Target Market Determination (TMD)
– Millennium Residential Strata Title Insurance –

Effective Date: 30 October 2026

Product: Millennium Residential Strata Title Insurance (the **Product**)

Issuer: Tokio Marine & Nichido Fire Insurance Co., Ltd. (ABN 80 000 438 291 AFSL 246548) (**Tokio Marine**) is the insurer and issuer of this Product. Tokio Marine Management (Australasia) Pty Ltd (ABN 69 001 488 455, AR 1313066) (**TMMA**) is Tokio Marine's managing agent and corporate authorised representative acting on Tokio Marine's behalf to provide policies and handle and settle claims in relation to those policies, subject to the terms of the authority.

About this document

This TMD applies to the Product as described in the 'Millennium Underwriting Agencies Residential Strata Title Insurance Product Disclosure Statement and Policy Wording (**PDS**)' issued by Tokio Marine and purchased on or after 30 October 2026. In this document, Tokio Marine may also be expressed as 'we', 'us' or 'our'.

This TMD describes the class of customers that the Product has been designed and is suitable for, having regard to their likely needs, objectives and financial situation. The TMD also sets out the conditions and restrictions that are placed on the distribution of the Product, the circumstances that will trigger a review of this TMD and the review periods, and the type of information that the distributors are required to provide to us in their reporting, and reporting frequency.

This TMD does not replace the full terms and conditions that are contained in the PDS. Customers should refer to the PDS to understand the precise scope of the insurance cover provided by the Product, before making a decision about whether to purchase it.

This TMD does not provide any financial product advice and it does not take into consideration the objectives, financial situation and needs of individual customers.

Product description

The Product provides cover against damage to the Building(s) and Common Contents (both as described in the PDS) that form part of a registered residential Strata Scheme or Unit Title Scheme (referred to as the **Strata Building(s) and Common Contents**) if damaged or destroyed by a sudden, unexpected and accidental occurrence.

The Product can also provide optional cover with respect to:

- Flood – for loss or damage to the Strata Building(s) and Common Contents caused by flood
- Catastrophe – for additional costs incurred in repairing or replacement of the Strata Building(s) due to a catastrophic event
- Legal Liability – for liability for personal injury or property damage as owner of the Strata Building(s) and Common Contents
- Fidelity Guarantee – for loss of Body Corporate Funds

- Personal Accident for Voluntary Workers – for injury to volunteers while working for the Body Corporate
- Office Bearer's Liability and Legal Expenses – for liability arising from wrongful acts of officeholders of the Body Corporate

Optional covers are subject to our underwriting and acceptance criteria. This means we may decline to offer an optional cover based on our underwriting assessment. An additional premium is payable for each optional cover.

All covers are subject to the terms and conditions, limitations and exclusions set out in the PDS.

Target market

Key eligibility criteria	✓The Product is appropriate for	×The Product is not appropriate for
Customers	Customers who are a Body Corporate or owners of the Strata Building(s) and Common Contents as incorporated or registered in terms of Strata Title Legislation.	- Customers who do not own a registered residential Strata Scheme or Unit Title Scheme; and - Customers who are a body corporate where its strata property is intended primarily for commercial use.
Applicable Strata Buildings	Strata Building(s) which: - are used primarily for residential purposes; - are located in Northern Territory of Australia, and in a location accepted by Tokio Marine; - meet the requirements defined by Strata Title Legislation; - are well-maintained, watertight, structurally sound, and secure; and - are not under construction, vacant, and/or undergoing demolition.	Strata Building(s) which: - are not used primarily for residential purposes; - are not located in Northern Territory of Australia or are in any location not accepted by Tokio Marine; - do not meet the requirements defined by Strata Title Legislation; - are not well-maintained, watertight, structurally sound, and secure; and - are under construction, vacant, and/ or undergoing demolition.

Likely needs, objectives and financial situation of customers

Tokio Marine considers that the Product is likely to be consistent with the likely needs, objectives and financial situation of the target market because:

- it provides insurance cover for Strata Building(s) and Common Contents;
- it can provide optional cover for liability exposures and other risks commonly faced by the body corporate of a residential strata scheme (subject to the PDS terms);
- distributors of the Product are appropriately trained; and
- brokers assess the suitability of the Product for insureds.

Likely needs and objectives	Key Product features or attributes
Building and Common Contents Cover Require financial protection for accidental loss or damage to: • the Strata Building(s); and • the Strata Common Contents (both as defined in the PDS), that form part of a registered Strata Scheme or Unit Title Scheme.	The Product provides cover for damage to the Strata Building(s) and Common Contents, not otherwise excluded by the policy. The Product has an optional extension for cover for damage caused by Flood.
Optional Catastrophe Cover Require financial protection for additional costs incurred in repairing or replacing a Building in a state of emergency or disaster.	The Product can provide cover for additional repair and replacement costs for Building damage caused by an event that leads to the declaration of a state of emergency.
Optional Legal Liability Cover To reduce unexpected financial costs which they become legally liable to pay in respect of: • Personal Injury, • Property Damage, or • other covered liability or loss as described above, as a result of an occurrence in connection with the ownership of the property.	The Product can provide cover for legal liability arising from an occurrence in connection with the ownership of the Strata Building(s) and Common Contents during the period of insurance.
Optional Fidelity Guarantee Cover Require financial protection for loss of Funds.	The Product can provide cover for the loss of Funds as a result of an event such as theft or fraud.
Optional Personal Accident (Voluntary Workers) Cover Require financial protection for Voluntary Workers who suffer bodily injury while performing work for the Body Corporate.	The Product can provide fixed benefit payments to Voluntary Workers who are injured while carrying out authorised work, for defined events such as death, permanent disability or loss of sight.
Optional Office Bearer's Liability and Legal Expenses Insurance Require protection for Office Bearers and the Body Corporate against claims arising from Wrongful Acts or legal expenses in authorised litigation.	The Product can provide cover on a *claims made and notified basis* for: • Claims against Officers arising from Wrongful Acts; • Claims against the Body Corporate where it indemnifies an Officer or is vicariously liable; and

