SURA CONSTRUCTION



Target Market Determination

Owner Builder Construction Insurance

Owner Builder Construction Insurance Target Market Determination (TMD)

Product TMD applies to	**SURA Construction Owner Builder Construction Insurance PDS SURCONOBP 8.1 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 Construction Pty Ltd ABN 35 147 580 756 (SURA Construction) which is a corporate authorised representative of an Authorised Representative (AR No419873) of SURA Pty Ltd ABN 36 115 672 350 AFSL 294 313.
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:

- owner builder located within Australia who:
  - is represented by an insurance broker;
  - has the relevant owner builder licence and/or permit for the project required by relevant authorities if applicable;
  - has a project value of not more than $5m;
  - has a construction period no more than 24 months;
  - does not want cover for home contents during the project;
  - is otherwise a person we are prepared to insure; and
  - otherwise has a project in relation to property and at a site in Australia that 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
  - to pay or bear 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:

- are not represented by an insurance broker;
- do not have any relevant owner builder license and/or permit for the project required by relevant authorities if applicable;
- have a project value of more than $5m;
- want cover for home contents during the project;
- are seeking to build a home as a developer or for commercial purposes;
- are seeking to cover material costs only;
- 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 to (including any required co-payments or obligation to pay any upfront costs);
- don't believe the can afford to pay or bear 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:
  - loss, damage or liability for claims:
    - occurring during a period of cessation of work on the Contract Site, which period does not follow an insured event. The exclusion does not apply to the first 30 consecutive days of such a period; or
    - occurring or arising after abandonment of the contract site.
  - consequential loss of any kind including but not limited to loss of use, penalties, fines, liquidated damages or aggravated, punitive or exemplary damages.
  - with respect to the works only, loss of or damage to and the cost necessary to replace repair or rectify:
    - that part of the works which is in a defective condition due to defect in design plan specification materials or workmanship of such works or any part thereof; or
    - other parts of the works lost or damaged to enable the replacement repair rectification of works excluded above.
- do not want their claim to be settled in accordance with the "Basis of Loss Settlement" section of the PDS applicable to the cover. By way of limited example only, under Section 1 damage that can be repaired must be repaired, but if the cost of repairing any damage equals or exceeds the actual value of the property immediately before the Indemnifiable insured event occurred, settlement will be the actual value of the property immediately before the time when the Indemnifiable insured event occurred. However, only to the extent to which the costs claimed were borne by you and, where relevant, subject to the application of Average/Underinsurance, if applicable.

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 this 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, SURA Construction which 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 Construction's arrangement with us it must ensure that its representatives are adequately trained and are competent to provide its services. SURA Construction cannot distribute the product directly to retail clients. SURA Construction 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 Construction). Cover can only be issued to a retail client by and through SURA Construction 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 Construction 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 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 Construction must report to us; and
- Regulated Persons (other than us or SURA Construction) 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 Construction (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 in the month (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 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.

- 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 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	**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.*	**Key likely needs, and objectives of target market** *In all cases below the person in the target market's objectives and needs are to transfer risk through insurance protection 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 (Automatic)		**Main Protection Event**
Section 1 Material Damage Cover	Protection for certain accidental physical loss of or damage to the agreed insured project contract works/property at the project site. Note: Pre-existing property, mobile machinery and equipment and employee tools excluded unless agreed to be covered in Schedule.	Cover for accidental physical loss of or damage for agreed owner builder project contract works/property whilst: • at; • in transit to; or • stored away from, the project site, including • pre-existing property where specifically required.
Additional Benefits To Above Main Benefit		**Additional Protection Events**
Automatic	**Additional cover benefits (Automatic) for:** • certain physical accidental loss of or damage to materials or items to be incorporated into the agreed insured project contract works and belonging to or under the care custody or control of the insured whilst in transit; and/or • materials stored off site during the agreed construction period.	**Cover for certain costs and expenses incurred that arise from the Main Protection Event in relation to:** • increases in the agreed cost of works and materials forming part of it and variation to the project, • the removal and disposal of debris, damaged property or undamaged property necessary to restore or replace damaged property; and • fees of architects, surveyors, consulting engineers and other professional consultants to restore or replace damaged property; • physical accidental loss or damage to pre-existing property at the construction site.
Optional	**Additional cover benefits (Optional):** can be chosen to cover certain necessary and reasonable costs and expenses incurred by the insured that are not otherwise recoverable: • Escalation; • Removal of Debris; and • Professional Fees; • Pre-existing property.	

Main Benefit (Optional)		Main Protection Event
Section 2 – Third Party Liability	Protection for the insured and specified third parties for liability for all sums which they become legally liable to pay by way of compensation in respect of covered personal injury or property damage happening within the agreed geographic limits during the period of insurance caused by an occurrence in connection with the insured project.	Cover for the person and agreed third parties for liability for sums which they become legally liable to pay by way of compensation in respect of personal injury or property damage happening within agreed geographic limits caused by an occurrence in connection with their owner builder insured project.
Additional Benefits To Above Main Benefit		**Additional Protection Events**
Automatic	**Additional Benefits are provided in relation to a valid claim made under the main cover for:** • charges, expenses and legal costs incurred by either us or by the insured person, with our written consent, in the settlement or defence of the covered claim for compensation; • expenses incurred by the insured person for first aid to others at the time of the covered occurrence; • pay expenses incurred for protection of damaged or undamaged property of any third party including temporary repairs at the time of a covered occurrence; and • expenses incurred for the shoring up and or underpinning of damaged and undamaged property of any person(s), at the time of a covered occurrence.	**Cover for:** • charges, expenses and legal costs incurred by in the settlement or defence of a claim arising from a Main Protected Event; • expenses incurred for first aid to others at the time of the Main Protected Event; • expenses incurred for protection of damaged or undamaged property of any third party including temporary repairs at the time of a Main Protected Event; and • expenses incurred for the shoring up and or underpinning of damaged and undamaged property of any person(s), at the time of a Main Protected Event.

NSW
Level 14, 141 Walker Street
North Sydney NSW 2060
Telephone: (02) 9930 9500

SURA Construction Pty Ltd
ABN 35 147 580 756 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 Construction Pty Ltd
is an authorised representative of SURA Pty Ltd
ABN 36 115 672 350
AFSL294313.

Thank you for receiving this document electronically.
SURA Construction Pty Ltd supports positive initiatives for our environment.