

## Target Market Determination (TMD)

**Product:** Marine Cargo Insurance (Open & Single Transit)

**Issuer:** Sage Financial Services Pty Ltd (ABN **165 096 846**) | AFSL [**519564**])

**Effective Date:** 1 January 2026

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### 1. Target Market

This product is designed for businesses and individuals who have an insurable interest in goods being transported (domestically or internationally) and seek to protect themselves against financial loss arising from damage or loss of those goods.

#### Likely Objectives and Needs

- **Asset Protection:** To protect the capital value of goods while in the ordinary course of transit via sea, air, road, or rail.
- **Contractual Compliance:** To satisfy "Incoterms" requirements (e.g., CIF or CIP) in commercial sales contracts.
- **Financial Stability:** To mitigate the risk of "General Average" contributions (shared losses in maritime law) which can be financially devastating.

#### Likely Financial Situation

- **Businesses (SMEs to Corporates):** Who can afford the premium and have the financial capacity to bear the "excess" (deductible) in the event of a claim.
- **Individuals:** Moving high-value personal effects or motor vehicles internationally/domestically.

#### This product is NOT suitable for:

- Exporters/Importers shipping **prohibited or illegal cargo**.
- Shipments to/from **sanctioned countries or individuals** (as defined by UN).
- Customers seeking cover for wear and tear, inherent vice of the product or other generally excluded events.

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### 2. Product Attributes & Consistency

Product Attribute	Why it is consistent with the Target Market
Institute Cargo Clauses (A)	Provides "All Risks" cover, suitable for goods [often med-high value] where maximum protection is needed.
Institute Cargo Clauses (B)	Provides limited "Named Perils" cover, suitable for bulk/non fragile type commodities or customers with high risk-retention.
General Average Cover	Essential for any sea freight to protect the customer from legal requirements to pay for the ship's saved cargo.

<b>Product Attribute</b>	<b>Why it is consistent with the Target Market</b>
<b>Door-to-Door Transit</b>	Aligns with modern supply chains where risk starts at the warehouse, not just the wharf – subject to commercial terms agreed between buyer-seller.

### 3. Distribution Conditions

This product is to be distributed only through the following channels:

- **Authorised Brokers:** Representatives of Sage Financial Services who have completed Marine Insurance Product Training.
- **Direct via Online Portal:** Only where "filtering questions" are in place to ensure the customer falls within the Target Market (e.g., "Is the cargo hazardous?").
- **Via Authorised Distributor[s].** Only where the distributor uses the QuickQuote online underwriting platform, has completed the Distributors Agreement, undertaken training around not offering advice, and provides the system generated documentation to insureds.

**Restriction:** This product cannot be sold via general retail "add-on" channels (like a generic checkout) without a specific Marine Cargo needs analysis.

### 4. Review Triggers

Sage Financial Services will review this TMD if any of the following occur:

- **Claim Ratios:** A significant increase in declined claims or "out of scope" claim applications.
- **Complaints:** More than 10 complaints regarding product complexity or "lack of cover" in a quarter.
- **Regulatory Change:** Changes to the *Corporations Act* or ASIC guidance affecting marine insurance.
- **Significant Dealing:** If Sage becomes aware of a "significant dealing" outside the target market.

### 5. Reporting Periods

Distributors must report the following information to Sage Financial Services:

<b>Information to be Reported</b>	<b>Reporting Period</b>
<b>Complaints:</b> Number and nature of complaints.	Quarterly (within 10 business days of end of quarter).
<b>Significant Dealings:</b> Any sale to a customer clearly outside the TMD.	As soon as practicable (within 10 business days).
<b>Refunds/Cancellations:</b> Rates of "cooling-off" period cancellations.	Semi-annually.