	• Legal expenses incurred in Authorised Litigation connected with the conduct of the Body Corporate's affairs.
Likely financial situation of customer	**Key Product features or attributes**
Customers who have financial capacity to pay premiums for the covers selected (which may vary from time to time) in accordance with the relevant premium structure.	Customers purchasing their policy must pay the total premium in one annual payment.

Other key Product attributes

Key limits	
Building and Contents Sum Insured	Claims in relation to the repair, reinstatement or replacement of Strata Building(s) and Common Contents are subject to an applicable Sum Insured limit as set out in the Schedule.
Building and Contents fulfilment options	Claims relating to Building(s) and Common Contents may be fulfilled either by repair, reinstatement or replacement. The quantum of any claim for reinstatement or replacement of a Strata Building(s) may include consideration of other factors, as set out in the PDS.
Optional Cover Limits	Claims in relation to optional covers are subject to the maximum insured limits / liability limits set out in the Schedule. Other claims limitations and conditions are specified in the PDS.
Key exclusions	

Key exclusions	**Building(s) and Common Contents Cover**
	
	Strata Building(s) and Common Contents cover has specific exclusions, including:
	
	• loss or damage to property that does not form part of the Strata Building and Common Contents; and
	• loss or damage arising directly or indirectly from:
	  ○ flood (unless covered under optional Flood Cover)
	  ○ actions of the sea, high water, or tidal wave (unless caused by a tsunami)
	  ○ erosion, subsidence, landslide, earth movement or collapse (unless caused by an earthquake or seismological disturbance or a flood if covered under the optional Flood Cover);
	  ○ wear and tear; or inherent vice or latent defect; and

	mechanical, hydraulic, electrical or electronic breakdown, failure or malfunction unless covered by the fusion/ damage to electric motors benefit. **Optional Covers** All optional covers are subject to certain exclusions and limits as specified in the PDS and Schedule.
Other key terms	
Excess	Claims are subject to the payment of premium and excess as specified in the PDS and Schedule.
Loss of rent/ temporary accommodation	If any unit in a Strata Building cannot be occupied as a result of loss or damage that is insured under Building(s) and Common Contents cover, that cover also covers: • the reasonable costs of Temporary Accommodation for any Unit Owner that occupies an affected unit or lot; or • loss of rent when the unit or lot is leased to a tenant, whilst that unit cannot be occupied, subject to the monetary limit as set out in the Schedule.
Additional benefits	Several additional benefits, for instance, debris removal, are included in the Building(s) and Common Contents cover. These additional benefits are subject to monetary limits.

Distribution conditions and restrictions

Tokio Marine has taken reasonable steps that will, or are reasonably likely to, result in distribution of the Product being consistent with this TMD.

The following conditions apply to the distribution of the Product:

- the Product is issued on behalf of Tokio Marine by Millennium Underwriting Agencies Pty Ltd (**Millennium**) and can only be arranged by insurance brokers and their representatives that are licensed or authorised under an Australian Financial Services License and have an established trading relationship with Millennium;
- each risk is subject to approval by Tokio Marine;
- distributors must take reasonable steps to ensure the Product is distributed to customers in the target market as described in this TMD;
- the Product must not be distributed if this TMD is not up to date; and
- this TMD must be current and not subject to any ASIC action or other circumstances that might reasonably suggest it is no longer appropriate.

Reporting

Distributors including Millennium, must report to Tokio Marine:

- quarterly - on complaints received in relation to the Product including the number of complaints received;
- quarterly – on relevant sales and customer data in relation to the Product;
- as soon as practicable and within 10 business days - on distribution of the Product outside the target market or any significant dealing in relation to the Product;
- as soon as practicable and within 10 business days - if they become aware of any information to suggest that this TMD is no longer accurate or appropriate.

TMD review triggers

This TMD will be reviewed within one year of the effective date, and then a further review will occur at least once every two years of the last review date. This TMD will also be reviewed if any of the following events or circumstances occur that suggest that it is no longer appropriate:

- there is a material change to the terms and conditions of the Product or to the underwriting criteria or application process;
- there is a material change to how the Product is distributed;
- changes in the law or regulatory guidance or industry code that materially affect the terms of cover, or the receipt of feedback from distributors, regulators, the General Insurance Code Governance Committee or the Australian Financial Complaints Authority that suggests that the TMD is no longer appropriate;
- the occurrence of a significant dealing of the Product outside of the target market;
- there are significant changes in customer metrics that track sales, policy cancellations, claims, complaints, customer feedback and loss ratios;
- the identification of any systemic issues produced from internal quality assurance and product governance processes; or
- relevant external events such as relevant court proceedings, political and global events or adverse media coverage.