

What is this Product?

This product (“Protection”) is a discretionary miscellaneous financial risk product issued by Capricorn Mutual Limited (“CML”).

The Protection comprises up to eighteen business and personal types of protection.

“Discretionary” means CML exercises its discretion both to issue Protection to Members, and to grant or not grant indemnity if a claim is made. Protection is not insurance.

What customer need is met by this Protection?

CML Members can protect their business and personal assets against loss or damage, and liability.

For whom is Protection designed?

Protection may only be held by CML Members and is restricted to Australian or New Zealand persons, corporations, organisations or entities admitted to membership of CML in accordance with its Constitution who are:

- i. Shareholders of Capricorn Society Limited (“CSL”);
- ii. Persons holding a CSL Trading Account; or
- iii. Associates of persons in i-ii. approved by CML,

provided each person pays the annual CML subscription and contributions.

For CML Members, Protection is designed for those who:

- ✓ have businesses primarily in the automotive industry;
- ✓ agree with the values of a discretionary mutual organisation;
- ✓ require protection for their assets and liability;
- ✓ value CML’s personalised account management service; and
- ✓ prefer not to self-insure or have failed to find a better alternative in the general insurance market.

For whom is Protection not designed?

Protection is not designed for those:

- ✗ ineligible for CML Membership; or
- ✗ seeking a type of protection not issued by CML, e.g: Workers Compensation; Management Liability; Directors and Officers; Personal Accident and Illness.

Note: As outlined in the CML Product Disclosure Statement (PDS), CML currently offers fifteen types of business protection and three types of personal protections. Even if persons are eligible for Protection and it is designed for them, not all types of protection may be appropriate given their individual circumstances (for example, where a person does not have the particular kind of asset the type of protection relates to).

CML reserves the right to not accept an application for Protection where the circumstances of the applicant do not align with CML’s overall business strategy and approach.

How does CML sell Protection?

Capricorn Risk Services Pty Ltd (“CRS”) and Capricorn Mutual Management Pty Ltd (“CMM”) are Corporate Authorised Representatives (CARs) authorised by CML to promote, distribute, and service CML Protection. CAR employees may sell CML Protection to Members face to face, by telephone and electronically.

The CARs maintain a register of complaints related to the product including those regarding its distribution. They report any complaints bimonthly to CML.



When would this Target Market Determination (TMD) change?

A review of this TMD would be immediately triggered if:

- a Constitution clause pertaining to CML membership is altered;
- CML changes its Protection offer, either increasing or decreasing the types of protection;
- CML discovers protections are being issued to persons outside the bounds of this TMD;
- CAR distribution arrangements are amended or ended;
- there are a material number of significant dealings that are inconsistent with this TMD;
- there is a material increase in complaints about the content of this TMD; or
- a request or direction to review this TMD is received from ASIC.

Unless CML is already aware, the CARs must report any changes to CML within three business days.

Finally, CML reviews this document at least annually. All reviews are completed within two months.

About this document

The *Corporations Act 2001* (Cth) requires a written TMD be publicly available that:

- describes the class of clients that comprise the target market of the product;
- imposes conditions or restrictions on distribution of the product;
- describes triggers indicating a review of the TMD is needed; and
- includes a review period.

This TMD does not purport to replace the detailed information contained in the PDS.

When using this TMD, Members should consider their situation and whether or not they fall within our target market, as well as assess their needs against the Protection and distribution method described.

This TMD does not contain financial product advice and does not supplement or replace the terms of, and disclosures made in, the PDS.

Members should refer to the applicable PDS and CML Rules and Constitution when making a decision about Protections.

This Target Market Determination was approved on 5 October 2023

