SURA MOTOR DEALERS



Target Market Determination

Motor Dealers Insurance

Motor Dealers Insurance Target Market Determination (TMD)

Product TMD applies to	**SURA Motor Dealers Insurance Product Disclosure Statement SMDPKG 6.1 11-2026** dated November 2026 (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 is issued by Certain Underwriters at Lloyd's as set out in the PDS (the **insurer/issuer/we, us, our**) through our underwriting agent SURA Pty Ltd ABN 36 115 672 350 AFSL 294313 trading as SURA Motor Dealers.
TMD date	November 2026
Important information about this TMD	The Corporations Act 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 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. The PDS is available at www.sura.com.au. 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 motor vehicle dealer operating their business within Australia who:
  - is represented by an insurance broker;
  - hold a current motor dealers' licence;
  - owns or has vehicles in its care, custody or control of a type we are able to insure;
  - at least wants Industrial Special Risks – Property Damage cover in Section 1A of the PDS;
  - if they want Section 3 Hail Damage to Vehicles, do not want such hail cover for more than $1m;
  - if they want Section 4 Commercial Motor Composite, want both the accidental damage and liability cover provided by that section and not a more limited form of coverage (e.g. fire and theft property damage or liability cover only);
  - is otherwise a person we are prepared to insure having regard to claims history and risk profile.

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
  - to pay the excess amount(s) we offer and are happy for the applicable excesses to apply (see the PDS for more details);
  - to pay any required co-payments;
  - to pay any upfront costs they have to bear under the product (e.g. costs required to establish covered loss or amounts we only reimburse after payment); and
  - to pay or bear loss above any applicable limits or sub limits specified.

See **Attachment A** for a summary the product's key attributes and key likely needs, objectives and financial situation of the target market.

We reasonably believe that if the product is issued to a retail client in the target market as described, it will likely be consistent with the likely objectives, needs and financial situation of persons in the target market, principally because those forming the target market are those persons who have the key characteristics of a person in the target market and who are able to meet our Approved Eligibility Process.

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:

- do not meet the key characteristics noted above or our eligibility criteria;
- want cover for their privately used or personally owned vehicles (excluding when in the care of the motor dealer);
- already have cover under other insurance that covers the same risks as this insurance to a level they are happy with;
- want cover for types of loss or damage or liability that we exclude (See PDS for full details), such as those listed under the General Exclusions and specific exclusions in each cover section;
- do not want their claim to be settled in accordance with the "Basis of Settlement" or loss settlement terms of each section of, the PDS applicable to each cover.

Where a person falls within our target market, this does not mean that the cover is right for their particular needs, objectives and financial situation. We do not consider this and therefore a person needs to consider the PDS and other information provided by us (and/or seek independent professional advice) before deciding on their coverage requirements.

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 SURA Motor Dealers which holds an Australian Financial Services Licence and acts under an authority given by us to arrange, enter into, vary and dispose of this insurance and handle and settle claims in relation to it, on our behalf. Under SURA's Australian Financial Services licence and agreement with us, SURA must ensure that its representatives are adequately trained and are competent, to provide these financial services. SURA Motor Dealers cannot distribute the product directly to retail clients. SURA Motor Dealers may 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 SURA Motor Dealers). Cover can only be issued to a retail client by and through SURA Motor Dealers 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. This includes conditions regarding adequate training of representatives, compliance with agreed application processes and procedures (including sales scripts where used) and monitoring and supervision rights). We believe it is reasonable to conclude that if the product were to be issued in accordance with these distribution conditions it would be likely that the customer is in the target market, principally because a person won't fit within the target market if they don't qualify under the Approved Eligibility Process and SURA (which holds an Australian Financial Services Licence) must use adequately trained and competent representatives to apply this eligibility criteria before issue and allows us to supervise and monitor compliance with this.
TMD Review	The TMD will be reviewed within 12 months from the date of this TMD and subsequently every 24 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 Product Governance Framework (or otherwise), including:

- the nature and number of complaints, complaints data and trends;
- customer feedback and testing;
- 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 such as the Insurance Council of Australia and Code Governance Committee;
- changes to applicable legislation;
- 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 (based on criteria we identify in or as part of our Product Governance Framework) 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:

- SURA Motor Dealers must report to us; and
- Regulated Persons (other than us or SURA Motor Dealers) 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) must report to SURA Motor Dealers (or such alternative we otherwise notify in writing),

(both referred to as '**you**' below) 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 on the circumstances related to this.

  To be reported as soon as practicable and in any case within 10 business days, after you become aware of the matter.
- Information on the number of complaints you have received about the product (including if nil) in the month or such other period of time otherwise agreed in writing between us and you that is reasonable having regard to the matters specified in ss994B(7) of the Corporations Act as well as reasonable details on the circumstances related to the complaint (unless we already have access to such details).

  To be reported as soon as practicable and in any case within 10 business days of the end of each month.
- Information on any significant dealings by you 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 you become aware of the matter.
- Information as agreed by you 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 you that would reasonably suggest to you 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 you form the view.

