

TARGET MARKET DETERMINATION: Perpetual Discretionary Aggregate Deductible Fund (Industrial Special Risks Protection)

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| Product: Perpetual Discretionary Aggregate Deductible Fund (Scheme) |
| Product Disclosure Statement: Prepared 30 th September 2023 (PT062023) |
| TMD Commencement Date: 30 th September 2023 |
| Issuer: Aon Risk & Asset Management Pty Ltd (ABN 51 629 413 314) |

INTRODUCTION

This target market determination (**TMD**) has been prepared by Aon Risk & Asset Management Pty Ltd (ABN 51 629 413 314) as the Trustee (**Trustee**) of the Perpetual Discretionary Aggregate Deductible Fund (**Scheme**) and relates to the above-named discretionary risk product issued by the Trustee. This TMD is current as at 30th September 2023.

This TMD is designed to help the members of the Scheme (**Members**) and the Trustee's staff and authorised product distributors understand the class of customers the discretionary protection is most suitable for (**target market**).

References to 'we', 'us' or 'our' means the Trustee as the product issuer and the entity responsible for offering the discretionary protection to Members.

This TMD describes:

- Who the product is suitable for and who it is not suitable for;
- How the product will be distributed to Members;
- How often we will review this TMD and when the next review will occur;
- What events or circumstance may trigger a review of this TMD;
- The information that we need, to decide if the TMD is no longer appropriate; and
- Our reporting obligations for this TMD.

The TMD is not intended to provide financial advice and does not form part of the terms of protection. In addition to the key eligibility requirements outlined in this TMD, the product is subject to acceptance criteria as determined by the Trustee from time to time.

When considering whether to purchase discretionary protection, please refer to the Perpetual Discretionary Aggregate Deductible Fund Product Disclosure Statement and Protection Wording (**Disclosure Document**) to decide whether the product is right for you.

Please use the Disclosure Document to understand the meaning of any capitalised terms used in this TMD which are not defined in this document.

EFFECTIVE DATE AND OPERATION OF TMD

The effective date of this TMD is 30th September 2023 (**Effective Date**). The TMD will apply to the Industrial Special Risks Protection issued to Members on or after the Effective Date until it is replaced or withdrawn. We may review this TMD at any time.

PRODUCT DESCRIPTION AND TARGET MARKET

Product Description

The Industrial Special Risks Protection provides protection for physical loss, damage or destruction to all tangible property (both real and personal) and business interruption and interference protection. There is additional protection for loss of or damage to money which occurs within the property, whilst in transit and in certain other scenarios.

Additional included protection is provided for (but is not limited to) the following:

- Accidental Damage;
- Professional fees;
- Temporary accommodation expenses;
- Replacement of locks and/or keys;
- Removal of debris;
- Additional Green Standards costs;
- Emergency services;
- Landscaping;
- Clearing and/or repairing drains; and
- Power failures.

Further protection is available under this product.

Industrial Special Risks Protection is subject to per event and aggregate limits, sub-limits, terms, conditions and exclusions. Refer to the Disclosure Document for full details.

Industrial Special Risks Protection is a discretionary risk product. It is not a contract of insurance and may not be suitable for people who require a contract of insurance.

Who Industrial Special Risks Protection is suitable for

Industrial Special Risks Protection has been designed for Members of the Scheme. Membership is restricted to Perpetual Trustee Company and Perpetual Trustees Australia Limited and any subsidiary and related body corporate of either of them as defined under the Corporations Act.

The protection is for those entities in the Perpetual company group who require protection for property they hold in trust as a trustee, executor, guardian, custodian and/or financial manager (**trustee and custodial activities**) and for interruption or interference to their business relating to their trustee and custodial activities.

It is suitable for Members of the Scheme who:

- Are a part of the Perpetual company group and own properties on trust as part of their trustee and custodial activities; and
- Require protection for property/building and certain contents against physical loss, damage or destruction and who are also looking for protection for business interruption and interference for their trustee and custodial activities;
- Do not already have an insurance covering these risks and will also be holding an insurance policy which covers them for claims in excess of the Aggregate Deductible limits described in the PDS (referred to in the PDS as Insurance Cover); and
- Understand the basis on which discretionary protection is provided and content with the Trustee exercising its discretion to pay claims for property damage and business interruption and interference.

Who Industrial Special Risks Protection is not suitable for

Industrial Special Risks Protection is not suitable for anyone who:

- Is not a Member of the Scheme, not a member of the Perpetual company group or is not eligible to or willing to become a Member of the Scheme.
- Is seeking cover for damage to or theft of property (other than money) in transit.

