations to purchase insurance protecting volunteer workers in the event a volunteer worker sustains bodily injury when performing voluntary work for the not for profit organisation. The volunteer workers are called covered persons in the policy.

The covered persons are third party beneficiaries under the issued policy. Keystone does not enter into the insurance with the covered persons directly.

The Voluntary Workers Accident Insurance policy will respond in the event of bodily injury to a covered person, subject to the terms and conditions of each policy wording. It provides volunteer workers with financial protection in the event of bodily injury which temporarily prevents a covered person from earning an income (temporary disablement). The expression "bodily injury" is a defined term in the Voluntary Workers Accident Insurance Policy.

The Voluntary Workers Accident Insurance Policy also provides a lump sum benefit to a volunteer worker or his/her 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 provide insurance to not for profit organisations without individual underwriting of covered persons. There are several other limitations and restrictions in the policy.

The Voluntary Workers Accident Insurance Policy has been developed and modified over a period of years to ensure it is sufficiently broad to cover most bodily injury claims within the confines of the premium paid. Keystone acknowledges that not every cover is suitable for each volunteer worker or not for profit 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 Voluntary Workers 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 not-for profit-organisations that utilise the service of volunteers.

Target Market Eligibility Requirements and Restrictions

The not for profit organisation 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 Voluntary Workers Accident Insurance product, its ease of acquisition, customer satisfaction, and claims paid to ensure the product continues to meet target market objectives, and the financial situation and needs of not for profit organisations. Keystone also monitors whether the 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.