

## TARGET MARKET DETERMINATION

### Epsilon Underwriting Agencies

[www.epsiloninsurance.com](http://www.epsiloninsurance.com)

## *Accident and Health: Expatriate Medical & Emergency Insurance*

Effective Date: 5 October 2021

Product	Expatriate Medical & Emergency Evacuation Insurance
Issuer	Epsilon Underwriting Agencies (AFSL: 245612) on behalf of certain Underwriters at Lloyd's of London
Distributor(s)	Licensed insurance Brokers (and their authorised representatives) holding an AFSL approved by Epsilon
Publication Date	5 October 2021
Review Date	Please see heading: Reviewing This Target Market Determination
Distributor's Reporting Requirements	Monthly – (please see heading: 'Review Mechanisms')

AFSL 245612 ABN 68 097 402 134  
Registered Office –  
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Australia

## WHAT IS A TARGET MARKET DETERMINATION?

A Target Market Determination (**TMD**) is prepared by the issuer of the product and aims to provide customers and distributors with sufficient information to understand who the product is suitable for. It also details the distribution conditions for this product, how often the TMD will need to be reviewed, along with the distributor's reporting and record keeping requirements.

## WHY DOES EPSILON NEED TO HAVE A TARGET MARKET DETERMINATION?

As a retail product issuer and AFS licence holder, Epsilon Underwriting is required to adhere to the Design and Distribution Obligations (DDO) defined by ASIC Regulation 274 and The Corporations Act (2001).

## WHAT DO WE TAKE INTO CONSIDERATION WHEN MAKING A TARGET MARKET DETERMINATION?

The questions we ask as part of our target market determination are:

- What are the objectives the product is seeking to meet, what are the customers' needs.
- Product fees and customers capacity to meet financial obligations.
- Risk profile of the product over its lifetime and a customer's capacity to bear losses.
- The complexity of the product i.e., is it easy for a customer to understand.

## BACKGROUND AND PRODUCT OUTLINE

Epsilon Underwriting Agencies Pty Limited (**EPSILON**) underwrites insurance on behalf of certain Underwriters at Lloyd's of London. In performing this function, EPSILON issues an **Expatriate Medical & Emergency Evacuation** Insurance Policy (the product) to customers.

When issuing this product, EPSILON acts as agents for the Underwriters and is authorised to provide only general financial product advice and factual information about the product. Individual customers will need to consider whether this insurance product meets their specific objectives, financial situation and needs. This product is only distributed to customers who have appointed a licensed insurance Broker (or their authorised representatives) to act on their behalf as their agent.

This product provides insurance cover to **Expatriates** (persons residing in a country other than their native country) for Medical and Emergency situations. In general, the product provides Emergency Assistance Services, Medical and Additional Expenses, Emergency Evacuation to employees and other identified persons who suffer an insured event whilst expatriated overseas provided those consumers meet the underwriting guidelines and claims eligibility criteria. Cover may also include benefits for Kidnap, Ransom, Extortion, Highjack/Detention, loss, theft or damage of luggage, along with other benefits offered under the policy.

## TARGET MARKET DETERMINATION

### CLASS OF CONSUMERS COMPRISING THE TARGET MARKET FOR THE PRODUCT

#### **The product is suitable for ('target market')**

The product is suitable for corporate customers (such an Employer; Labour Hire organisation; association of workers (trade/union or profession) who wish to purchase insurance cover for their employees or other identified persons (consumers) (aged 70 and under) against the risks of unforeseen medical expenses incurred whilst expatriated overseas on the business of the Insured customers.

The product is not complex and is appropriate for retail customers who work in occupations and industries that are acceptable to cover under EPSILON'S underwriting guidelines.

**The product is not suitable for ('negative target market')**

The product will likely be inappropriate for consumers who fall outside the product’s underwriting criteria (due to the type of work they do or their claims history) or claims criteria (that is, they are ineligible to make a claim or a policy exclusion applies). This will include consumers who, for example:

- are outside the age limit given above;
- are purchasing the product for a foreseen event;
- are travelling against doctor’s advice or are unfit to travel or have a terminal illness or are travelling overseas for medical treatment or their condition is known to require treatment whilst travelling;
- are travelling against the Department of Foreign Affairs (DFAT) travel advice (unless a travel exemption has been granted).

**HOW WE DISTRIBUTE THIS PRODUCT**

This insurance is issued by Epsilon Underwriting Agencies Pty Ltd (ABN 68 097 402 134) (AFSL 245612) of Suite 1503, Level 15, 1 Market Street, Sydney NSW 2000 on behalf of the insurer.

This product can only be offered and distributed in accordance with the terms and conditions outlined in the relevant PDS which may be amended from time to time). This product is distributed by Licensed Insurance Brokers (and their authorised representatives) holding an AFSL, approved by Epsilon.

**REVIEWING THIS TARGET MARKET DETERMINATION**

We will review this target market determination in accordance with the below triggers:

<b>Initial Review</b>	Within (1) Year of Effective Date
<b>Periodic Review</b>	Within (3) Years of Effective Date
<b>Review triggers /events</b>	Any event or circumstance that arise that may suggest the current Target Market Determination is no longer appropriate the Target Market determination will be reviewed within 10 business days of the follow triggers or events including, but not limited to: <ul style="list-style-type: none"> <li>• Systematic issues across the product lifecycle.</li> <li>• A change in insurance terms or coverage.</li> <li>• Any alteration in acceptance criteria.</li> <li>• The product is deemed to no longer suit the likely objectives, financial situation and needs of the retail client.</li> <li>• Determination by us that a significant dealing or breach has occurred.</li> <li>• Ongoing similar feedback from customers or brokers warrants product review.</li> <li>• Significant changes in metrics i.e. claims data, sales data, complaints, cancellation rates.</li> </ul>

**REVIEW MECHANISMS**

The following reporting will be used to review, assess, and document our Target Market Determination for appropriateness:

<b>Complaints</b>	Complaints are monitored on a monthly basis
<b>Sales Data</b>	Review and analysis of customer and sales data for fluctuation on a monthly basis
<b>Claims Data</b>	Review and analysis of claims data on a monthly basis
<b>Cancellation Rates</b>	Review of cancelation rate in comparison to sales data on a monthly basis

## RELATED PRODUCT DISCLOSURE STATEMENT

Epsilon Underwriting – Expatriate Medical & Emergency Evacuation Insurance

## CONTACT DETAILS

We welcome your questions and comments about our Target Market Determination. If you have any queries, please contact us at:

### **OUR ACCIDENT AND HEALTH SPECIALIST**

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