- Is seeking cover for damage caused by or in connection with a Communicable Disease or a Cyber Loss.
- Is seeking cover for damage to or theft of building materials, watercrafts, locomotives, rolling stock, motor vehicles, trailers and aircraft.
- Is seeking coverage for any legal liability.
- Is seeking coverage for buildings and property that are under construction.
- Is not located in Australia or is seeking to cover properties located outside of Australia.
- Is seeking or requires an insurance policy (e.g. where required by law), noting that this product is only suitable where it is purchased in conjunction with the Member also having protection as an insured under the Insurance Cover.
- Already holds other risk products which adequately protect them for building property damage and business interruption relating to their trustee and custodial activities, including by way of insurance.

Industrial Special Risks Protection is designed for those whose likely objectives, financial situation and needs are described below.

| Likely objectives, financial situation, and needs | |
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| Objectives | People in the target market are companies who carry on a trustee or custodial activities business and are within the Perpetual company group. They are looking to protect themselves against physical loss, damage or destruction to their property or the resultant business interruption. |
| Financial situation | People in the target market are companies who require additional financial protection due to the constraints of the insurance market in fully insuring all of the trust assets and their business without a large excess/deductible. Without the financial protection provided by the product they are likely to experience a financial shortfall and burden for uninsured losses if the property they hold in trust or their business of trustee and custodial activities is affected by physical loss, damage or destruction to that property. |
| Needs | People in the target market will be looking for discretionary protection that will help them to manage the risks of underinsurance and assist them in accessing protection for the buildings and property they hold on trust and business interruption risk as a result of physical loss, damage or destruction to property, where it is prudent for them to have a risk protection program which protects them from legal liability arising from those trustee and custodial activities. |

Industrial Special Risks Protection is only suitable for a person with the objectives, financial situation and needs described above because:

- It provides protection for the types of loss or damage events that people in the target market are seeking to be protected against; and
- It is designed for people who require protection with the key attributes described above.

DISTRIBUTION OF THIS PRODUCT

This product is distributed by Aon Risk Services Australia Pty Ltd under an intermediary authorisation with the Trustee and offers are made to Members at the request of Perpetual Trustee Company Limited, as the promoter of the Scheme (**Promoter**).

We have conditions in place to help ensure that Industrial Special Risks Protection is only sold to people in the target market. These conditions include:

- Industrial Special Risks Protection is only available to entities within the Perpetual company group who meet the eligibility criteria to become a Member and come within the target market set out in this TMD – it is not available to anyone else;

- Those involved in offering to arrange Industrial Special Risks Protection are appropriately trained, understand the market this product is designed for and how to identify people within and outside of the target market; and
- Internal processes and systems are in place to support the distribution of Industrial Special Risks Protection to people in the target market.

REVIEWING THIS TMD

This TMD will be reviewed no later than 1 year from the Effective Date. We will then review this TMD annually to ensure it remains appropriate. This TMD will be reviewed earlier if any event or circumstance occurs that would reasonably suggest that the target market is no longer appropriate, or this product is no longer consistent with the likely objectives, financial situation and needs of people in the target market. These events or circumstances are called **review triggers**.

A review trigger might be where:

- There is a material change to this product, including to the benefits or exclusions;
- There is a relevant and significant change or event affecting a reasonable proportion of people in the target market (e.g. a change in law or regulation);
- There are changes to how this product is distributed;
- There is a pattern of complaints or feedback relating to the appropriateness of this product for the target market;
- Trends in claims suggest that this product is not performing appropriately for the target market;
- There is a reportable significant dealing in this product;
- Significant changes in metrics, including but not limited to member benefit cancellations, lapses in renewals, claims, complaints, and loss ratios;
- There is a material defect in the Disclosure Document for the product which reasonably suggests that the TMD is no longer appropriate; or
- Feedback, orders or directions from a regulator or external dispute resolution body like AFCA that suggests this TMD is no longer appropriate.

This TMD will be reviewed within 10 business days of the occurrence of any of the review triggers above.

REPORTING

We record all complaints that we receive about Industrial Special Risks Protection. Our authorised product distributors and the Promoter must provide written details of any complaint received about this product within 10 business days after each Complaints Reporting Period.

For the purpose of this TMD, each 6-month period from the Effective Date is a Complaints Reporting Period. If a product is sold to a person that is not within the target market (i.e. a significant dealing), this must be reported to us within 10 business days of the date on which our authorised product distributors or the Promoter become aware of the sale.

RECORDS

We will keep records of any actions that are taken to make sure Industrial Special Risks Protection is distributed only to people within the target market. We will also keep records of any decisions and reasons for:

- Any changes to the TMD for Industrial Special Risks Protection ;
- How the review triggers were set;
- The steps taken to decide if a review trigger has taken place; and
- How often this TMD is reviewed.