

## Target Market Determination

This Target Market Determination (TMD) is designed to provide customers and distributors with the appropriate information to understand who this product has been designed for and our approach to determining that the product is likely to be consistent with the objectives, financial situations and needs of the customer and the distribution conditions.

In this document the terms "CoverLink", "we", "us" or "our" refer to CoverLink Pty Ltd or "EBM CoverLink", "we", "us" or "our" refer to EBM CoverLink Pty Ltd who are both Corporate Authorised Representatives (AR 437921) & (AR001297445) of Elkington Bishop Molineaux Insurance Brokers Pty Ltd (EBM), AFSL 246986. CoverLink, EBM CoverLink and EBM act as agents for Hiscox.

Hiscox is covered by the Financial Services Compensation Scheme (FSCS). If we cannot meet our obligations you may be entitled to compensation from the scheme. Full details are available at [www.fscs.org.uk](http://www.fscs.org.uk).

Hiscox Syndicates Limited is registered in England (no. 02590623) at 22 Bishopsgate, London EC2N 4BQ. We are authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (Financial Services Register number: 204924). You can check our details on the Register by visiting <https://register.fca.org.uk/>.

Hiscox Ltd indirectly owns 100% of Hiscox Syndicates Limited.

## Musical Instrument Insurance Product

The Musical Instrument Insurance Product provides insurance for musical instruments of all types including bows, cases and all other associated accessories used in the production or performance of music contained within. In addition, the Musical Instrument Insurance Product can provide Public Liability coverage for an additional premium.

This Target Market Determination (TMD) sets out the target market for:

- Musical Instrument Insurance
- Public Liability Insurance (only sold as an optional extension to the Musical Instrument Insurance Policy).

This is set out in the Appendix to this statement.

## Distribution Conditions

This product is designed to be distributed by EBM, CoverLink and EBM CoverLink via:

- Broking Teams,
- Website by visiting [ebm.com.au](http://ebm.com.au) or [ebmcoverlink.com.au](http://ebmcoverlink.com.au) (where available)

Only these representatives are authorised to distribute this Musical Instrument Insurance Policy as they understand the market this product has been designed for, have been trained in the relevant acceptance criteria and have the appropriate levels of authority and experience. They have also received specialist training from underwriters on this product.

CoverLink, acting on behalf of Hiscox, will make risk-based decisions to determine its acceptance criteria about insurance cover that can be offered to you. Some of the key acceptance criteria relating to this TMD may include:

- Your claims history
- Any criminal convictions
- The condition of the items to be insured.

The distribution conditions will make it likely that customers who acquire the Musical Instrument Insurance Product are in the target market because CoverLink can assess the information they have collected to determine the customers' objectives and financial situation, and ultimately, their individual insurance needs. Furthermore Hiscox undertakes periodic audits during which the suitability of customers who acquire the product is monitored.

## Reviewing this document

We will review this TMD within 2 years from the 5<sup>th</sup> October 2023 to ensure it remains appropriate.

We will also review this TMD at least every 3 years thereafter.

We will also review this TMD if any events or circumstances (called 'review triggers') occur that would reasonably suggest that the determination is no longer appropriate, such as:

- 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 conditions of the product
- The discovery of a relevant and material deficiency in the product's disclosure documentation
- We receive more than 15 complaints over any 3 month period
- We decline more than 10% of claims over a 12 month period, when 10% represents at least 10 claims for this period
- We receive cancellation instructions from clients totalling more than 10% of the total policies bound over a 12 month period. which may indicate that the product is no longer suitable for the described target market.

We will review this TMD within 10 business days of the occurrence of any review trigger.

## Reporting

EBM must record all complaints received about this product every 30 days (Complaints Reporting Period). EBM are required to provide to us written details of any complaints about the product they have received during the Complaints Reporting Period within 10 business days of the end of the period.

EBM are required to provide regular, incident-based reporting on key metrics (see the heading "Reviewing this document") to allow us to review this TMD.

Distributors are also required to report to CoverLink if they become aware of significant dealing in the Musical Instrument Insurance Policy which is not consistent with this TMD within 10 business days of becoming aware of such dealing.

CoverLink will retain sales data including number of policies issued, renewed and cancelled on a monthly basis.

## Record keeping

CoverLink and its distributors will maintain records of the reasonable steps they have 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 TMD's for this product
- Identifying and tracking review triggers
- Setting review periods, and
- The matters documented in this TMD.

## Target Market Determination Appendix

### Musical Instrument Insurance

#### 1. Product description and key attributes

The Musical Instrument Insurance product has been designed for people who want to be covered against accidental loss or damage including fire and theft and are willing to select an appropriate level of cover relevant to their own circumstances.

#### 2. Needs and Objectives

##### This product is suitable for people who:

- ✓ Own a Musical instrument, bow, case or accessories, or,
- ✓ Are legally responsible or have assumed responsibility for a Musical Instrument, bow, case or accessories, or
- ✓ Require insurance protection for the Musical Instrument, bow, case or accessories
- ✓ Want the ability to select optional covers to suit their individual needs

##### This product is not suitable for:

- ✗ Musical instrument, bows, cases or accessories that are not in good condition
- ✗ Insured seeking cover for wear and tear
- ✗ Where you do not have an insurable interest in the Musical instruments, bows, cases or accessories, unless the owner has requested you Insure them

### 3. Financial situation

This product has been designed for individuals who are able to pay the premium (inclusive of applicable taxes) for the relevant period of cover.

The EBM Musical Instrument Insurance product is subject to the acceptance criteria.

### 4. Consistency with TMD

Hiscox, EBM, CoverLink and EBM CoverLink believe that the Musical Instrument Insurance Policy is consistent with the target market and will likely meet the needs of those in the target market. This is because the target market consists solely of private individuals who own a musical instrument and the Musical Instrument Insurance Policy provides cover for physical loss or damage to musical instrument during the period of insurance.

## Public Liability Insurance

### 1. Product description and key attributes

(only sold as an optional extension to the Musical Instrument Insurance Policy)

The Public Liability Insurance product has been designed for people who want to be covered against claims by third parties of cover relevant to their own circumstances.

### 2. Needs and Objectives

#### This product is suitable for people who:

- ✓ Are music teachers and solo performers
- ✓ Need Public Liability to undertake their activities as a teacher or solo performer

#### This product is not suitable for:

- ✗ Insured seeking cover for contractual liability
- ✗ Insured seeking cover for professional negligence
- ✗ Insured seeking cover on behalf of other performers or bands

### 3. Financial situation

This product has been designed for individuals who are able to pay the premium (inclusive of applicable taxes) for the relevant period of cover.

### 4. Consistency with TMD

Hiscox, EBM, CoverLink and EBM CoverLink believe that the Public Liability Insurance Policy is consistent with the target market and will likely meet the needs of those in the target market. This is because the target market consists solely of music teachers and other individuals who own a musical instrument and require insurance to undertake their performance activities and the Public Liability Insurance Policy provides cover for those circumstances during the period of insurance.