Attachment A

Key attributes of product

Note that whilst described in this table for the sake of completeness, Sections 1B Industrial Special Risks – Consequential Loss and Section 8 Occupational Liability are not provided to a motor dealer as a retail client under the Corporations Act. The other sections may or may not be provided to a motor dealer as a retail client depending on the circumstances. Subject to other retail client exceptions that may apply under the Act, this would usually only be for cover in relation to motor vehicles caught by the motor vehicle insurance product definition in Regulation 7.1.11 of the Corporations Regulations.

Summary of key attribute

All cover summarised below is provided for an agreed period and subject to terms and conditions (including limits and excesses) agreed with us. Refer to PDS for detail. Note any terms and conditions (including any limitations and exclusions) apply subject to applicable law which may restrict the insurer's rights in certain circumstances.

Key likely needs and, objectives of target market

In general, owners of motor vehicle dealerships in Australia principally want to manage certain financial risks associated with the operation of a motor dealership. Risks with These include risks relating to:

- *certain events that may cause certain accidental loss or damage to certain property and vehicles, as well as certain associated costs and expenses they may incur as a result of this (See Section 1A Industrial Special Risks, Section 2 Crime, Section 3 Hail Damage to Vehicles and Section 4 Commercial Motor Composite; Section 6 Equipment Breakdown; and Section 7 Inland Transit); and*
- *certain loss resulting from interruption or interference with their dealership as a consequence of certain loss or damage (See Section1B Industrial Special Risks – Consequential Loss;*
- *certain legal liability they (and in certain cases management and staff) have to compensate another person for certain loss or damage such as that caused by:*
  - *dealership vehicles and operation of the dealership business;*
  - *wrongful acts*

  as well as for certain legal costs arising from such liability claims. (See Section 3 Commercial Motor Composite; and Section 8 Occupational Liability: Insuring Clause 1: Directors and Officers Liability; Insuring Clause 2: Company Reimbursement; Insuring Clause 3: Company Liability; Insuring Clause 4: Employment Practice Liability; Insuring Clause 5: Trustee Liability; Insuring Clause 6: Fidelity Loss; and Insuring Clause 8: Motor Trades Errors and Omissions); and
- *costs incurred in managing certain business crisis events (See Section 8 Occupational Liability: Insuring Clause 7 Business Crisis Consultant Fees).*

In all cases below the person in the target market's objectives and needs are to transfer risk of the types described below though insurance protection for a period and on terms and conditions (including limits and excesses and price) acceptable to them.

Key likely financial situation of target market

In all cases for cover chosen, is a person able to afford to pay premium on terms proposed and bear any uninsured loss, co-payment or upfront loss for which they can claim reimbursement and pay or bear any excess applicable to any claim.

Main Benefit		Main Protection Event
Section 1A Industrial Special Risks – Property Damage AND	Primarily designed to provide cover for certain accidental physical loss or damage to the covered real or personal property happening at the covered Premises in the defined Period of Insurance. Note that other Sections of PDS below provide options to acquire certain coverage for certain events not otherwise designed to be covered by this section.	Primarily protection for certain sudden and unforeseen physical loss, damage or destruction in relation to certain real and personal property belonging to the insured or for which they are responsible, or have assumed responsibility to insure prior to the occurrence of any loss or damage at their covered motor dealer business premises, including all such property in which they may acquire an insurable interest.
Section 1B Industrial Special Risks – Consequential Loss	Subject to taking Cover under Section 1A. Primarily designed to provide cover in event of loss or damage covered under Section 1A for certain defined Loss resulting from interruption or interference with the covered business carried on by the insured, as a consequence of that Section 1A loss or damage.	Primarily protection for certain loss resulting from interruption or interference with the covered business due to sudden and unforeseen physical loss, damage or destruction in relation to certain real and personal property belonging to the insured or for which they are responsible, or have assumed responsibility to insure prior to the occurrence of any loss or damage at their motor dealer business premises, including all such property in which they may acquire an insurable interest.
Section 2 Crime	Primarily designed to provide cover for defined Theft of defined Insured Property in the Period of Insurance and certain costs and expenses associated with the theft. Optional cover (subject to eligibility) for Diminished Value Allowance, Advertising costs, Claims Preparations Costs, Theft of Money and Employee Dishonesty.	Primarily protection for theft of certain real or personal property belonging to the insured or for which they are responsible, or have assumed responsibility to insure prior to the occurrence of any damage at their covered motor dealer business premises, including all such property in which they may acquire an insurable interest during the Period of Insurance.
Section 3 Hail Damage to Vehicles	Primarily designed to provide cover for certain accidental physical loss or damage caused by defined Hail at the Premises in the Period of Insurance (This is not otherwise designed to be covered by Section 1A).	Primarily protection for certain hail damage to vehicles at the motor dealer's covered business premises.

