



G A R D

GARD INSURANCE PTY LTD TRADING AS  
GARD BUS AND COACH INSURANCE  
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## Product Design and Distribution Policy

GARD Insurance Pty Ltd's (referred to as "**we**", "**our**", "**us**") is committed to providing quality insurance products that are suitable for the customers they are intended for. This policy sets out **our** approach to the design, development and distribution of the retail insurance products that **we** distribute on behalf of the insurers that **we** act as agents for. Above all, **we** want to be confident that **we** only distribute insurance products that provide value and fair outcomes to the customers that purchase them

### How we do this

**We** have established processes and procedures that consider:

- the benefits the product is intended to provide to the customer
- the characteristics, objectives, interests and needs of the target market
- the impact that **our** distribution arrangements have on the overall value of the insurance product

**We** make sure that the customer is at the centre of all stages of a product's lifecycle to make sure that it is likely to be consistent with the objectives, financial situation and needs of the class of customers it is being designed for. There are five stages to a product's lifecycle:

#### 1) Design

This is the stage when a new product is devised where **we**, and the insurers **we** act on behalf of, assess the likely objectives, financial situation and needs of a particular class of customers. **We** use a range of information such as market research, experience and expertise, industry data and internal and external information including claims, sales, complaints data and other metrics to develop a suitable market proposition

During this stage of the product lifecycle **our** compliance team reviews the new product, or any proposed changes to existing products, to make sure that the product is suitable for its intended target market and provides fair value. **Our** insurers have overall responsibility for the oversight of the product's lifecycle with the product only released once their agreement has been received

#### 2) Delivery

The next stage once the product is ready for distribution involves a number of steps including:

- preparation of clear, concise and effective disclosure documents
- testing of the new product to make sure it meets the likely objectives, financial situation and needs of the target market
- staff and distributor training
- reviews of systems and processes, including reporting requirements to measure customer outcomes

#### 3) Review

During this stage of the product's lifecycle, **we** undertake regular reviews to make sure that customers are using the product or service features as expected, that it continues to meet customer needs and that it is being distributed to its intended target market. **We** review management information such as new business take up, renewal retention, cancellations and lapses, complaints and claims and share this information with the insurer(s)

In addition to the regular product reviews **we** undertake there may be other circumstances that initiate an ad hoc product review such as changes to regulatory requirements or a change in the supporting insurer(s)

#### 4) Enhancement / modification

A review may result in a number of possible outcomes including:

- no changes are required to the product or the way it is distributed
- the product or its features and benefits may need to be amended
- the target market may need to be modified
- the distribution method is no longer suitable
- the product should be withdrawn

Where the review indicates a change is required, Stage 4 will operate and generally follows the same steps detailed in Stages 1 and 2 above

#### 5) Withdrawal

If the outcome of a review determines that the product is not performing as expected, is no longer meeting the needs of customers in the target market or the product is not being distributed to the intended target market **we** may decide to withdraw the product

### Distribution

**We** distribute **our** products exclusively through licensed insurance brokers under agreed distribution conditions for the target market. Each broker must sign a Terms of Business Agreement that clearly outlines each party's obligations before **we** agree they can distribute the product that **we** issue

**Our** staff undergo product training including the target market it is intended for and the underwriting criteria applicable to the product. Training and support is also provided to **our** distributors to make sure that they understand the type of customers **our** products are suitable for and comply with the distribution conditions detailed in the TMD

### Target Market Determination (TMD)

**We** prepare a TMD for any insurance product that falls within the definition of a retail financial product. The TMD details who the product has been designed for and who it is not suitable for. The TMD also sets out certain events that may suggest to **us** that the product is no longer suitable for its intended target market as well as conditions and restrictions on the distribution of the product and reporting obligations

Where a product review determines that an enhancement or modification is required **we** will review the TMD within ten (10) business days after **we** become aware that a review trigger has been identified. **We** will report any significant dealings that are not consistent with the TMD to ASIC as soon as practicable, but always within ten (10) days, of becoming aware of the significant dealings

A TMD does not form part of the insurance contract and is only intended to help customers understand who the product has been designed for. Customers should read the relevant Product Disclosure Statement (PDS) for full details of the product's feature, benefits, terms, conditions and exclusions. **We** publish our TMDs on **our** website