**Target Market Determination**

For  *Art Dealers ADX21 (WD-APC-LBS-ADX21)*

1. **About this document**

This target market determination (TMD) is designed to help consumers, distributors, and staff understand the class of consumers that this product has been designed for, having regard to the objectives, financial situation, and needs of the target market.

This TMD is not a full summary of the *Art Dealers ADX21* terms and conditions and is not intended nor designed to provide financial advice. Customers should refer to the Product Disclosure Statement and any supplementary documents which outline the relevant terms and conditions of the *Art Dealers ADX21* when making a decision about purchasing this product.

*Art Dealers ADX21* is underwritten by Hiscox Syndicates Limited and, where shown on the schedule, certain underwriters at Lloyd’s (managed by Hiscox Syndicates Limited) and third-party insurers. Where the policy is underwritten in part by others, we act as agent for such underwriters and insurers.

Hiscox is covered by the Financial Services Compensation Scheme (FSCS). If we cannot meet our obligations you may be entitled to compensation from the scheme. Full details are available at www.fscs.org.uk.

Hiscox Syndicates Limited is registered in England (no. 02590623) at 1 Great St Helen's, London EC3A 6HX. We are authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (Financial Services Register number: 204924). You can check our details on the Register by visiting https://register.fca.org.uk/.

Hiscox Ltd indirectly owns 100% of Hiscox Syndicates Limited.

**Product Disclosure Statement to which this target market determination applies**

This TMD applies to the *Art* *Dealers* *ADX21* referred to in the following *Product Disclosure Statement*:

* [*Art Dealers ADX21 Product Disclosure Statement*]

**Date from which this target market determination is effective**

1st January 2023

1. **Class of consumers that fall within this target market**

The *Art Dealers ADX21* wording has been designed for all sized art dealers whose likely objectives, financial situation and needs (as listed below) are aligned with the product (including the key attributes). The *Art Dealers ADX21* is for those who:

* Policyholders who are dealers, sellers or distributors of art and collectibles and want to protect against loss of or damage to their stock, contents, and money.

**Product description and key attributes**

The key eligibility requirements and product attributes of the *Art Dealers ADX21* are:

* Dealers, sellers or distributors of art and collectibles who are domiciled in Australia and who want to protect against loss of or damage to their stock, contents, and money.
* Key attributes include:
* Coverage for stock and contents for their cost price plus an uplift or selling price less a discount specified in the risk details of the policy and as requested by the insured and agreed by the underwriter;
* Coverage is on an ‘all risks’ basis subject to the policy terms, conditions and exclusions. This means that the insurance covers all types of damage unless specifically excluded.

**Objectives and needs**

This product has been designed for dealers, sellers or distributors of art and collectibles who:

* who want to protect against loss of or damage to their stock, contents, and money.

This product has not been designed for:

* Individuals who would like to insure their private fine art or collectibles against physical loss or damage
* Dealers, sellers or distributors of any non-collectible goods
* Business that are not dealers, sellers or distributors of art and collectibles

**Financial situation**

This product has been designed for dealers, sellers or distributors of art and collectibles who:

* Are able to pay the premium (inclusive of applicable taxes) for the relevant period of cover.

**Consistency with the target market ­­**

Hiscox thinks that the *Art Dealers ADX21* is consistent with the target market and will likely meet the needs of those in the target market. This is because the target market consists solely of dealers, sellers or distributors of art and collectibles and the *Art Dealers ADX21* provides cover for physical loss or damage to stock and contents during the period of insurance.

1. **How this product is to be distributed**

**Distribution channels**

The *Art Dealers ADX21* is designed to be distributed through the following means:

* Through Hiscox approved retail and wholesale brokers.

**Distribution conditions**

The *Art Dealers ADX21* should only be distributed under the following circumstances:

* via experienced fine art brokers who have a demonstrably clear understanding of the target consumer demographic and who are suitably qualified to collect each customer’s information and assess that information.

The distribution conditions will make it likely that customers (both consumer and non-consumer) who acquire the product are in the target market because the experienced fine art brokers can assess the information they have collected to determine the customer’s objectives and financial situation, and ultimately, their individual insurance needs. Furthermore Hiscox undertakes annual audits during which the suitability of customers who acquire the product is monitored.

1. **Reviewing this target market determination**

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

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| **Initial review** | Within five years of the effective date.  |
| **Periodic reviews** | At least every five years from the initial review. |
| **Review triggers or events** | Any event or circumstances arise that would suggest the TMD is no longer appropriate. This may include (but not limited):   * a material change to the design or distribution of the product, including related documentation;
* occurrence of a significant dealing;
* distribution conditions found to be inadequate;
* a change in relevant law or regulations;
* external events such as adverse media coverage or regulatory attention; and
* significant changes in metrics, including, but not limited to, complaints, referrals to the ombudsman, and claims data.
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Where a review trigger has occurred, this target market determination will be reviewed within 10 business days.

1. **Reporting and monitoring this target market determination**

We may collect the following information from our distributors in relation to this TMD.

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| **Complaints** | Distributors will report all complaints to insurers on an individual basis within 30 days. |
| **Significant dealings** | Distributors will report if they become aware of a significant dealing in relation to this TMD within 10 business days. |