Section 4 Commercial Motor Composite	Primarily designed to provide cover for: • certain accidental physical loss or damage to the insured's covered vehicles whilst being used for an agreed covered use during the Period of Insurance. (This is not otherwise designed to be covered by Section 1A). • certain legal liability to pay compensation in respect of certain Property Damage or death or bodily injury to any person (but only where the legal liability is not covered, and not capable of being covered under compulsory third party insurance), during the Period of Insurance arising out of agreed covered use of insured vehicles. Also certain reasonable legal costs and expenses incurred with insurer's written consent to defend against the above covered claim made against insured persons. Additional benefits automatically provided in relation to: Replacement Vehicle; Towing and Storage; Dangerous Goods; Cover For Others; Cover For Use Of Other Vehicles; Trailers; Removal of Debris; Towed Vehicle; Diminished Value Allowance (DVA); Total Loss Extension; Loan Vehicles; Testing, Delivery and Collection; Unregistered Vehicles.	Primarily protection for certain: • accidental physical loss or damage to the insured's covered vehicles whilst being used in connection with the covered motor dealer business. • legal liability to pay compensation in respect of certain property damage or death or bodily injury to any person arising from use of the vehicle in relation to the covered motor dealer business and associated legal defence costs.
Section 5 Broadform Public and Products Liability	Primarily designed to cover the insured (and certain other specified persons) for: • amounts which they become legally liable to pay as compensation for Personal Injury or Property Damage caused by a covered occurrence happening during the Period of Insurance in connection with their Motor Dealer Business; and • their reasonable legal costs and expenses to defend any such claim made against them during the Period of Insurance incurred with the insurer's written consent. Additional benefits automatically provided in relation to: Inquiry Costs; Expenses; Additional Costs; and Faulty Workmanship.	Primarily protection for certain: • amounts which the insured (and certain other specified persons) become legally liable to pay as compensation for certain personal injury or property damage caused by a covered event happening in connection with the covered motor dealer business. • reasonable legal costs and expenses to defend any such claim made against them.

Section 6 Equipment Breakdown	Primarily designed to cover the insured for accidental physical loss or damage to: • covered equipment (which as an example excludes any vehicle) which is in use or connected ready for use at the covered motor dealer business premises as a result of a defined Breakdown that happens during the Period of Insurance; and • covered real or personal property directly damaged by the above covered Breakdown. Additional benefits automatically provided in relation to: Professional fees; Expediting Expenses; Temporary Hire costs; Water damage; Hazardous Substances; Newly Acquired premises. Optional cover for Business interruption.	Primarily protection for certain accidental physical loss or damage to: • certain equipment (excluding any vehicle) which is in use or connected ready for use at the covered motor dealer business premises as a result of sudden and accidental breakdown of that equipment or a part of it. • real or personal property directly damaged by the breakdown.
Section 7 Inland Transit	Primarily designed to cover the insured for accidental physical loss or damage: • to certain covered real or personal property caused directly by a covered event in the Period of Insurance while the covered property is in the ordinary course of transit within Australia between the covered motor dealer business premises, a warehouse or place of storage until arrival at either: – the covered motor dealer business premises, customer premises; or – any other place of storage whether prior to or at the nominated destination which the insured has elected to use for storage, other than in the ordinary course of transit; and • to the covered property upon commencement of loading onto the conveying vehicle from the ground immediately adjacent to the conveying vehicle and unloading from the conveying vehicle to the ground immediately adjacent to the conveying vehicle. Additional benefits provided are extra Costs and Expenses; Diminished Value Allowance (DVA); Total Loss Extension; Additional Costs; Claims Preparation Costs; Removal of Debris; Extended Transit Cover and Acquired Companies.	Primarily protection for certain accidental physical loss or damage to certain real or personal property in relation to the covered motor dealer business caused while in the ordinary course of transit within Australia and whilst being loaded and unloaded onto or from the conveying vehicle.

Section 8 Occupational Liability	Primarily designed to provide choice of following forms of wrongful act liability or fidelity related covers: • Insuring clause 1 Directors and Officers liability • Insuring clause 2 Company Reimbursement • Insuring clause 3 Company Liability • Insuring clause 4 Employment Practices Liability • Insuring clause 5 Trustee Liability • Insuring clause 6 Fidelity loss • Insuring clause 7 Business Crisis Consultant Fees • Insuring clause 8 Motor Trades Errors and Omissions. See PDS for Additional Acquisition or Creation of New Subsidiaries; Advancement of Defence Costs and Representation Expenses; Continuity Fraud Investigator Expenses; Legal Representatives; Lost Documents; Occupational Health and Safety Expenses; One Reinstatement of the Errors and Omissions Limit of Liability; One Reinstatement of the Management Liability Limit of Liability; Outside Directorships; Pecuniary Penalties; Representation Expenses; Spouses; Sub-Contractors and Consultants; Subsidiary Runoff Cover. Optional benefits Company Pecuniary Penalties.	Primarily protection for liability and associated legal costs incurred by the motor dealer insured and certain others in relation to certain types of wrongful acts in connection with the covered motor dealer business.

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SURA Motor Dealers acts as an agent for Certain Underwriters at Lloyd's and is authorised to arrange, enter into/bind and administer this insurance on their behalf.

SURA Motor Dealers is a trading name of SURA Pty Ltd ABN 36 115 672 350 AFSL 294313.

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